

**City of La Porte
General Debt Service Fund (004) Summary**

<i>Working Capital 9/30/04</i>	1,584,497
Plus Estimated 04-05 Revenues	1,910,768
Less Estimated 04-05 Expenditures	2,190,670
<i>Equals Estimated Working Capital 9/30/05</i>	1,304,595
Plus 05-06 Revenues:	
General Property Taxes - Current	1,539,489
General Property Taxes - Delinquent	35,000
Transfer from Section 4B	740,060
Interest Income	25,000
Total Revenues	2,339,549
<i>Equals Total Resources</i>	3,644,144
Less 05-06 Expenditures:	
1998 General Obligation Bonds	201,406
2000 Certificates of Obligation	283,844
2000 General Obligation Bonds	269,550
2002 General Obligation Bonds	504,158
2004 Certificates of Obligation	470,510
2005 New Issues	461,203
Total Expenditures	2,190,671
<i>Equals Estimated Fund Balance 9/30/06</i>	1,453,473

	Estimated 2004-05	Projected 2005-06
Revenues	1,910,768	2,339,549
Expenditures	2,190,670	2,190,671
Estimated Fund Balance Usage	(279,902)	148,878

City of La Porte
Utility Debt Service Fund (007) Summary

<i>Working Capital 9/30/04</i>	2,570,832
Plus Estimated 04-05 Revenues	650,840
Less Estimated 04-05 Expenditures	608,161
Less Reclassification of designation of Fund Balance	2,231,799
<i>Equals Estimated Working Capital 9/30/05</i>	381,712
Plus 05-06 Revenues:	
Transfer from Utility Fund	352,562
Interest Income	50,000
Total Revenues	402,562
<i>Equals Total Resources</i>	784,274
Less 05-06 Expenditures:	
1994 Revenue Refunding Bonds	148,806
1998 Revenue Bonds	143,906
2005 New Issues	89,000
Total Expenditures	381,712
<i>Equals Estimated Fund Balance 9/30/06</i>	402,562

	Estimated 2004-05	Projected 2005-06
Revenues	650,840	402,562
Expenditures	608,161	381,712
Estimated Fund Balance Usage	42,679	20,850

City of La Porte
La Porte Area Water Authority Debt Service Fund (017) Summary

<i>Working Capital 9/30/04</i>		-
Plus Estimated 04-05 Revenues		771,588
Less Estimated 04-05 Expenditures		771,588
		771,588
<i>Equals Estimated Working Capital 9/30/05</i>		-
Plus 05-06 Revenues:		
Billings to Cities	771,719	
Total Revenues	771,719	771,719
<i>Equals Total Resources</i>		771,719
Less 05-06 Expenditures:		
1999 Refunding Bonds	771,719	
Total Expenditures	771,719	771,719
<i>Equals Estimated Fund Balance 9/30/06</i>		-

	Estimated 2004-05	Projected 2005-06
Revenues	771,588	771,719
Expenditures	771,588	771,719
Estimated Fund Balance Usage	-	-

Long Range Service Plan
For the
General Debt Service Fund
Utility Debt Service Fund
and the
La Porte Area Water Authority Debt Service Fund

Prepared September 14, 2005

City of La Porte, Texas

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City Manager

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Note to the Reader

This report contains the long range (next eight years) forecast of the activities of the Debt Service Funds of the City of La Porte. The City currently has three major categories of Debt Service Funds. They are:

General Debt Service Fund - used to account for debts, primarily General Obligation Bonds, which are backed by the full faith and credit of the City of La Porte. In 1999, the voters approved a Section 4B ½ Cent Sales Tax. The City has issued Certificates of Obligations to fund approved projects and retire the debt using the proceeds of the sales tax.

Utility Debt Service Fund - used to account for debts, primarily Revenue Bonds that are backed by the revenues of the City of La Porte Water/ Wastewater operation.

La Porte Area Water Authority Debt Service Fund - used to account for debts issued by the La Porte Area Water Authority in its mission to provide surface water to the City. The City is responsible for approximately 85.6% of the debt and it is funded from the Utility Fund.

A summary of existing debt payments for the next eight years is:

Year	<u>General</u>	<u>Utility</u>	<u>Authority</u>	<u>Total</u>
2004-05	2,190,670	608,161	771,588	3,570,419
2005-06	2,421,752	292,712	771,719	3,486,183
2006-07	2,387,585	138,562	760,700	3,286,847
2007-08	2,347,556	133,156	758,531	3,239,243
2008-09	2,312,863	127,719	750,069	3,190,651
2009-10	2,285,240	-	740,456	3,025,696
2010-11	2,283,439	-	735,513	3,018,952
2011-12	2,254,987	-	736,163	2,991,150
2012-13	2,225,477	-	741,288	2,966,765

A summary of existing and potential debt payments for the next eight years is:

Year	<u>General</u>	<u>Utility</u>	<u>Authority</u>	<u>Total</u>
2004-05	2,190,670	608,161	771,588	3,570,419
2005-06	2,421,752	381,712	771,719	3,575,183
2006-07	2,387,585	352,562	760,700	3,500,847
2007-08	2,347,556	814,656	758,531	3,920,743
2008-09	2,312,863	794,219	750,069	3,857,151
2009-10	2,285,240	651,500	740,456	3,677,196
2010-11	2,283,439	636,500	735,513	3,655,452
2011-12	2,254,987	621,500	736,163	3,612,650
2012-13	2,225,477	606,500	741,288	3,573,265

General Debt Service Fund

GENERAL DEBT SERVICE FUND

This fund accounts for General Obligation Bond Debt which are primarily funded from Tax Revenues and for Certificates of Obligations which are primarily funded from Sales Tax Revenues.

The following pages outline a financial plan for the servicing and retirement of General Debt for the City of La Porte for the next eight fiscal years.

In discussions relating to the Debt Service Fund, the terms Fund Balance and Working Capital are construed to have the same meaning, which is, funds available to retire debt.

The Debt Service Fund is to maintain a minimum Working Capital Balance of 60 days of debt requirements. This cushion is desired in the event a problem exists with the tax roll that requires a late mailing of tax bills.

The assumptions included in the projection are:

1. A tax rate for all years is 9.7 cents per \$100 valuation,
2. Interest will be earned at an average rate of 2%,
3. The estimated taxable value of the City will increase by 2% each year,

Note: As of August 1, 2002, the balance of the 1985 bond election is as follows (amounts in thousands):

	Amount Voted	Amount Issued	Amount Remaining
Street Improvements	\$ 2,500	\$ 2,000	\$ 500
Drainage Improvements	3,000	3,000	0
Sanitary Land Fill	4,000	2,500	1,500
Park Improvements	2,500	2,500	0
Gymnasium	1,500	1,500	0
Fire Station	550	550	0
Fire Training Facilities	1,500	1,500	0
Total	\$15,550	\$13,550	\$ 2,000

Computation of Legal Debt Margin

The City has no general obligation legal debt limit other than a ceiling on the tax rate as specified by the State of Texas. The prescribed maximum is \$2.50 per \$100 appraised valuation, calculated as follows:

Total assessed value		1,574,061,801
Times debt limit factor (2.50 per 100)		<u>.025</u>
Equals debt limit		39,351,545
Less amount applicable to debt limit	17,325,000	
Plus funds accumulated for servicing of debt	<u>1,304,595</u>	
Equals remaining legal debt margin		23,331,140

This means the City could issue up to \$23,331,140 in debt and remain in compliance with State established Debt limits.

General Obligation Debt Per Capita

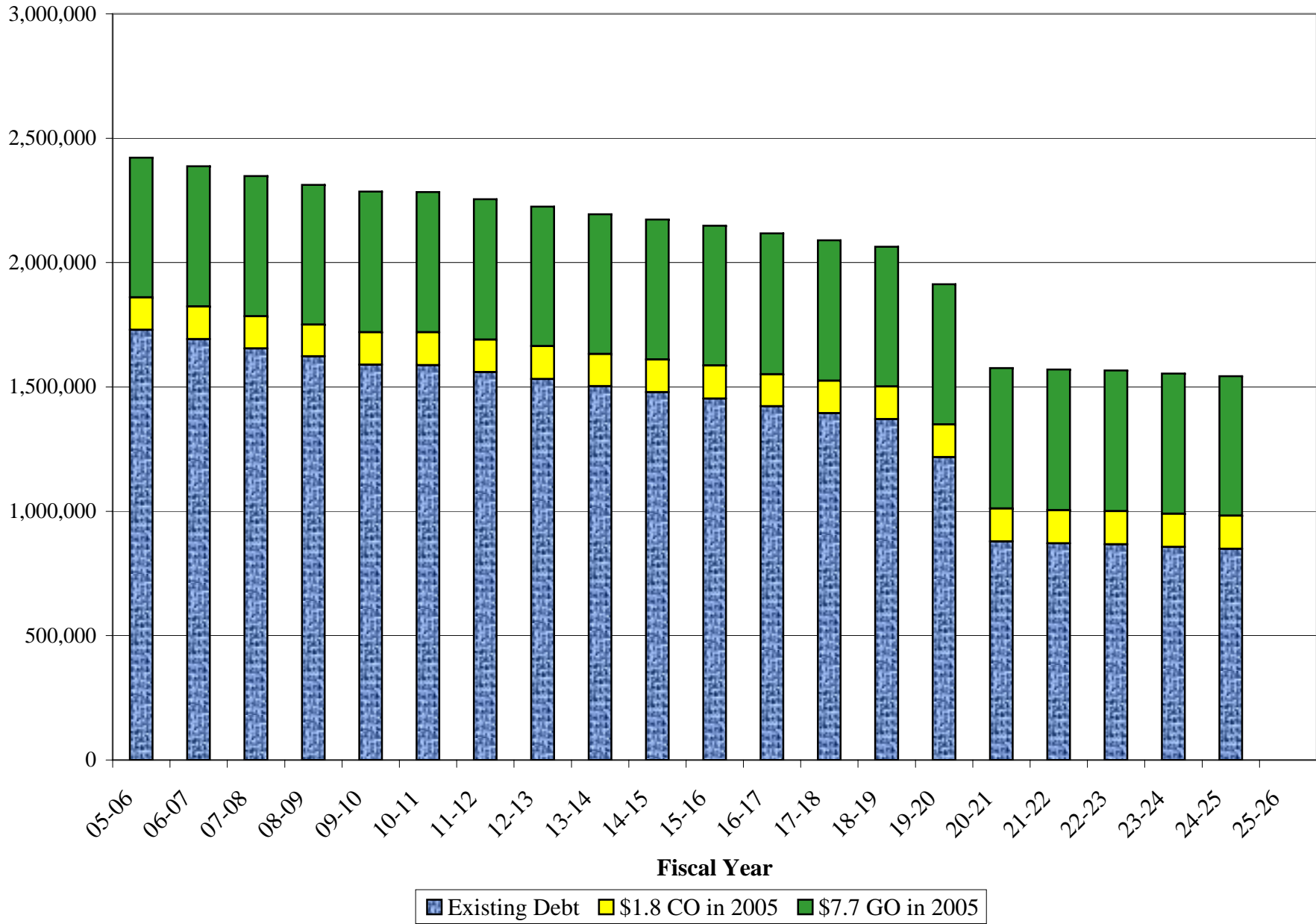
General Obligation debt per capita is calculated by dividing the amount of bonds outstanding by the population. A ten year history is shown below:

Year Ending September 30	G O Debt Outstanding	Population	Debt Per Capita
1996	11,835,000	31,045	381.22
1997	10,225,000	31,859	320.94
1998	11,170,000	32,658	342.03
1999	9,675,000	34,191	282.97
2000	11,370,000	31,880	356.65
2001	9,745,000	32,356	301.18
2002	13,610,000	32,910	413.55
2003	12,170,000	33,789	360.18
2004	10,830,000	33,712	321.25
2005	17,325,000	33,712	513.91

City of La Porte, Texas
Long Range Plan for the General Debt Service Fund

	Estimated 2004-05	Projected 2005-06	Projected 2006-07	Projected 2007-08	Projected 2008-09	Projected 2009-10	Projected 2010-11	Projected 2011-12	Projected 2012-13
Beginning Working Capital	1,584,497	1,304,595	1,222,392	1,205,997	1,268,715	1,412,374	1,628,488	1,899,886	2,255,217
Plus Revenues:									
Property Taxes - Current	1,551,171	1,539,489	1,585,674	1,633,244	1,682,241	1,732,708	1,784,689	1,838,230	1,893,377
Property Taxes - Delinquent	41,747	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Transfer from Section 4B	280,050	740,060	732,180	723,940	720,250	712,460	710,720	708,590	705,920
Industrial Payments	-	-	-	-	-	-	-	-	-
Interest Income	37,800	25,000	18,336	18,090	19,031	21,186	24,427	28,498	33,828
Total Revenues	<u>1,910,768</u>	<u>2,339,549</u>	<u>2,371,190</u>	<u>2,410,274</u>	<u>2,456,522</u>	<u>2,501,354</u>	<u>2,554,836</u>	<u>2,610,318</u>	<u>2,668,125</u>
Less Outstanding Issues:									
1994 GO Refunding Bonds	928,078	-	-	-	-	-	-	-	-
1998 GO Bonds	209,219	201,406	193,594	186,563	180,781	175,469	170,156	164,844	159,531
2000 GO Bonds	294,344	283,844	273,344	262,844	252,344	243,194	259,744	250,556	241,194
2000 CO Bonds	280,050	269,550	259,050	248,550	238,050	228,900	221,250	213,750	206,250
2002 GO Bonds	239,895	504,158	492,683	481,208	469,733	458,258	446,783	435,645	424,845
2004 CO Bonds	239,085	470,510	473,130	475,390	482,200	483,560	489,470	494,840	499,670
2005 CO Bonds	-	130,955	131,453	129,470	127,423	130,228	132,798	130,210	132,458
2005 GO Bonds	-	561,329	564,333	563,533	562,333	565,633	563,239	565,142	561,529
Total Outstanding Issues	<u>2,190,670</u>	<u>2,421,752</u>	<u>2,387,585</u>	<u>2,347,556</u>	<u>2,312,863</u>	<u>2,285,240</u>	<u>2,283,439</u>	<u>2,254,987</u>	<u>2,225,477</u>
Total Outstanding	2,190,670	2,421,752	2,387,585	2,347,556	2,312,863	2,285,240	2,283,439	2,254,987	2,225,477
Ending Working Capital	1,304,595	1,222,392	1,205,997	1,268,715	1,412,374	1,628,488	1,899,886	2,255,217	2,697,865
Estimated Tax Rate	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125
Days of Working Capital	217	184	184	197	223	260	304	365	442

General Debt Service - Annual Payments



City of La Porte
Bond Maturity Schedule
General Obligation Bonds, Series 1998
Dated 6/22/98 - 4.25% to 6.25% Varied Interest

Fiscal Year	Principal March 15	Interest Rate	Interest Total	Total Debt Requirements
2006	125,000.00	6.25	76,406.25	201,406.25
2007	125,000.00	6.25	68,593.75	193,593.75
2008	125,000.00	5.00	61,562.50	186,562.50
2009	125,000.00	4.25	55,781.25	180,781.25
2010	125,000.00	4.25	50,468.75	175,468.75
2011	125,000.00	4.25	45,156.25	170,156.25
2012	125,000.00	4.25	39,843.75	164,843.75
2013	125,000.00	4.25	34,531.25	159,531.25
2014	125,000.00	4.25	29,218.75	154,218.75
2015	125,000.00	4.25	23,906.25	148,906.25
2016	125,000.00	4.25	18,593.75	143,593.75
2017	125,000.00	4.25	13,281.25	138,281.25
2018	125,000.00	4.25	7,968.75	132,968.75
2019	125,000.00	4.25	2,656.25	127,656.25
Total	1,750,000.00		527,968.75	2,277,968.75

(Issued for Drainage and Park Improvements)

City of La Porte
Bond Maturity Schedule
General Obligation Bonds, Series 2000
Dated 3/15/00 - 5% to 7% Varied Interest

Fiscal Year	Principal March 15	Interest Rate	Interest Total	Total Debt Requirements
2006	150,000.00	7.00	133,843.76	283,843.76
2007	150,000.00	7.00	123,343.76	273,343.76
2008	150,000.00	7.00	112,843.76	262,843.76
2009	150,000.00	7.00	102,343.76	252,343.76
2010	150,000.00	5.20	93,193.76	243,193.76
2011	175,000.00	5.20	84,743.76	259,743.76
2012	175,000.00	5.30	75,556.26	250,556.26
2013	175,000.00	5.40	66,193.76	241,193.76
2014	175,000.00	5.13	56,984.38	231,984.38
2015	175,000.00	5.00	48,125.00	223,125.00
2016	175,000.00	5.00	39,375.00	214,375.00
2017	175,000.00	5.00	30,625.00	205,625.00
2018	175,000.00	5.00	21,875.00	196,875.00
2019	175,000.00	5.00	13,125.00	188,125.00
2020	175,000.00	5.00	4,375.00	179,375.00
Total	2,500,000.00		1,006,546.96	3,506,546.96

Issued for:

City Hall Expansion	1,500,000
Fire Station # 2	750,000
Fire Station # 3	750,000
San Jacinto Swimming Pool	250,000
Total	3,250,000

City of La Porte
Bond Maturity Schedule
Certificate of Obligation Bonds, Series 2000
Dated 3/15/00 - 5% to 7% Varied Interest

Fiscal Year	Principal March 15	Interest Rate	Interest Total	Total Debt Requirements
2006	150,000.00	7.00	119,550.00	269,550.00
2007	150,000.00	7.00	109,050.00	259,050.00
2008	150,000.00	7.00	98,550.00	248,550.00
2009	150,000.00	7.00	88,050.00	238,050.00
2010	150,000.00	5.20	78,900.00	228,900.00
2011	150,000.00	5.00	71,250.00	221,250.00
2012	150,000.00	5.00	63,750.00	213,750.00
2013	150,000.00	5.00	56,250.00	206,250.00
2014	150,000.00	5.00	48,750.00	198,750.00
2015	150,000.00	5.00	41,250.00	191,250.00
2016	150,000.00	5.00	33,750.00	183,750.00
2017	150,000.00	5.00	26,250.00	176,250.00
2018	150,000.00	5.00	18,750.00	168,750.00
2019	150,000.00	5.00	11,250.00	161,250.00
2020	150,000.00	5.00	3,750.00	153,750.00
Total	2,250,000.00		869,100.00	3,119,100.00

These bonds were sold to support Capital Projects being funded by proceeds from the Section 4B 1/2 Cent Sales Tax. The La Porte Development Corporation has entered into a Sales and Use Tax Agreement with the City whereby the Corporation reimburses the City for the Cost of these Bonds.

The project funded was a community library.

City of La Porte
Bond Maturity Schedule
General Obligation Bonds, Series 2002
Dated 7/15/02 - 4.00% to 5.00% Varied Interest

Fiscal Year	Principal March 15	Interest Rate	Interest Total	Total Debt Requirements
2006	270,000.00	4.25	234,157.50	504,157.50
2007	270,000.00	4.25	222,682.50	492,682.50
2008	270,000.00	4.25	211,207.50	481,207.50
2009	270,000.00	4.25	199,732.50	469,732.50
2010	270,000.00	4.25	188,257.50	458,257.50
2011	270,000.00	4.25	176,782.50	446,782.50
2012	270,000.00	4.00	165,645.00	435,645.00
2013	270,000.00	4.00	154,845.00	424,845.00
2014	270,000.00	4.10	143,910.00	413,910.00
2015	270,000.00	4.20	132,705.00	402,705.00
2016	270,000.00	4.30	121,230.00	391,230.00
2017	270,000.00	4.40	109,485.00	379,485.00
2018	270,000.00	4.50	97,470.00	367,470.00
2019	270,000.00	4.60	85,185.00	355,185.00
2020	270,000.00	4.70	72,630.00	342,630.00
2021	270,000.00	4.80	59,805.00	329,805.00
2022	270,000.00	4.85	46,777.50	316,777.50
2023	270,000.00	4.90	33,615.00	303,615.00
2024	270,000.00	5.00	20,250.00	290,250.00
2025	270,000.00	5.00	6,750.00	276,750.00
Total	5,400,000.00		2,483,122.50	7,883,122.50

Issued for:

Wastewater Treatment Plant Improvements	3,500,000
Fire Station No.2 Relocation and Renovations	1,900,000
Total	5,400,000

City of La Porte
Bond Maturity Schedule
Certificate of Obligation Bonds, Series 2004

Fiscal Year	Principal	Interest Rate	Interest Total	Total Debt Requirements
2006	200,000.00	3.60	270,510.00	470,510.00
2007	210,000.00	3.60	263,130.00	473,130.00
2008	220,000.00	3.60	255,390.00	475,390.00
2009	235,000.00	3.60	247,200.00	482,200.00
2010	245,000.00	3.60	238,560.00	483,560.00
2011	260,000.00	3.60	229,470.00	489,470.00
2012	275,000.00	3.60	219,840.00	494,840.00
2013	290,000.00	3.60	209,670.00	499,670.00
2014	305,000.00	3.60	198,960.00	503,960.00
2015	325,000.00	3.60	187,620.00	512,620.00
2016	345,000.00	3.65	175,473.75	520,473.75
2017	360,000.00	3.75	162,427.50	522,427.50
2018	380,000.00	3.85	148,362.50	528,362.50
2019	405,000.00	3.95	133,048.75	538,048.75
2020	425,000.00	4.05	116,443.75	541,443.75
2021	450,000.00	4.10	98,612.50	548,612.50
2022	475,000.00	4.20	79,412.50	554,412.50
2023	505,000.00	4.25	58,706.25	563,706.25
2024	530,000.00	4.35	36,447.50	566,447.50
2025	560,000.00	4.45	12,460.00	572,460.00
Total	7,000,000.00		3,341,745.00	10,341,745.00

Issued for:

Bay Area Boulevard	4,400,000
Canada Road Paving & Drainage	1,900,000
Police Headquarters (Land Acquisition)	700,000
Total	7,000,000

City of La Porte
Bond Maturity Schedule
Certificate of Obligation Bonds, Series 2005

Fiscal Year	Principal	Interest Rate	Interest Total	Total Debt Requirements
2006	60,000.00	2.80	70,955.01	130,955.01
2007	65,000.00	3.00	66,452.50	131,452.50
2008	65,000.00	3.10	64,470.00	129,470.00
2009	65,000.00	3.20	62,422.50	127,422.50
2010	70,000.00	3.30	60,227.50	130,227.50
2011	75,000.00	3.40	57,797.50	132,797.50
2012	75,000.00	3.50	55,210.00	130,210.00
2013	80,000.00	3.60	52,457.50	132,457.50
2014	80,000.00	3.70	49,537.50	129,537.50
2015	85,000.00	3.80	46,442.50	131,442.50
2016	90,000.00	4.13	42,971.25	132,971.25
2017	90,000.00	4.13	39,258.75	129,258.75
2018	95,000.00	4.13	35,443.13	130,443.13
2019	100,000.00	4.13	31,421.26	131,421.26
2020	105,000.00	4.13	27,193.13	132,193.13
2021	110,000.00	4.15	22,745.00	132,745.00
2022	115,000.00	4.15	18,076.25	133,076.25
2023	120,000.00	4.15	13,200.00	133,200.00
2024	125,000.00	4.20	8,085.00	133,085.00
2025	130,000.00	4.20	2,730.00	132,730.00
Total	1,800,000.00		827,096.28	2,627,096.28

Issued for:

Fire Truck	750,000
Bayshore Water / Sewer Replacement	350,000
Various Other Water / Sewer Capital Projects	700,000
Total	1,800,000

City of La Porte
Bond Maturity Schedule
General Obligation Bonds, Series 2005

Fiscal Year	Principal	Interest Rate	Interest Total	Total Debt Requirements
2006	240,000.00	3.75	321,329.32	561,329.32
2007	265,000.00	4.00	299,332.50	564,332.50
2008	275,000.00	4.00	288,532.50	563,532.50
2009	285,000.00	4.00	277,332.50	562,332.50
2010	300,000.00	4.00	265,632.50	565,632.50
2011	310,000.00	4.13	253,238.75	563,238.75
2012	325,000.00	4.13	240,141.88	565,141.88
2013	335,000.00	4.13	226,529.38	561,529.38
2014	350,000.00	4.13	212,401.25	562,401.25
2015	365,000.00	4.13	197,654.38	562,654.38
2016	380,000.00	4.13	182,288.76	562,288.76
2017	400,000.00	4.13	166,201.26	566,201.26
2018	415,000.00	4.13	149,391.88	564,391.88
2019	430,000.00	4.13	131,963.75	561,963.75
2020	450,000.00	4.13	113,813.75	563,813.75
2021	470,000.00	4.00	95,132.50	565,132.50
2022	490,000.00	4.00	75,932.50	565,932.50
2023	510,000.00	4.13	55,613.75	565,613.75
2024	530,000.00	4.15	34,097.50	564,097.50
2025	550,000.00	4.20	11,550.00	561,550.00
Total	7,675,000.00		3,598,110.61	11,273,110.61

Issued for:

Police Facility	<u>7,675,000</u>
Total	7,675,000

Utility Debt Service Fund

UTILITY DEBT SERVICE FUND

This fund accounts for Revenue Bond Debt and is funded from Utility Fund Revenues.

The following pages outline a financial plan for the servicing and retirement of Utility Debt for the City of La Porte for the next eight fiscal years.

The objective is to provide a funding plan to service debt, which will minimize the impact of debt service requirements over the next eight years.

In discussions relating to the Debt Service Fund, the terms Fund Balance and Working Capital are construed to have the same meaning, which is, funds available to retire debt.

Our policy is for a Debt Service Fund to maintain a Working Capital Balance of 60 days of debt requirements. This cushion is desired in the event an unforeseen problem arises in the collection of revenues. In addition to this Working Capital cushion, there also exists in the Utility Fund a Reserve Amount, as required by the Bond Resolutions that could be used to service debt.

The assumptions included in the projection are:

1. Interest will be earned at an average rate of 2%,
2. All future bond issues for Utility Fund improvements will be General Obligation Issues.

City of La Porte, Texas
Long Range Plan for the Utility Debt Service Fund

	Estimated 2004-05	Projected 2005-06	Projected 2006-07	Projected 2007-08	Projected 2008-09	Projected 2009-10	Projected 2010-11	Projected 2011-12	Projected 2012-13
Beginning Working Capital	2,570,832	381,712	402,562	864,656	844,218	701,500	686,500	671,500	656,500
Plus Revenues:									
Transfer from Utility Fund	600,000	352,562	814,656	794,219	651,500	636,500	621,500	606,500	591,500
Interest Income	50,840	50,000	-	-	-	-	-	-	-
Total Revenues	650,840	402,562	814,656	794,219	651,500	636,500	621,500	606,500	591,500
Less Outstanding Issues:									
1994 Revenue Refunding Bonds	458,943	148,806	-	-	-	-	-	-	-
1998 Revenue Bonds	149,219	143,906	138,562	133,156	127,719	-	-	-	-
2006 Bond Issue	-	89,000	89,000	89,000	89,000	89,000	89,000	89,000	89,000
2007 Bond Issue	-	-	125,000	592,500	577,500	562,500	547,500	532,500	517,500
Total Outstanding Issues	608,161	381,712	352,562	814,656	794,219	651,500	636,500	621,500	606,500
Reclassification of Fund Balance to Operations	2,231,799								
Ending Working Capital	381,712	402,562	864,656	844,218	701,500	686,500	671,500	656,500	641,500
Days of Working Capital	229	385	895	378	322	385	385	386	386

City of La Porte
Bond Maturity Schedule
Waterworks and Sewer System Revenue Refunding Bonds, Series 1994
Dated 4/15/94 - 4.4% to 5.25% Varied Interest

Fiscal Year	Principal March 15	Interest Rate	Interest Total	Total Debt Requirements
2006	145,000.00	5.25	3,806.25	148,806.25
Total	145,000.00		3,806.25	148,806.25

(Used to refund a portion of the following issues)

1990 Waterworks and Sewer System Revenue Bonds
1991 Waterworks and Sewer System Revenue Refunding Bonds

City of La Porte
Bond Maturity Schedule
Waterworks and Sewer System Revenue Bonds, Series 1998
Dated 6/22/98 - 4.2% to 6.2% Varied Interest

Fiscal Year	Principal March 15	Interest Rate	Interest Total	Total Debt Requirements
2006	125,000.00	4.25	18,906.25	143,906.25
2007	125,000.00	4.30	13,562.50	138,562.50
2008	125,000.00	4.35	8,156.25	133,156.25
2009	125,000.00	4.35	2,718.75	127,718.75
Total	500,000.00		43,343.75	543,343.75

This issue is the last of the 1985 Voter Approved Revenue Bonds and was intended to be used for various improvements to the Water and Wastewater System.

La Porte Area Water Authority Debt Service Fund

La Porte Area Water Authority Debt Service Fund

The La Porte Area Water Authority is a separate entity from the City of La Porte that was created by the State of Texas to provide surface water to the Cities of La Porte, Shoreacres and Morgan's Point. The City of La Porte exercises direct control over the Authority, uses 90% of the Authority's resources and accordingly, the Authority is considered a component unit of the City of La Porte.

The following pages outline a financial plan for the servicing and retirement of debt that was incurred to provide surface water.

The major assumption included in the projection is that interest will be earned at a rate of 2%.

The plan calls for revenues from the three Cities to remain level at \$750,000 per year.

City of La Porte, Texas
Long Range Plan for the La Porte Area Water Authority Debt Service Fund

	Estimated 2004-05	Projected 2005-06	Projected 2006-07	Projected 2007-08	Projected 2008-09	Projected 2009-10	Projected 2010-11	Projected 2011-12	Projected 2012-13
Beginning Working Capital	-	-	-	-	-	-	-	-	-
Plus Revenues:									
Billings to Cities	771,588	771,719	760,700	758,531	750,069	740,456	735,513	736,163	741,288
Interest Income	-	-	-	-	-	-	-	-	-
Total Revenues	771,588	771,719	760,700	758,531	750,069	740,456	735,513	736,163	741,288
Less Expenses:									
1999 Refunding Bonds	771,588	771,719	760,700	758,531	750,069	740,456	735,513	736,163	741,288
Total Expenses	771,588	771,719	760,700	758,531	750,069	740,456	735,513	736,163	741,288
Ending Working Capital	-	-	-	-	-	-	-	-	-
Days of Working Capital	-	-	-	-	-	-	-	-	-

In 1999, the LPAWA refunded its then existing debt. The refunding savings were structured in such a way where debt service requirements were relaxed in Fiscal Years 00 and 01. The LPAWA will use \$350,000 of previously paid in funds to fund the Purchase of Additional Capacity at the Southeast Water Purification Plant.

La Porte Area Water Authority
Bond Maturity Schedule
Contract Revenue Refunding Bonds, Series 1999
Dated 9/15/99 - 4.75% to 5.75% Varied Interest

Fiscal Year	Principal March 15	Interest Rate	Interest Total	Total Debt Requirements
2006	445,000.00	5.75	326,718.75	771,718.75
2007	460,000.00	5.75	300,700.00	760,700.00
2008	485,000.00	5.75	273,531.25	758,531.25
2009	505,000.00	5.75	245,068.75	750,068.75
2010	525,000.00	5.75	215,456.25	740,456.25
2011	550,000.00	5.40	185,512.50	735,512.50
2012	580,000.00	5.00	156,162.50	736,162.50
2013	615,000.00	5.00	126,287.50	741,287.50
2014	640,000.00	4.75	95,712.50	735,712.50
2015	670,000.00	4.75	64,600.00	734,600.00
2016	705,000.00	4.75	31,943.75	736,943.75
2017	320,000.00	4.75	7,600.00	327,600.00
Total	6,500,000.00		2,029,293.75	8,529,293.75

These bonds were used to refund the 1988 Series I and 1998 Series II bonds for the Authority.

The Series I bonds were issued for purchase of an interest in the Southeast Water Purification Plant.

The Series II bonds were issued for Construction of Water Transmission Lines.

La Porte Area Water Authority
Bond Maturity Schedule
Contract Revenue Refunding Bonds, Series 1999
Dated 9/15/99 - 4.75% to 5.75% Varied Interest

Amount Applicable to Morgan's Point

Fiscal Year	Principal March 15	Interest Rate	Interest Total	Total Debt Requirements
2006	35,511.00	5.75	26,072.16	61,583.16
2007	36,708.00	5.75	23,995.86	60,703.86
2008	38,703.00	5.75	21,827.79	60,530.79
2009	40,299.00	5.75	19,556.49	59,855.49
2010	41,895.00	5.75	17,193.41	59,088.41
2011	43,890.00	5.40	14,803.90	58,693.90
2012	46,284.00	5.00	12,461.77	58,745.77
2013	49,077.00	5.00	10,077.74	59,154.74
2014	51,072.00	4.75	7,637.86	58,709.86
2015	53,466.00	4.75	5,155.08	58,621.08
2016	56,259.00	4.75	2,549.11	58,808.11
2017	25,536.00	4.75	606.48	26,142.48
Total	518,700.00		161,937.64	680,637.64

La Porte Area Water Authority
Bond Maturity Schedule
Contract Revenue Refunding Bonds, Series 1999
Dated 9/15/99 - 4.75% to 5.75% Varied Interest

Amount Applicable to Shoreacres

Fiscal Year	Principal March 15	Interest Rate	Interest Total	Total Debt Requirements
2006	28,302.00	5.75	20,779.31	49,081.31
2007	29,256.00	5.75	19,124.52	48,380.52
2008	30,846.00	5.75	17,396.59	48,242.59
2009	32,118.00	5.75	15,586.37	47,704.37
2010	33,390.00	5.75	13,703.02	47,093.02
2011	34,980.00	5.40	11,798.60	46,778.60
2012	36,888.00	5.00	9,931.94	46,819.94
2013	39,114.00	5.00	8,031.89	47,145.89
2014	40,704.00	4.75	6,087.32	46,791.32
2015	42,612.00	4.75	4,108.56	46,720.56
2016	44,838.00	4.75	2,031.62	46,869.62
2017	20,352.00	4.75	483.36	20,835.36
Total	413,400.00		129,063.08	542,463.08

City of La Porte
La Porte Area Water Authority
Bond Maturity Schedule
Contract Revenue Refunding Bonds, Series 1999
Dated 9/15/99 - 4.75% to 5.75% Varied Interest

Amount Applicable to La Porte

Fiscal Year	Principal March 15	Interest Rate	Interest Total	Total Debt Requirements
2006	381,187.00	5.75	279,867.28	661,054.28
2007	394,036.00	5.75	257,579.62	651,615.62
2008	415,451.00	5.75	234,306.87	649,757.87
2009	432,583.00	5.75	209,925.89	642,508.89
2010	449,715.00	5.75	184,559.82	634,274.82
2011	471,130.00	5.40	158,910.01	630,040.01
2012	496,828.00	5.00	133,768.80	630,596.80
2013	526,809.00	5.00	108,177.87	634,986.87
2014	548,224.00	4.75	81,987.33	630,211.33
2015	573,922.00	4.75	55,336.36	629,258.36
2016	603,903.00	4.75	27,363.02	631,266.02
2017	274,112.00	4.75	6,510.16	280,622.16
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Total	5,567,900.00		1,738,293.03	7,306,193.03