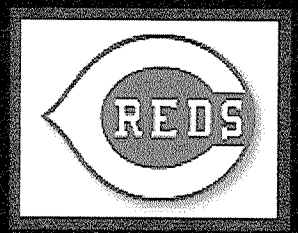
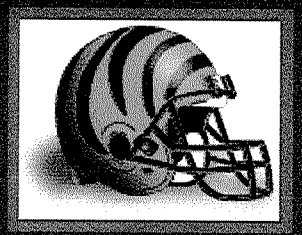
Public Financial Management, Inc.

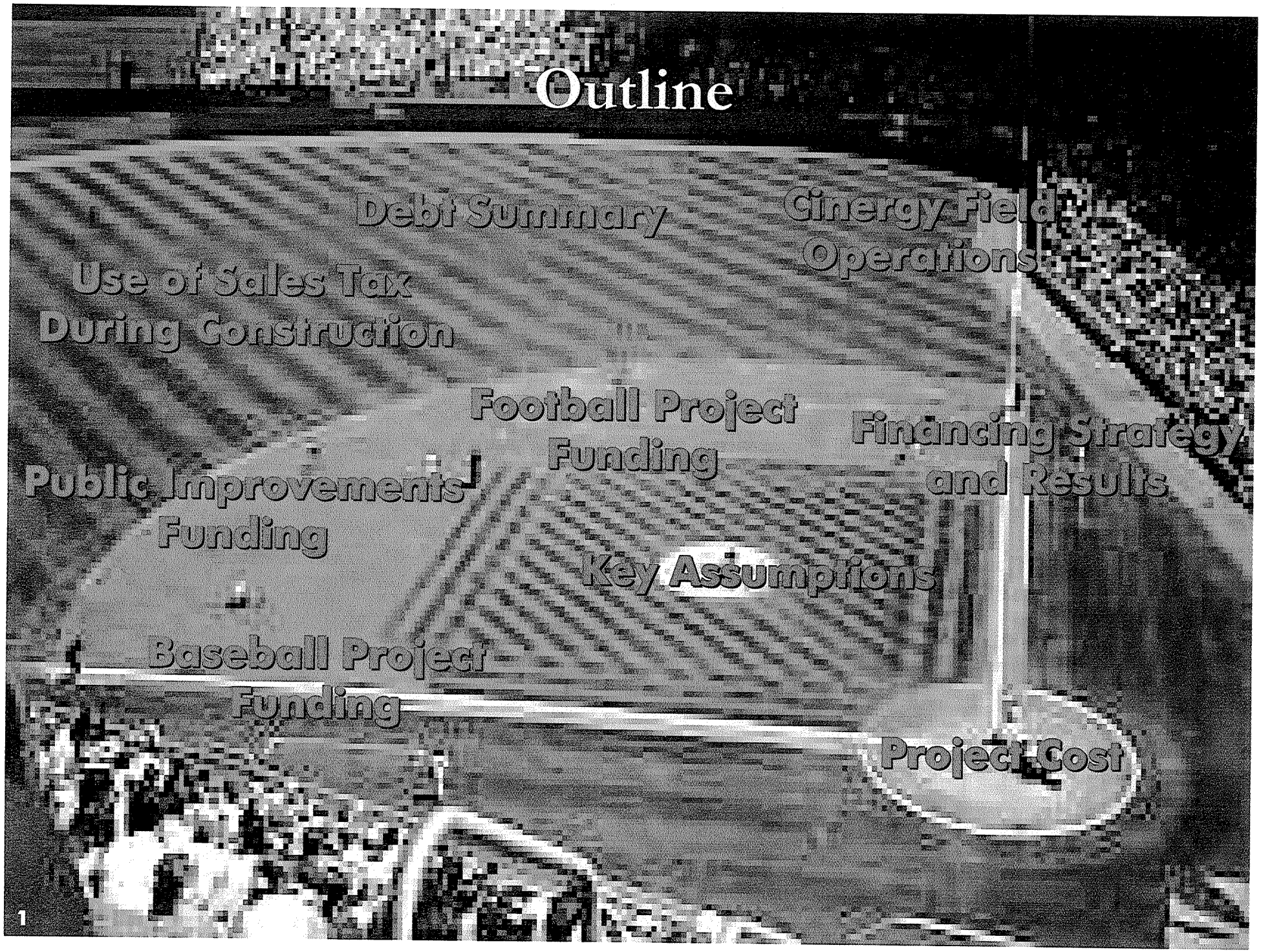




Hamilton County Sports Facilities Project

Financing Plan

July 13, 1998


Outline
Debt Summary
Cinergy Field Operations
Use of Sales Tax During Construction
Football Project Funding
Financing Strategy and Results
Public Improvements Funding
Key Assumptions
Baseball Project Funding
Project Cost

Key Assumptions

$81M over 6 biennia

96-98	$15M
98-00	$15M
00-02	$15M
02-04	$15M
04-06	$15M
06-08	$ 6M

Bengals

State Funding

10 20 30 40 50 40 30 20 10

Bengals

10 20 30 40 50 40 30 20 10

Key Assumptions

$255M Ballpark

$ 42M Stewwork, Interim Modifications

Bengals

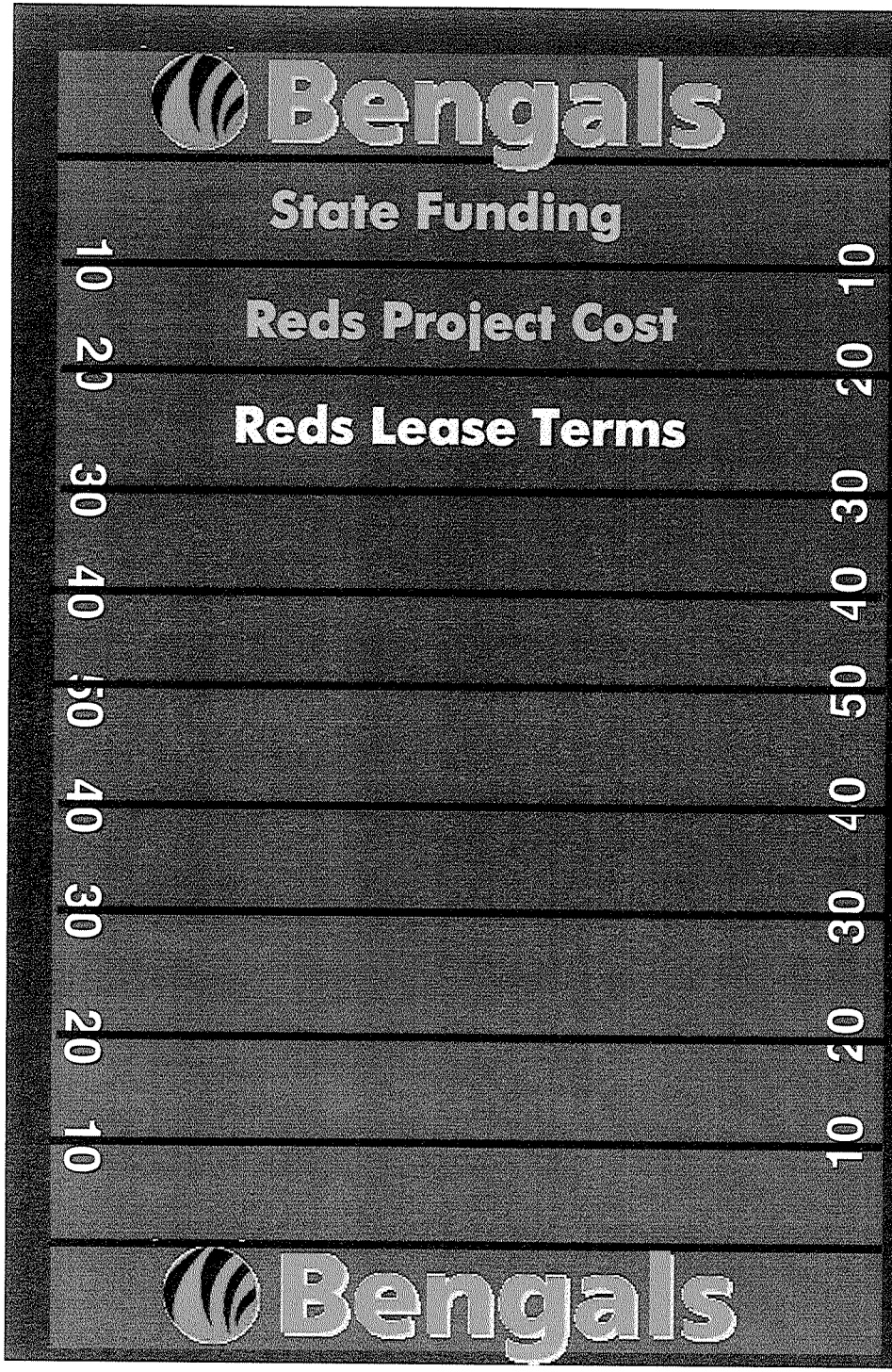
State Funding

Reds Project Cost

10 20 30 40 50 40 30 20 10

Bengals

10 20 30 40 50 40 30 20 10



Key Assumptions

- Rent Arrearages and County "obligations" wash
- $2.5M rent for 9 years
- County makes $500,000 operating payment plus 5% growth
- Team responsible for all operating expenses except insurance
- County contributes $1.0M to capital improvement reserve
- Open 2003

Key Assumptions

- Parking:
  - $103M
- FWW/Street Relocation:
  - $27M

Bengals

State Funding

Reds Project Cost

Reds Lease Terms

Public Improvements

10 20 30 40 50 40 30 20 10

Bengals

10 20 30 40 50 40 30 20 10

Key Assumptions

Bengals

State Funding

Reds Project Cost

Reds Lease Terms

Public Improvements

Sales Tax Growth

10 20 30 40 50 40 30 20 10

10 20 30 40 50 40 30 20 10

2% annually

Bengals

Key Assumptions

Bengals

State Funding

Reds Project Cost

Reds Lease Terms

Public Improvements

Sales Tax Growth

School District Payments

10 20 30 40 50 40 30 20 10

$3.56M Bengals

$6.7M

$3.15M Reds

Bengals

10 20 30 40 50 40 30 20 10

Key Assumptions

Bengals

State Funding

Reds Project Cost

Reds Lease Terms

Public Improvements

Sales Tax Growth

School District Payments

Property Taxes

10 20 30 40 50 40 30 20 10

10 20 30 40 50 40 30 20 10

Bengals

$500,000 per Club

Key Assumptions

Bengals

State Funding

Reds Project Cost

Reds Lease Terms

Public Improvements

Sales Tax Growth

School District Payments

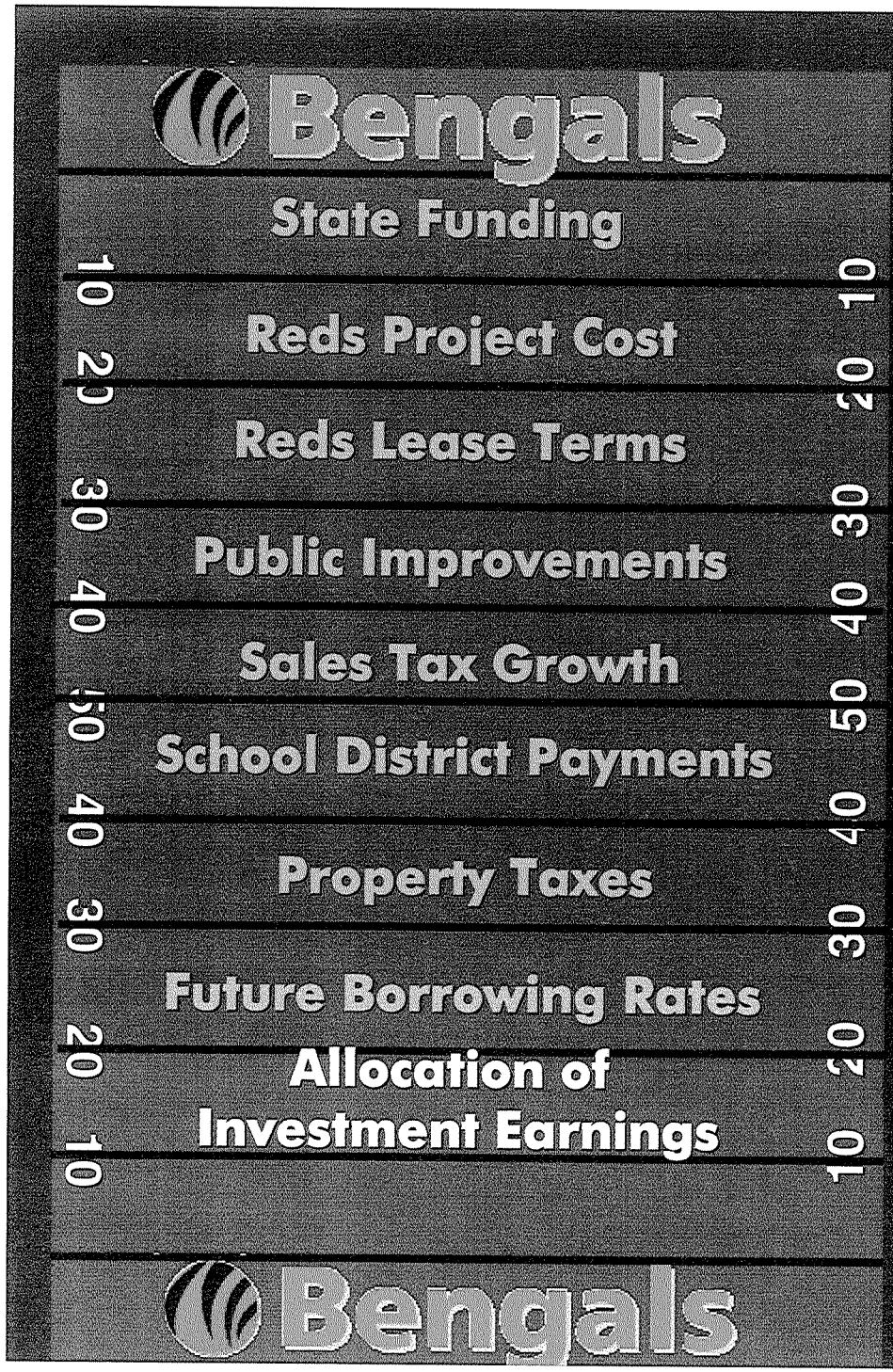
Property Taxes

Future Borrowing Rates

10 20 30 40 50 40 30 20 10

1% higher than current rates

Bengals



Key Assumptions

TO PROJECT: Bond Proceeds, State Funding, Private Contributions

TO COUNTY: Sales Tax Revenues

Key Assumptions

$3.4M Currently

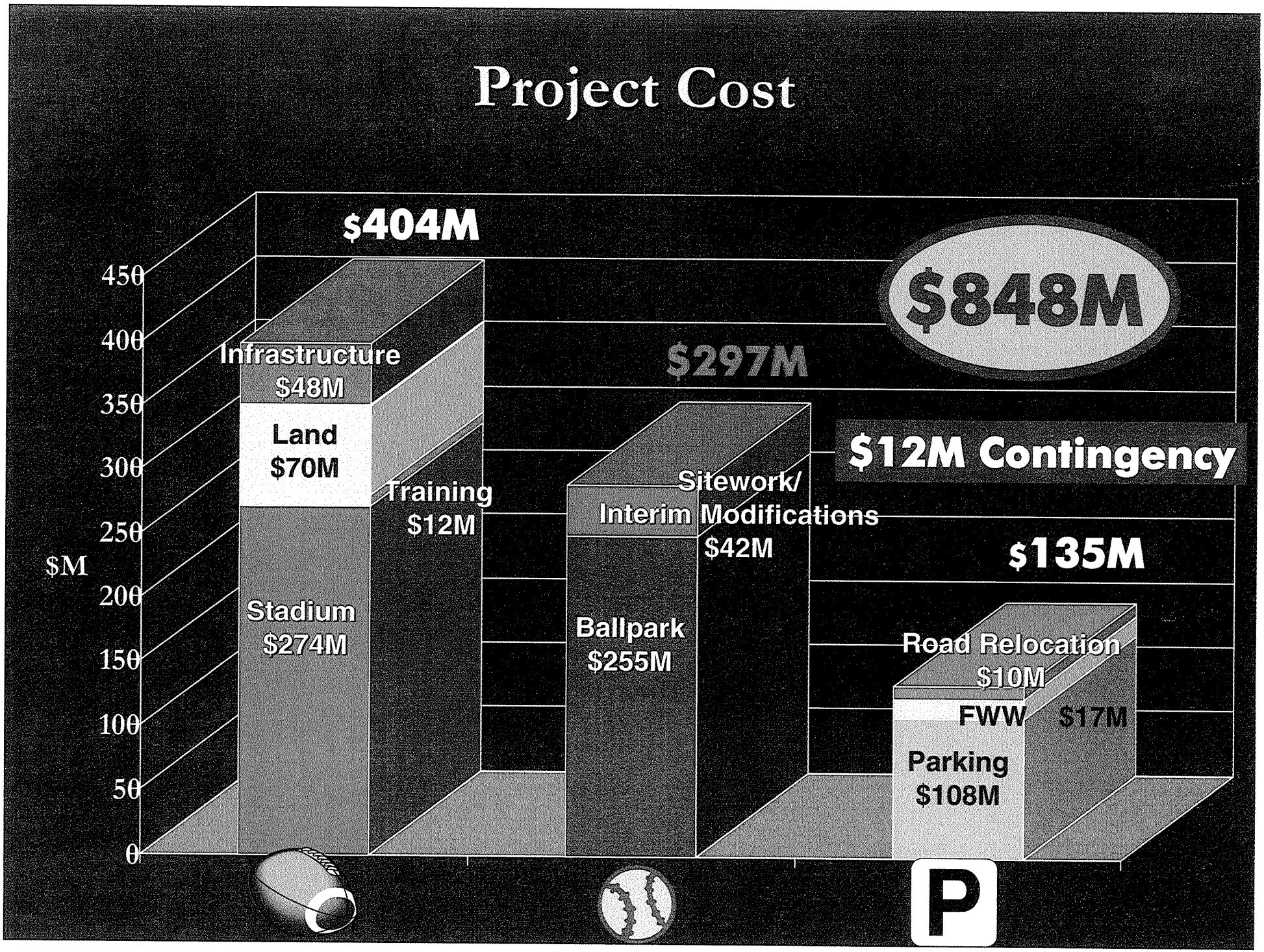
$5.0M in 2003

Key Assumptions

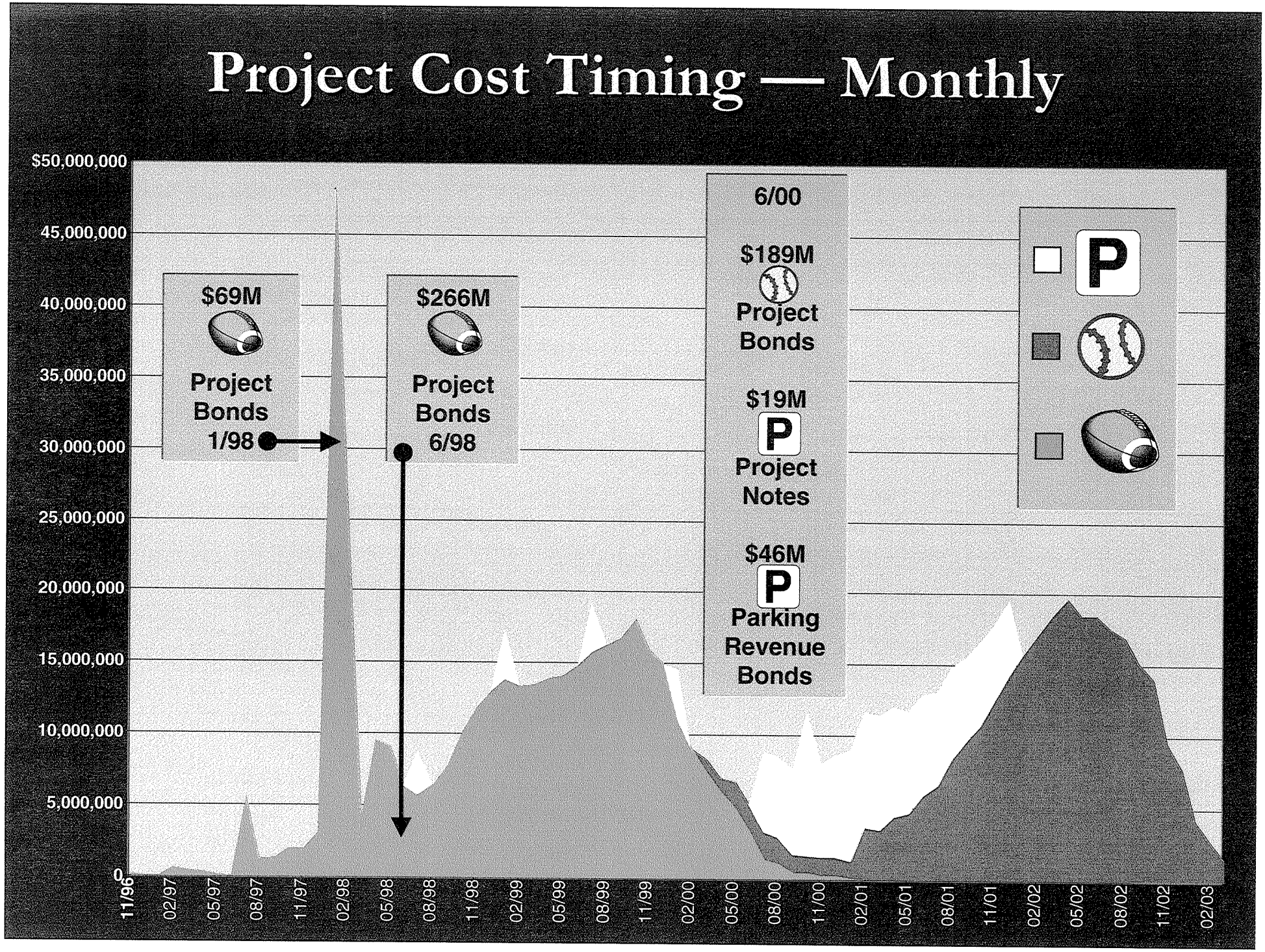
Bengals

State Funding	10
Reds Project Cost	20
Reds Lease Terms	30
Public Improvements	40
Sales Tax Growth	50
School District Payments	40
Property Taxes	30
Future Borrowing Rates	20
Allocation of Investment Earnings	10
Parking Net Revenues	
Overall Project Contingency	$12M

Project Cost

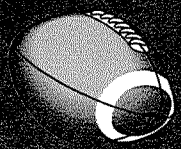


Project Cost Timing — Monthly



Project Cost Timing — Cumulative

Funding Strategy

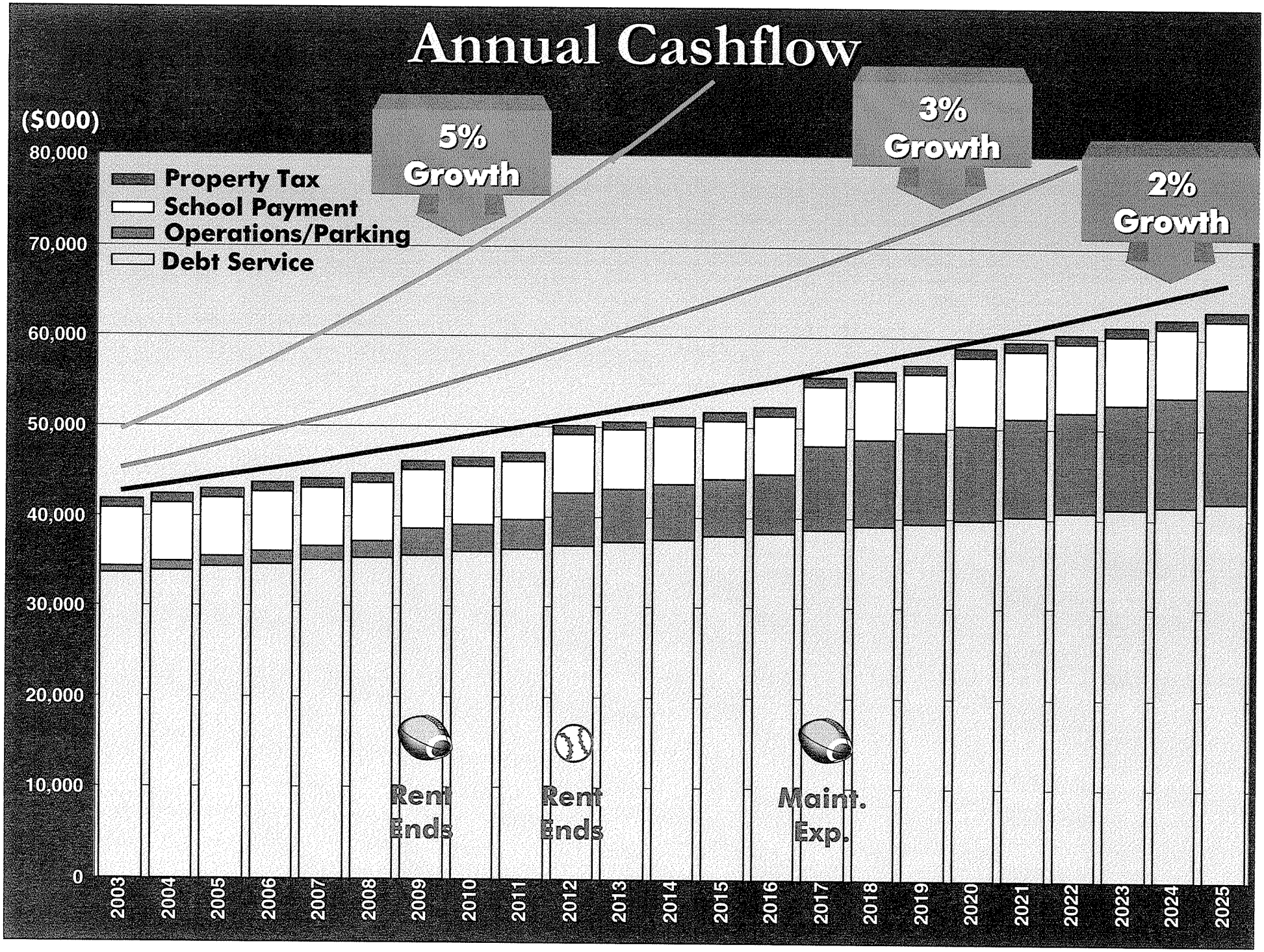


- Maximize borrowing
- Allocate $30M of State funding
  - 96-98
  - 98-00
- Preserve sales tax cash for other Projects

- Allocate $30M of State funding
  - 00-02
  - 02-04
- Use residual sales tax cash after determining allocation to Public Improvements Project and contingency

- Allocate $21M of State funding
  - 04-06
  - 06-08
- Borrow against State funding, if necessary
- Maximize use of parking revenue bonds
- Secure parking revenue bonds with sales tax

Maximize sales tax cash; minimize sales tax bonds

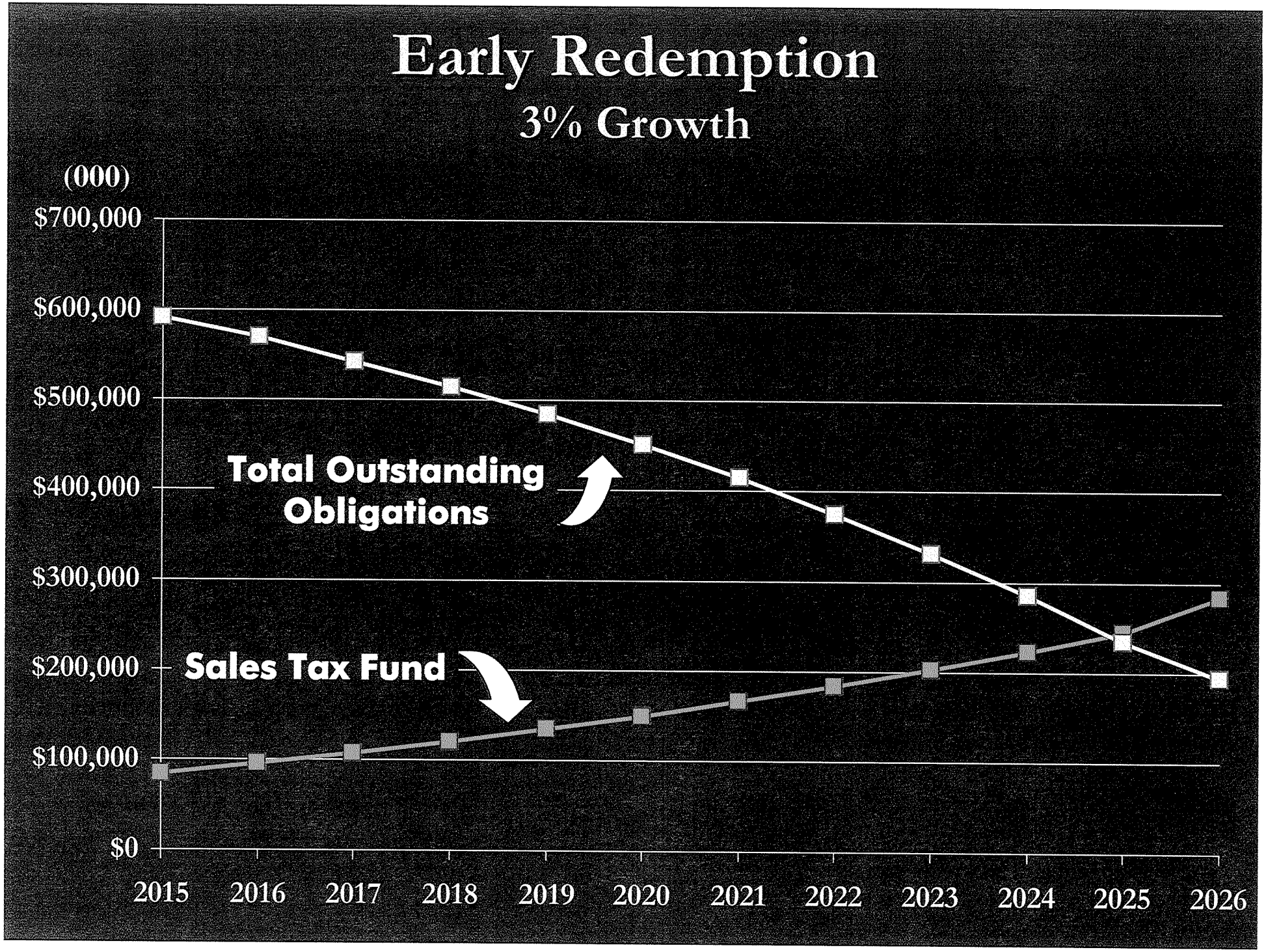

Annual Cashflow
($000)
80,000
70,000
60,000
50,000
40,000
30,000
20,000
10,000
0
Property Tax
School Payment
Operations/Parking
Debt Service
5% Growth
3% Growth
2% Growth
Rent Ends
Rent Ends
Maint. Exp.
2003
2004
2005
2006
2007
2008
2009
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025

Cashflow

($M)	2003	2007	2012
Sales Tax Revenues	$42.9	$46.2	$51.3
Football Debt Service	(21.8)	(22.7)	(23.8)
Baseball Debt Service	(11.7)	(13.3)	(13.8)
Football Operations	(3.3)	(4.4)	(6.4)
Baseball Operations	1.4	1.2	(1.5)
Schools	(6.7)	(6.7)	(6.7)
Property Tax	(1.0)	(1.0)	(1.0)
Net Sales Tax	(1.3)	(0.5)	(1.9)
Parking Revenues	5.0	5.4	5.9
Parking Debt Service	(3.7)	(3.9)	(3.9)
Net Parking	1.3	1.5	2.0
Total Cashflow	$0	$1.0	$0

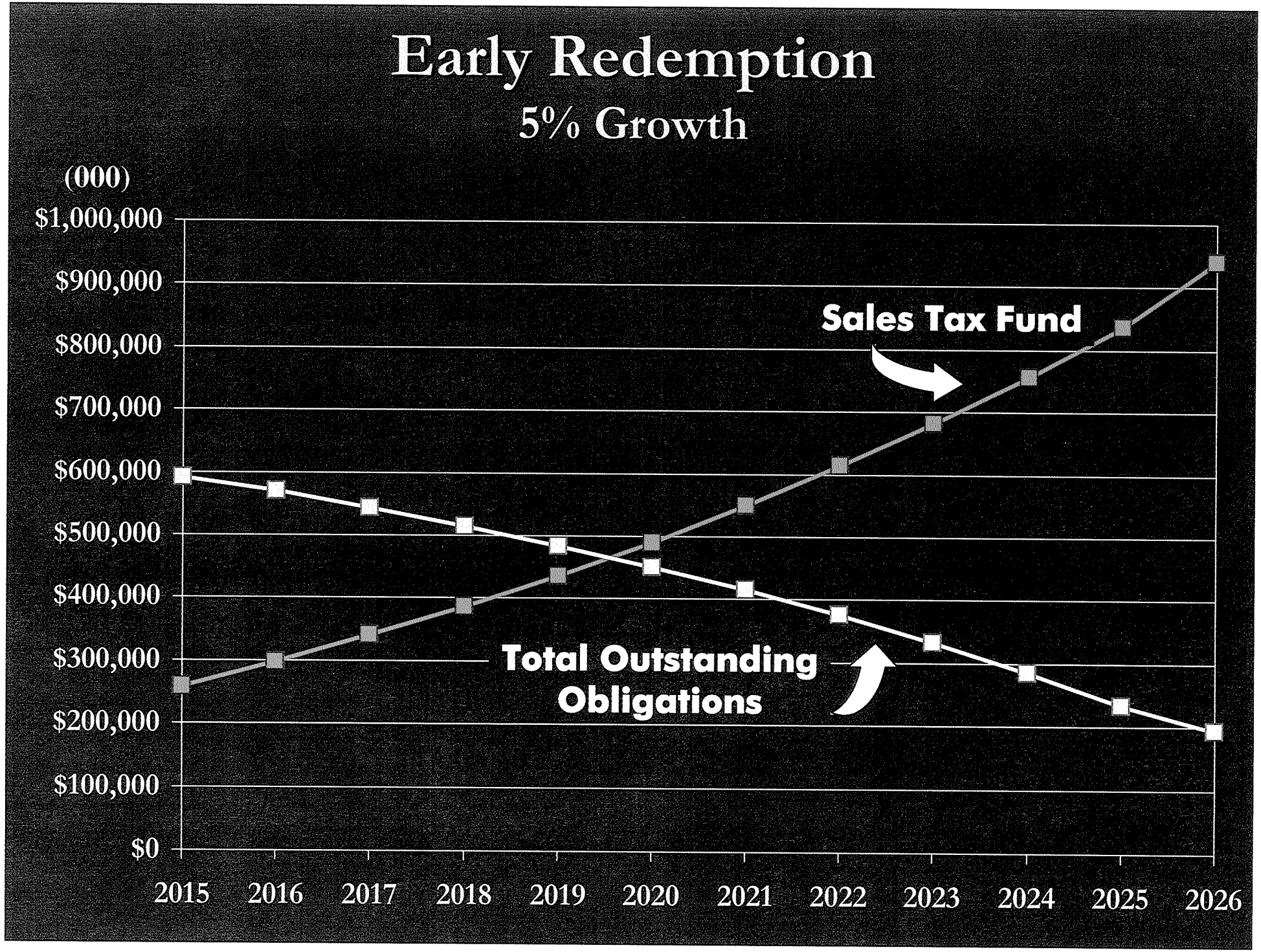
Early Redemption

3% Growth

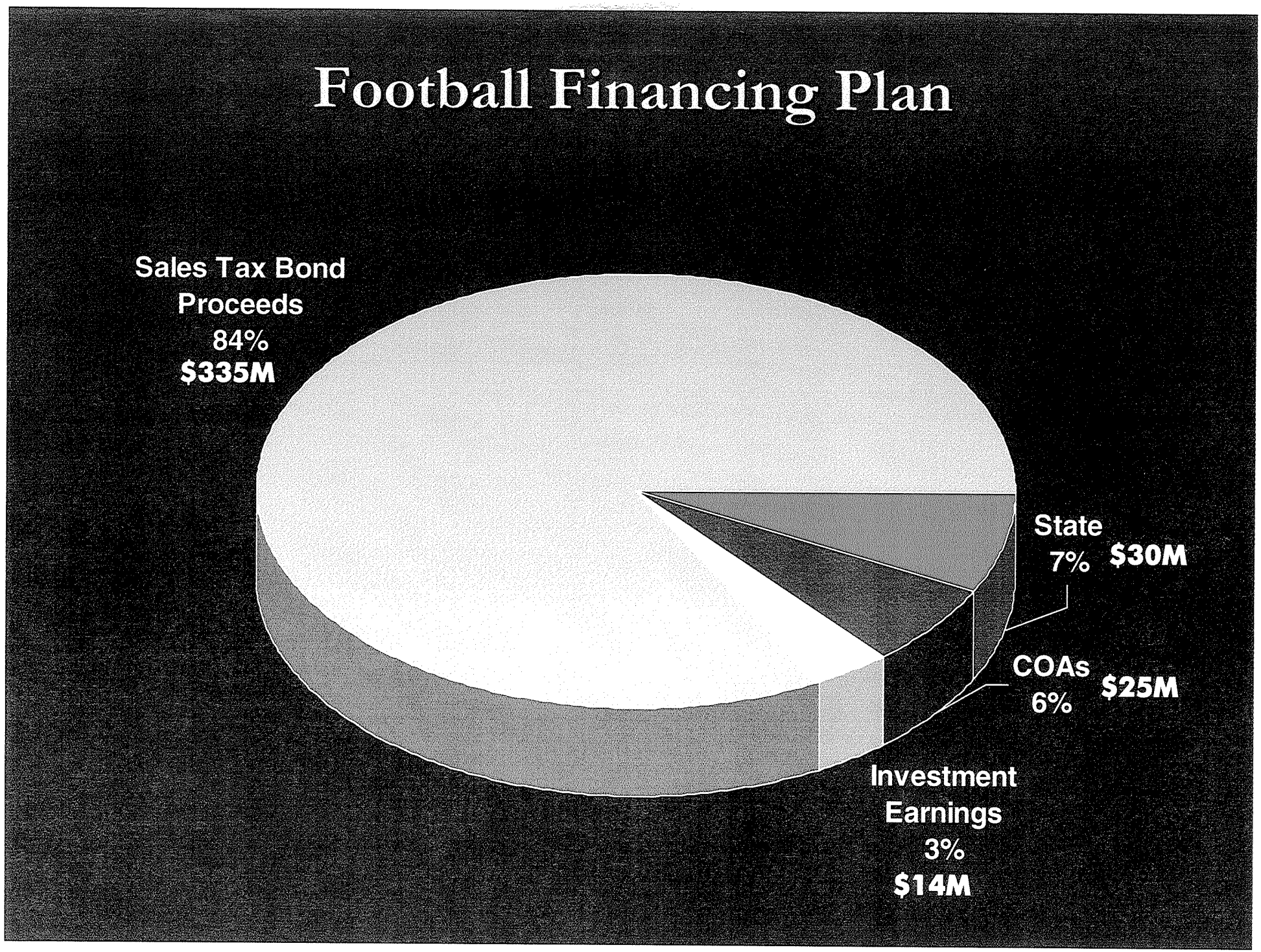


Early Redemption

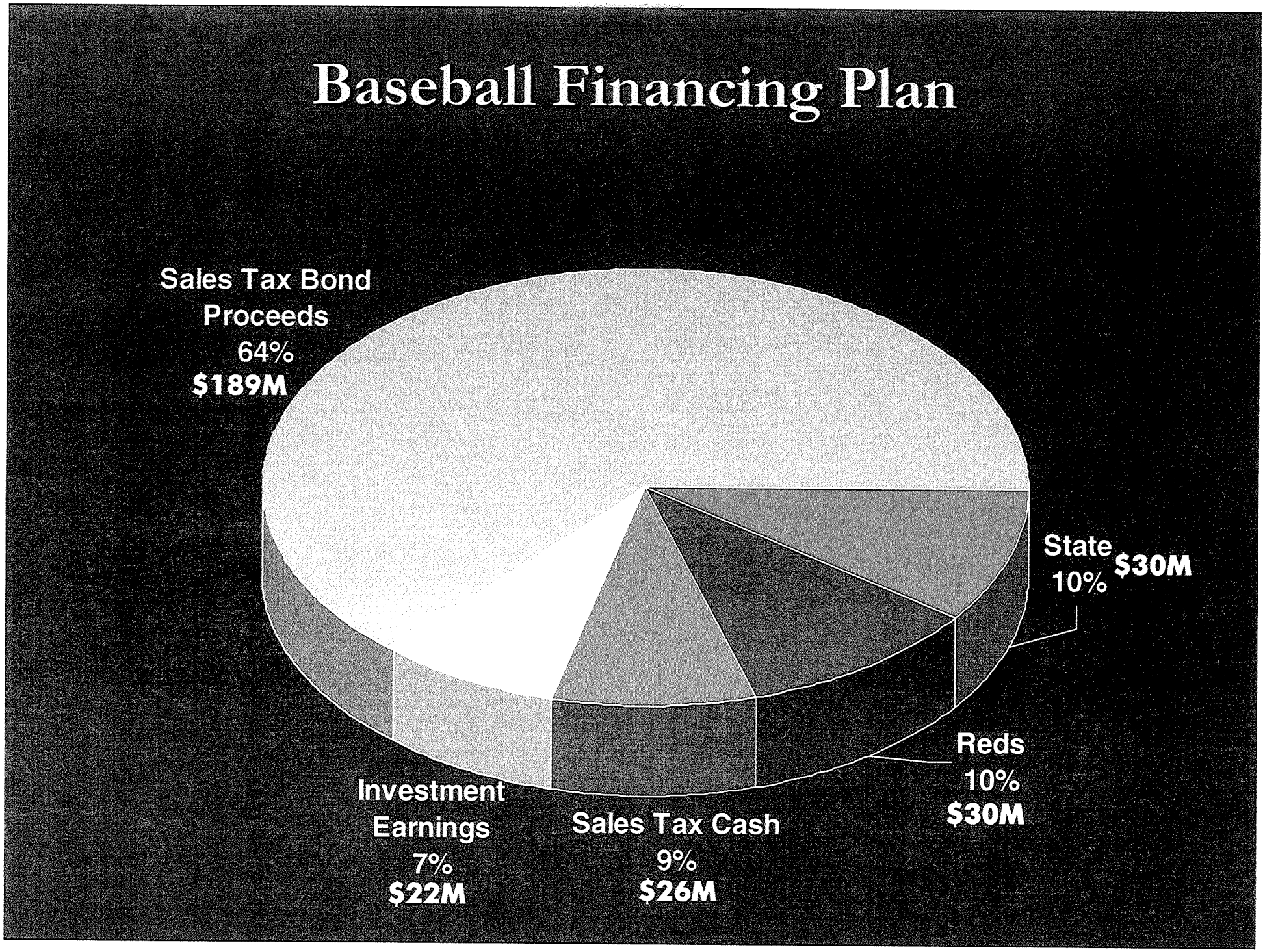
5% Growth



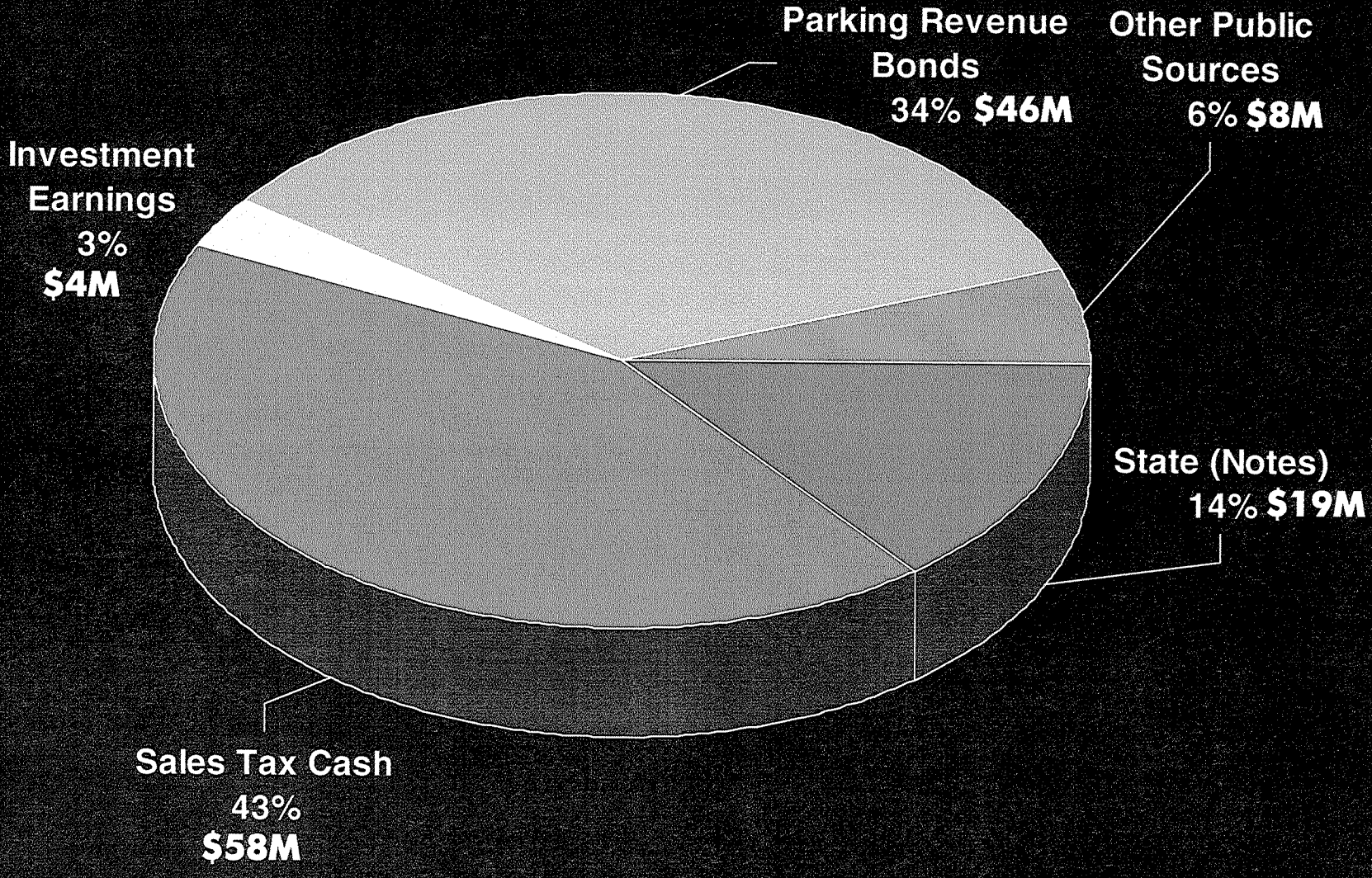
Football Financing Plan



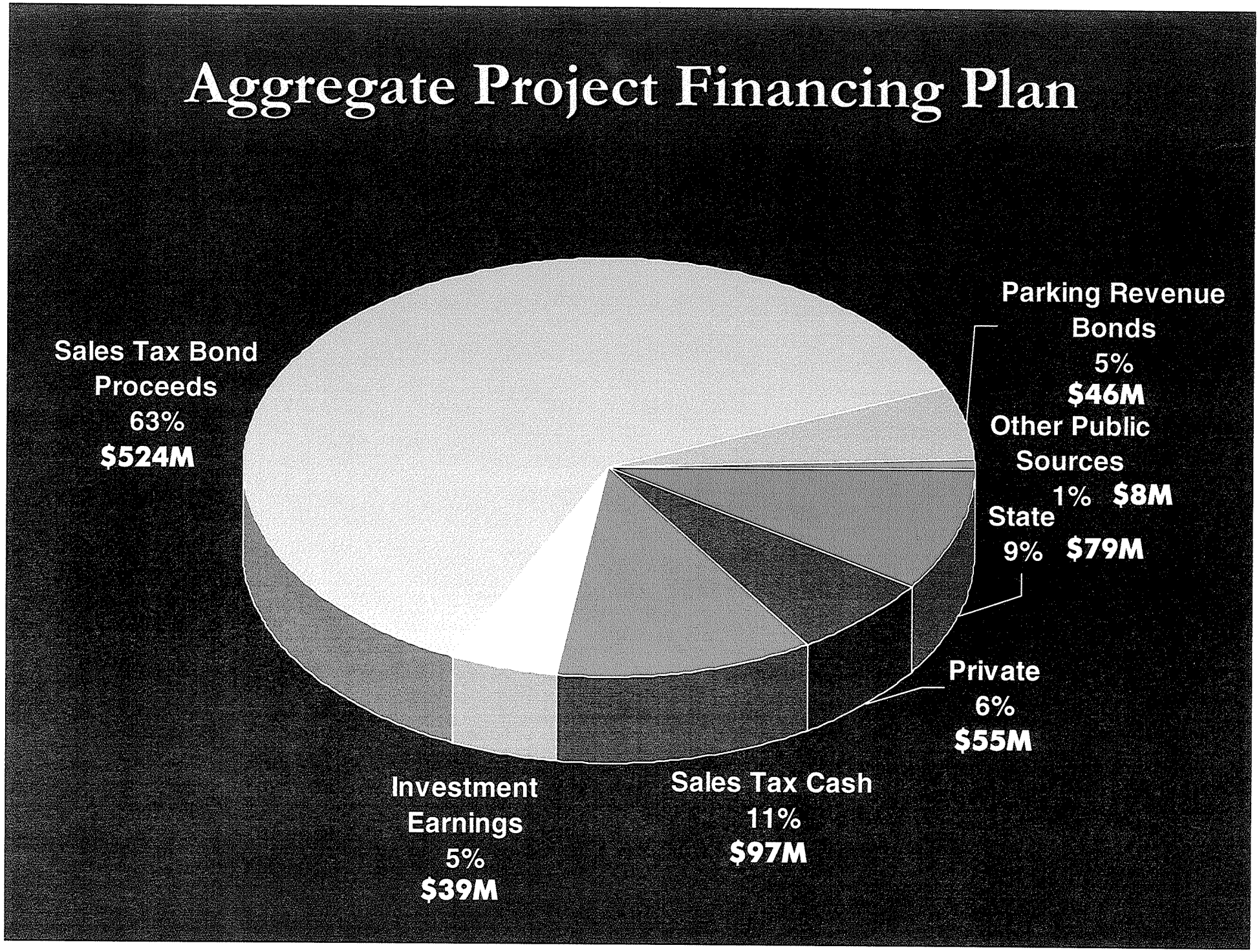
Baseball Financing Plan

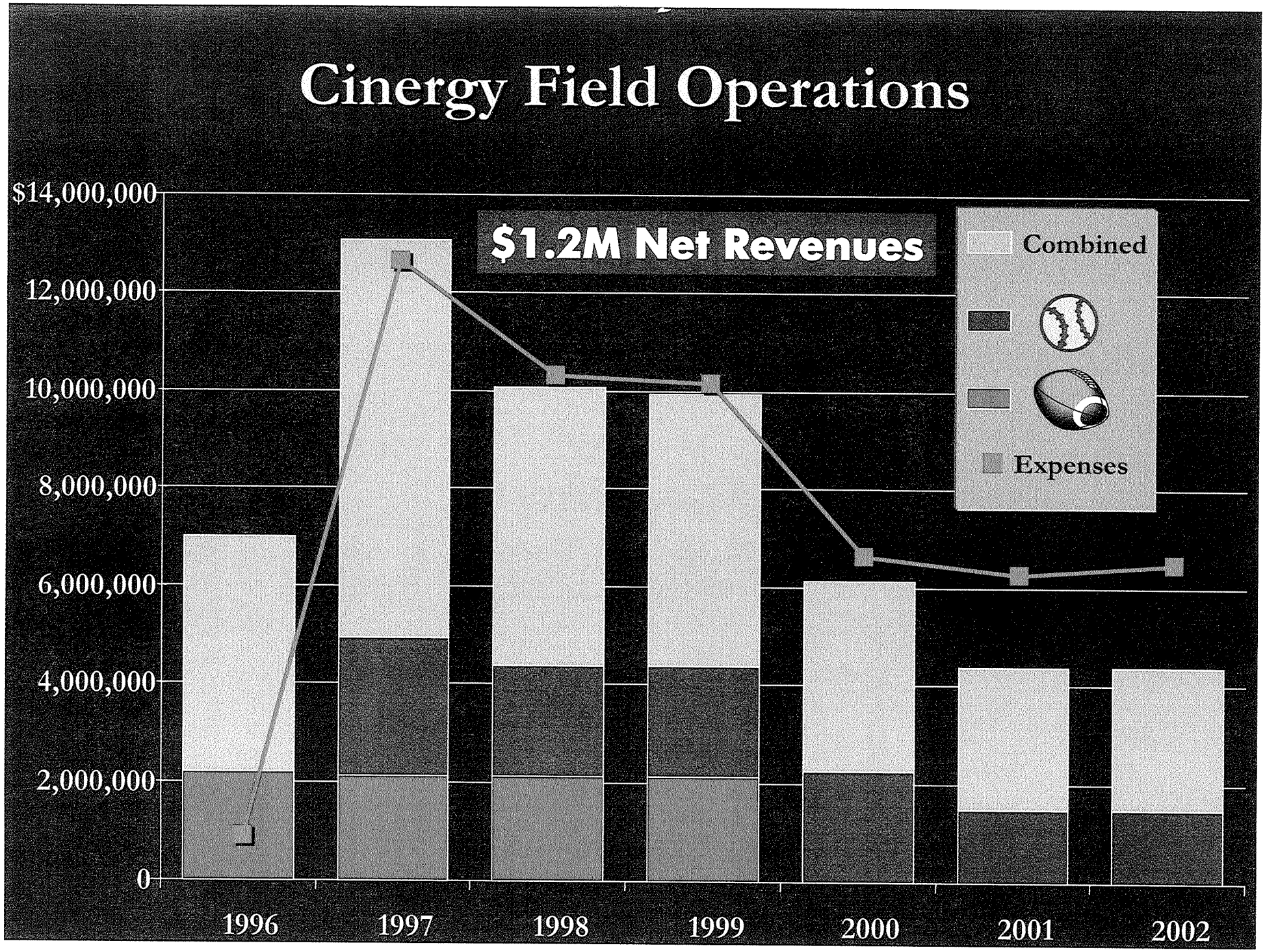


Public Improvement Financing Plan



Aggregate Project Financing Plan




Cinergy Field Operations
$14,000,000
12,000,000
10,000,000
8,000,000
6,000,000
4,000,000
2,000,000
0
$1.2M Net Revenues
Combined
Expenses
1996
1997
1998
1999
2000
2001
2002