

PERS BOND PAYMENT SCHEDULE

Year	Principal	Interest	Total Payment	.99% annual growth	
				Payroll Estimate	Bond %
2009	773,699.85	3,866,155.15	3,939,855.00	76,759,856	5.13%
2010	850,729.50	4,024,125.50	4,874,855.00	77,519,779	6.29%
2011	917,467.20	4,197,387.80	5,114,855.00	78,287,224	6.53%
2012	977,245.80	4,392,609.20	5,369,855.00	79,062,268	6.79%
2013	1,029,948.40	4,604,906.60	5,634,855.00	79,844,984	7.06%
2014	1,075,284.35	4,834,570.65	5,909,855.00	80,635,450	7.33%
2015	1,099,732.50	5,100,122.50	6,199,855.00	81,433,741	7.61%
2016	1,120,530.00	5,379,325.00	6,499,855.00	82,239,935	7.90%
2017	1,140,304.95	5,669,550.05	6,809,855.00	83,054,110	8.20%
2018	1,163,055.05	5,976,799.95	7,139,855.00	83,876,346	8.51%
2019	1,170,369.00	6,304,486.00	7,474,855.00	84,706,722	8.82%
2020	1,423,281.85	6,394,928.15	7,818,210.00	85,545,318	9.14%
2021	4,800,000.00	3,237,165.00	8,037,165.00	86,392,217	9.30%
2022	5,515,000.00	2,883,876.25	8,398,876.25	87,247,500	9.63%
2023	6,290,000.00	2,479,558.00	8,769,558.00	88,111,250	9.95%
2024	7,410,000.00	2,019,577.50	9,429,577.50	88,983,551	10.60%
2025	1,565,000.00	1,723,387.50	3,288,387.50	89,864,488	3.66%
2026	9,050,000.00	1,361,780.00	10,411,780.00	90,754,147	11.47%
2027	10,145,000.00	704,351.25	10,849,351.25	91,652,613	11.84%
2028	5,210,000.00	178,442.50	5,388,442.50	92,559,974	5.82%

This chart shows the current amount of annual payments over the life of the PERS Bonds - following the payoff of the callable bonds last year (2007). That payoff is most evident in Year 2025, when the principal amount due drops temporarily.

At the time the bonds were purchased (2002), there was an assumption that payroll permanent wages would continue to grow at approximately 4.25% annually. If that occurred, the payment as a percentage of payroll would have remained level. It was a safe assumption at the time of the purchase, as payroll had a 5 year average annual growth rate of just over 5%. Unfortunately, that trend began moving downward almost immediately after the purchase. The current simple 5 year average annual payroll growth rate for Lane County is .99% (time period = 03/04-07/08). With the two outlier years removed, the growth rate drops to .40%. The result is that the percentage of payroll needed to make the bond payment each year keeps going up.

The payroll estimate on this spreadsheet assumes the current .99% payroll growth rate and gives a rough estimate of the percentage of payroll needed to make the annual payments. Any change in payroll growth will change the percentage estimates.