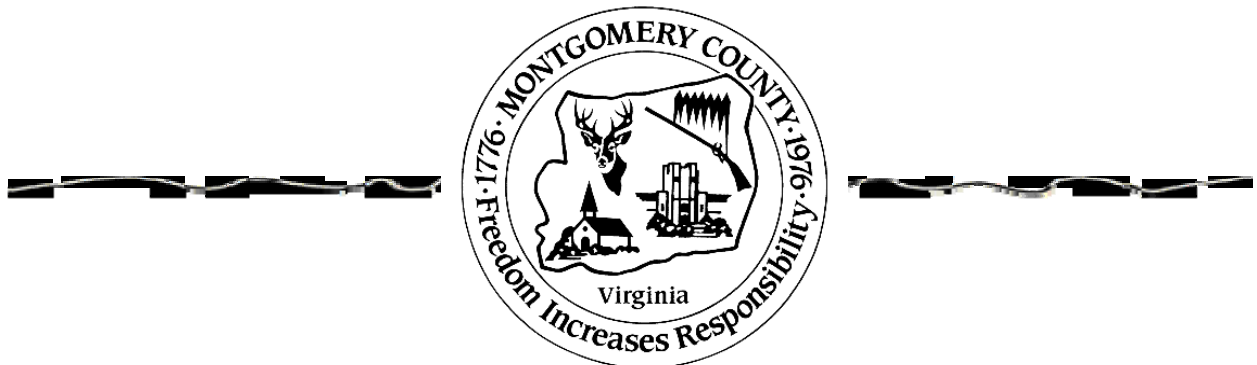
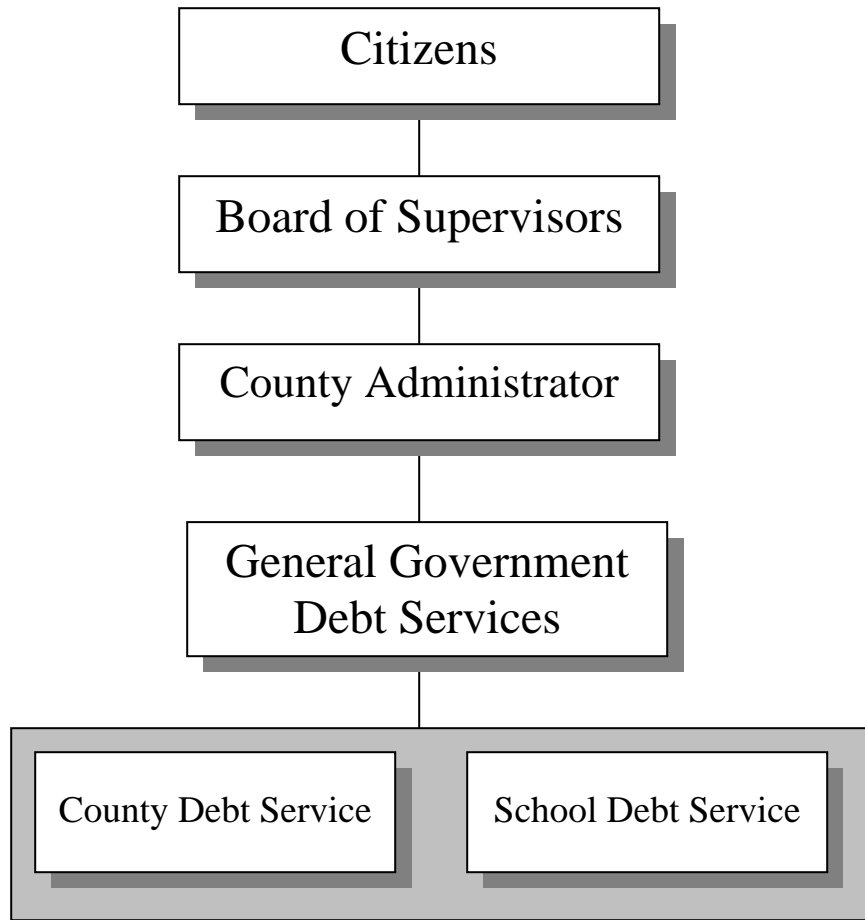


GENERAL GOVERNMENT DEBT SERVICES



GENERAL GOVERNMENT DEBT SERVICES

Budget Summary

	FY 09 Revised	FY 09 Actual	FY 10 Approved	FY 11 Base	+ FY 11 Addenda	= FY 11 Recommended	Change App 10/ Rec 11
EXPENDITURES BY DEPARTMENT							
County Debt Service	\$ 4,976,993	\$ 4,976,992	\$ 6,329,701	\$ 6,210,132	\$ -	\$ 6,210,132	\$ (119,569)
School Debt Service	\$ 8,956,454	\$ 8,955,299	\$ 11,820,508	\$ 11,200,159	\$ -	\$ 11,200,159	\$ (620,349)
Reserve Funds	\$ -	\$ -	\$ 875,000	\$ 352,692	\$ -	\$ 352,692	\$ (522,308)
Debt Service Contingency	\$ 125,606	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENDITURES	\$ 14,059,053	\$ 13,932,291	\$ 19,025,209	\$ 17,762,983	\$ -	\$ 17,762,983	\$ (1,262,226)
EXPENDITURES BY CLASSIFICATION							
Principal	\$ 8,080,479	\$ 8,082,544	\$ 9,876,842	\$ 10,486,546	\$ -	\$ 10,486,546	\$ 609,704
Interest	\$ 5,828,217	\$ 5,826,237	\$ 7,413,367	\$ 6,888,745	\$ -	\$ 6,888,745	\$ (524,622)
Administrative Costs	\$ 24,751	\$ 23,510	\$ 35,000	\$ 35,000	\$ -	\$ 35,000	\$ -
Future Literary Fund Loan Payments	\$ -	\$ -	\$ 825,000	\$ -	\$ -	\$ -	\$ (825,000)
Reserve Funds	\$ -	\$ -	\$ 875,000	\$ 352,692	\$ -	\$ 352,692	\$ (522,308)
Debt Service Contingency	\$ 125,606	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENDITURES	\$ 14,059,053	\$ 13,932,291	\$ 19,025,209	\$ 17,762,983	\$ -	\$ 17,762,983	\$ (1,262,226)
REVENUE BY CLASSIFICATION							
State School Construction	\$ 227,535	\$ 228,132	\$ -	\$ -	\$ -	\$ -	\$ -
General Fund Transfer	\$ 13,831,518	\$ 13,383,528	\$ 16,973,985	\$ 15,623,985	\$ -	\$ 15,623,985	\$ (1,350,000)
School Capital Fund Transfer	\$ -	\$ -	\$ 1,873,545	\$ 1,893,883	\$ -	\$ 1,893,883	\$ 20,338
Debt Service Fund Balance	\$ -	\$ -	\$ -	\$ 175,000	\$ -	\$ 175,000	\$ 175,000
Interest/Freed Up Debt Service Reserve	\$ -	\$ 320,631	\$ 177,679	\$ 70,115	\$ -	\$ 70,115	\$ (107,564)
TOTAL DESIGNATED REVENUE	\$ 14,059,053	\$ 13,932,291	\$ 19,025,209	\$ 17,762,983	\$ -	\$ 17,762,983	\$ (1,262,226)
TOTAL UNDESIGNATED REVENUE	\$ -	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	\$ 14,059,053	\$ 13,932,291	\$ 19,025,209	\$ 17,762,983	\$ -	\$ 17,762,983	\$ (1,262,226)

GENERAL GOVERNMENT DEBT SERVICES

Division Description

Included in the Debt Service Budget are principal, interest and administrative fees on long-term outstanding debt. Examples of such debt service accounts are those that are required for the issuance of the general obligation bonds to fund county and public schools, new constructions, building improvements and renovations and to fund other county capital improvements.

Base Budget Discussion

The base budget is the estimated minimum cost for providing continued services/operations for each division/department. It is based on the prior year approved budget with adjustments. This budget shows how much it would cost in the next fiscal year to operate the same programs approved in the current fiscal year.

- **(\$1,262,226) is Removed from the Base Budget** – The base budget is adjusted each year to cover the cost of principal, interest and administrative fees associated with long-term debt.
 - The FY 10 budget included a one-time transfer of \$1,050,000 from the General Fund to provide funds to shave the peak of debt service costs over six years. \$175,000 of these funds will be used in FY 11 to offset debt service.
 - An additional \$300,000 was reduced due to debt service savings resulting from the planned issuance of interest free Qualified School Construction Bonds (QSCB) rather than Literary Loan debt at an interest rate of 3%.
 - The use of funds generated by the 2 cents of the tax rate previously set aside increased \$20,338, for a total of \$1,893,883.
 - The planned use of interest earnings is reduced by \$107,564 due to a projected decrease in interest rates.

These adjustments were made to reconcile the base budget to the amount of funding required to fund FY 11 debt service requirements.

- **\$352,692 in One-time Only Funding is Included as a Contingency** – These funds are one-time only funds that will be used in future years to cover debt service costs. The debt service schedule assumed interest earnings would pay a portion of debt payments in future years. The issuance of QSCB bond payments rather than Literary Loan debt has deferred the first debt service payment until FY 12. Given the low interest rates, a one-time contingency fund will be used to offset interest earnings if they are lower than expected.

Addenda and Reduction Discussion

Addenda consist of dollars over and above the base budget target for operating and capital. Recommended addenda items are generally for new and/or expanded services/initiatives. Reductions reflect dollars reduced in revenue and/or expense necessary to address a shortfall in the general fund revenue.

- **No Addenda Added**

GENERAL GOVERNMENT DEBT SERVICES

Department Description and Financial Data

County Debt Service

The County Debt Service budget includes principal, interest and administrative fees for all County long-term outstanding debt.

	FY 09 Revised	FY 09 Actual	FY 10 Approved	FY 11 Base	+	FY 11 Addenda	=	FY 11 Recommended	Change App 10/ Rec 11
EXPENDITURES BY DEPARTMENT									
County Debt Service	\$ 4,976,993	\$ 4,976,992	\$ 6,329,701	\$ 6,210,132		\$ -		\$ 6,210,132	\$ (119,569)

School Debt Service

The School Debt Service budget includes principal, interest and administrative fees for all School long-term outstanding debt.

	FY 09 Revised	FY 09 Actual	FY 10 Approved	FY 11 Base	+	FY 11 Addenda	=	FY 11 Recommended	Change App 10/ Rec 11
EXPENDITURES BY DEPARTMENT									
School Debt Service	\$ 8,956,454	\$ 8,955,299	\$ 11,820,508	\$ 11,200,159		\$ -		\$ 11,200,159	\$ (620,349)

Reserve Funds

The Reserve Funds budget includes funds transferred from the Board designated Debt Service Reserve Fund and the Rainy Day Fund. These funds will be used to cover a portion of the debt service payments through 2015, allowing the County to “shave the peak” of the debt service costs and alleviating the impact of debt service costs on the real estate tax rate.

	FY 09 Revised	FY 09 Actual	FY 10 Approved	FY 11 Base	+	FY 11 Addenda	=	FY 11 Recommended	Change App 10/ Rec 11
EXPENDITURES BY DEPARTMENT									
Reserve Funds	\$ -	\$ -	\$ 875,000	\$ 352,692		\$ -		\$ 352,692	\$ (522,308)

Debt Service Contingency

The Debt Service Contingency budget includes excess funding that is was needed to pay for the County and School existing debt service requirements in FY 08 and FY 09. In FY 06, debt service costs to pay principal and interest payments on outstanding County and School Debt were consolidated into one fund. This contingency holds the unallocated debt service savings that can be used for future debt service.

	FY 09 Revised	FY 09 Actual	FY 10 Approved	FY 11 Base	+	FY 11 Addenda	=	FY 11 Recommended	Change App 10/ Rec 11
EXPENDITURES BY DEPARTMENT									
Debt Service Contingency	\$ 125,606	\$ -	\$ -	\$ -		\$ -		\$ -	\$ -