

Debt Service Fund

Fund 30 • Debt Service Fund Type

FUND DESCRIPTION

The Bonded Debt Service Fund provides for bond principal and interest payments on outstanding bond issues. Voter approval in November 2006, for the authority to issue up to \$77.5 million of general obligation bonds to fund future capital projects, provided the authorization for the 2007 General Obligation Bond Series in the amount of \$20,000,000 and two series 2009 bonds in the amount of \$14,000,000 and \$15,000,000. Remaining issuance authority for bonds is \$28,500,000, which is budgeted to occur in late fiscal year 2011. Construction projects are still being reviewed as the budget is developed, such that issuance of the \$28,500,000 may be performed in two issues timed to construction projects.

The 2007 bonds mature in one million dollar increments, which began April 1, 2008, and continue through 2027. The bonds have an effective interest rate of 4.0256% and coupons range from 4.0% to 5.0%.

The second General Obligation Bond Series, issued in March 2009 in the amount of \$14,000,000, mature in increments of \$960,000 beginning in March 2010 and continuing through 2024. These bonds have an effective interest rate of 3.7% and coupons range from 3% to 4.375%. The third General Obligation Bond Series, issued in June 2009 for \$15,000,000, mature through 2029 and have an effective true interest cost to the District of 3.83%. Coupons range from 3.0% to 4.25%.

The District levies sufficient funds to make scheduled and anticipated debt service payments for all issues, plus an amount necessary to meet the first bond payments each year prior to collection of levied property taxes.

BUDGET SUMMARY

| Expenditures | 2007-08 Actual | 2008-09 Actual | 2009-10 Budget | 2010-11 Budget |
|-----------------------------|----------------|----------------|----------------|--------------------|
| 2009 Debt Service, Series B | | | \$1,128,227 | \$1,118,173 |
| 2009 Debt Service | | | 1,040,454 | 1,446,000 |
| 2007 Debt Service | \$1,821,042 | \$1,794,500 | 1,744,500 | 1,694,500 |
| 2000 Debt Service | 798,250 | 814,875 | | |
| 1999 Debt Service | 687,600 | 707,200 | | |
| Fund Balance Reserved | 1,321,652 | 544,418 | 869,337 | 825,287 |
| Total Expenditures | \$4,628,544 | \$3,860,993 | \$4,782,518 | \$5,083,960 |

MATURITY SCHEDULES

| Fiscal Year | Series 2007 Bonds | | Series 2009 Bonds | | Series 2009 B Bonds | |
|-------------|---------------------|--------------------|---------------------|--------------------|---------------------|--------------------|
| | Principal | Interest | Principal | Interest | Principal | Interest |
| 2010-11 | \$1,000,000 | \$694,500 | \$960,000 | \$486,000 | \$560,000 | \$558,173 |
| 2011-12 | 1,000,000 | 652,000 | 960,000 | 457,200 | 570,000 | 541,373 |
| 2012-13 | 1,000,000 | 612,000 | 960,000 | 428,400 | 580,000 | 524,272 |
| 2013-14 | 1,000,000 | 572,000 | 960,000 | 399,600 | 595,000 | 506,873 |
| 2014-15 | 1,000,000 | 532,000 | 960,000 | 370,800 | 610,000 | 489,022 |
| 2015-29 | 12,000,000 | 3,239,250 | 8,640,000 | 1,786,800 | 11,530,000 | 3,888,238 |
| | \$17,000,000 | \$6,301,750 | \$13,440,000 | \$3,928,800 | \$14,445,000 | \$6,507,951 |

Debt Service Fund

| <i>Historical Data</i> | | | <i>Budget for Next Year 2010-11</i> | | | |
|--|---|---|---|-------------------------------------|---------------------------------------|-------------------------------------|
| Actual Second Preceding Year 2007-08 | Actual First Preceding Year 2008-09 | Adopted Budget This Year 2009-10 | Resources | Proposed by Budget Officer | Approved by Budget Committee | Adopted by Governing Board |
| \$1,273,796 | \$1,321,652 | \$319,734 | Beginning Fund Balance (Cash Basis) or Working Capital (Accrual Basis) | \$869,337 | \$869,337 | \$869,337 |
| 26,207 | 53,637 | 33,963 | Previously Levied Taxes Estimated to be Rec'd | 33,965 | 33,965 | 33,965 |
| 60,032 | 18,568 | 14,000 | Earnings from Temporary Investments | 9,265 | 9,265 | 9,265 |
| 5,549 | | 700 | Interest on Taxes | 700 | 700 | 700 |
| 57 | 615 | 215 | Tax in Lieu of Property Tax | 215 | 215 | 215 |
| 1,365,641 | 1,394,472 | 368,612 | Total Resources, Except Taxes to be Levied | 913,482 | 913,482 | 913,482 |
| | | 4,413,906 | Taxes Necessary to Balance | 4,170,478 | 4,170,478 | 4,170,478 |
| 3,262,903 | 2,466,521 | | Taxes Collected in Year Levied | | | |
| \$4,628,544 | \$3,860,993 | \$4,782,518 | Total Resources | \$5,083,960 | \$5,083,960 | \$5,083,960 |
| Requirements | | | | | | |
| Bond Principal Payments | | | | | | |
| \$635,000 | \$680,000 | | 1999 - Jan 15 | | | |
| 740,000 | 795,000 | | 2000 - Jul 15 | | | |
| 1,000,000 | 1,000,000 | \$1,000,000 | 2007 - Apr 01 | \$1,000,000 | \$1,000,000 | \$1,000,000 |
| | | 560,000 | 2009 - Mar 01 | 960,000 | 960,000 | 960,000 |
| | | 555,000 | 2009B - Jun 15 | 560,000 | 560,000 | 560,000 |
| 2,375,000 | 2,475,000 | 2,115,000 | Total Principal | 2,520,000 | 2,520,000 | 2,520,000 |
| Bond Interest Payments | | | | | | |
| 26,300 | 13,600 | | 1999 - Jan 15 | | | |
| 26,300 | 13,600 | | 1999 - Jul 15 | | | |
| 19,875 | 19,875 | | 2000 - Jan 15 | | | |
| 38,375 | | | 2000 - Jul 15 | | | |
| | 397,250 | 372,250 | 2007 - Oct 01 | 347,250 | 347,250 | 347,250 |
| 821,042 | 397,250 | 372,250 | 2007 - Apr 01 | 347,250 | 347,250 | 347,250 |
| | | 480,453 | 2009 - Sep 01 | 243,000 | 243,000 | 243,000 |
| | | 285,815 | 2009 - Mar 01 | 243,000 | 243,000 | 243,000 |
| | | 287,412 | 2009B - Dec 15 | 279,086 | 279,086 | 279,086 |
| | | | 2009B - June 15 | 279,087 | 279,087 | 279,087 |
| 931,892 | 841,575 | 1,798,180 | Total Interest | 1,738,673 | 1,738,673 | 1,738,673 |
| Reserves | | | | | | |
| Unappropriated Balance for Next Year | | | | | | |
| | | 347,250 | 2007 - Oct 01 | 326,000 | 326,000 | 326,000 |
| | | 243,000 | 2009 - Sep 01 | 228,600 | 228,600 | 228,600 |
| | | 279,087 | 2009B - Dec 15 | 270,687 | 270,687 | 270,687 |
| 1,321,652 | 544,418 | 869,337 | Total Unappropriated Ending Fund Balance | 825,287 | 825,287 | 825,287 |
| \$4,628,544 | \$3,860,993 | \$4,782,517 | Total Requirements | \$5,083,960 | \$5,083,960 | \$5,083,960 |