

Debt Service Fund

Fund 30 • Debt Service Fund Type

FUND DESCRIPTION

The 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, and a fourth issuance of \$23,500,000 in 2011.

The 2007 bonds mature in one million dollar increments, which began in April 2008, and continue through April 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 March 2024. These bonds have an effective interest rate of 3.7% and coupons range from 3.0% to 4.375%. The third General Obligation Bond Series issued in June 2009 for \$15,000,000, mature through June 2029, and have an effective true interest cost to the District of 3.83%. Coupons range from 3.0% to 4.25%. The fourth series of bonds were sold May 17, 2011, with closing on June 2, 2011. The bonds have an effective interest rate of 3.51% with coupons ranging from 2.0% to 5.0% maturing from June 2012 through June 2031.

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 | 2010-11 Actual | 2011-12 Actual | 2012-13 Budget | 2013-14 Budget |
|-----------------------------|----------------|----------------|--------------------|--------------------|
| 2011 Debt Service | | \$1,734,840 | \$1,734,963 | \$1,732,363 |
| 2009 Debt Service, Series B | \$1,118,173 | 1,111,372 | 1,104,274 | 1,101,873 |
| 2009 Debt Service | 1,446,000 | 1,417,200 | 1,388,400 | 1,359,600 |
| 2007 Debt Service | 1,694,500 | 1,652,000 | 1,612,000 | 1,572,000 |
| Fund Balance Reserved | 1,240,387 | 1,604,149 | 1,157,919 | 1,105,643 |
| Total Expenditures | \$5,499,060 | \$7,519,561 | \$6,997,556 | \$6,871,479 |

MATURITY SCHEDULES

| Fiscal Year | Series 2007 Bonds | | Series 2009 Bonds | | Series 2009 B Bonds | | Series 2011 Bonds | |
|-------------|---------------------|--------------------|---------------------|--------------------|---------------------|--------------------|---------------------|--------------------|
| | Principal | Interest | Principal | Interest | Principal | Interest | Principal | Interest |
| 2013-14 | \$ 1,000,000 | \$ 572,000 | \$ 960,000 | \$ 399,600 | \$ 595,000 | \$ 506,873 | \$ 895,000 | \$ 837,363 |
| 2014-15 | 1,000,000 | 532,000 | 960,000 | 370,800 | 610,000 | 489,022 | 915,000 | 819,463 |
| 2015-16 | 1,000,000 | 492,000 | 960,000 | 342,000 | 630,000 | 470,723 | 935,000 | 801,162 |
| 2016-17 | 1,000,000 | 452,000 | 960,000 | 310,800 | 655,000 | 445,522 | 950,000 | 782,463 |
| 2017-18 | 1,000,000 | 412,000 | 960,000 | 277,200 | 675,000 | 419,323 | 980,000 | 753,962 |
| 2018-23 | 5,000,000 | 1,458,750 | 4,800,000 | 814,800 | 3,795,000 | 1,670,012 | 5,470,000 | 3,202,213 |
| 2023-28 | 4,000,000 | 424,500 | 960,000 | 42,000 | 4,695,000 | 836,759 | 6,805,000 | 1,860,813 |
| 2028-32 | | | | | 1,080,000 | 45,900 | 4,805,000 | 401,888 |
| | \$14,000,000 | \$4,343,250 | \$10,560,000 | \$2,557,200 | \$12,735,000 | \$4,884,134 | \$21,755,000 | \$9,459,327 |

Debt Service Fund, continued

| <i>Historical Data</i> | | | <i>Budget for Next Year 2013-14</i> | | | |
|---|--|---|---|---|---|---|
| Actual Second Preceding Year 2010-11 | Actual First Preceding Year 2011-12 | Adopted Budget This Year 2012-13 | Resources | Proposed by Budget Officer | Approved by Budget Committee | Adopted by Governing Board |
| | | | Beginning Fund Balance (Cash Basis) or Working Capital (Accrual Basis) | \$ 1,254,606 | \$ 1,254,606 | \$ 1,254,606 |
| \$ 1,207,841 | \$ 1,240,387 | \$ 1,180,593 | Previously Levied Taxes Estimated to be Rec'd | 75,000 | 75,000 | 75,000 |
| 101,596 | 58,155 | 126,000 | Earnings from Temporary Investments | 14,275 | 14,275 | 14,275 |
| 11,690 | 15,516 | 11,690 | Interest on Taxes | 250 | 250 | 250 |
| 1,380 | 1,374 | 250 | Tax in Lieu of Property Tax | 350 | 350 | 350 |
| 19 | 739 | 32 | Total Resources, Except Taxes to be Levied | 1,344,481 | 1,344,481 | 1,344,481 |
| 1,322,526 | 1,316,171 | 1,318,565 | Taxes Necessary to Balance | 5,526,998 | 5,526,998 | 5,526,998 |
| | | 5,678,991 | Taxes Collected in Year Levied | | | |
| 4,176,534 | 6,203,390 | | Total Resources | \$ 6,871,479 | \$ 6,871,479 | \$ 6,871,479 |
| \$ 5,499,060 | \$ 7,519,561 | \$ 6,997,556 | | | | |
| | | | Requirements | | | |
| | | | Bond Principal Payments | | | |
| \$ 1,000,000 | \$ 1,000,000 | \$ 1,000,000 | 2007 - Apr 01 | \$ 1,000,000 | \$ 1,000,000 | \$ 1,000,000 |
| 960,000 | 960,000 | 960,000 | 2009 - Mar 01 | 960,000 | 960,000 | 960,000 |
| 560,000 | 570,000 | 580,000 | 2009B - Jun 15 | 595,000 | 595,000 | 595,000 |
| | 865,000 | 880,000 | 2011 - Jun 01 | 895,000 | 895,000 | 895,000 |
| 2,520,000 | 3,395,000 | 3,420,000 | Total Principal | 3,450,000 | 3,450,000 | 3,450,000 |
| | | | Bond Interest Payments | | | |
| 347,250 | 326,000 | 306,000 | 2007 - Oct 01 | 286,000 | 286,000 | 286,000 |
| 347,250 | 326,000 | 306,000 | 2007 - Apr 01 | 286,000 | 286,000 | 286,000 |
| 243,000 | 228,600 | 214,200 | 2009 - Sep 01 | 199,800 | 199,800 | 199,800 |
| 243,000 | 228,600 | 214,200 | 2009 - Mar 01 | 199,800 | 199,800 | 199,800 |
| 279,086 | 270,686 | 262,137 | 2009B - Dec 15 | 253,436 | 253,436 | 253,436 |
| 279,087 | 270,687 | 262,137 | 2009B - Jun 15 | 253,437 | 253,437 | 253,437 |
| | 433,708 | 427,481 | 2011 - Dec 01 | 418,681 | 418,681 | 418,681 |
| | 436,131 | 427,482 | 2011 - Jun 01 | 418,682 | 418,682 | 418,682 |
| 1,738,673 | 2,520,412 | 2,419,637 | Total Interest | 2,315,836 | 2,315,836 | 2,315,836 |
| | | | Reserves | | | |
| | | | Unappropriated Balance for Next Year | | | |
| | | 286,000 | 2007 - Oct 01 | 266,000 | 266,000 | 266,000 |
| | | 199,800 | 2009 - Sep 01 | 185,400 | 185,400 | 185,400 |
| | | 253,437 | 2009B - Dec 15 | 409,731 | 409,731 | 409,731 |
| | | 418,682 | 2011 - Dec 01 | 244,512 | 244,512 | 244,512 |
| 1,240,387 | 1,604,149 | 1,157,919 | Total Unappropriated Ending Fund Balance | 1,105,643 | 1,105,643 | 1,105,643 |
| \$ 5,499,060 | \$ 7,519,561 | \$ 6,997,556 | Total Requirements | \$ 6,871,479 | \$ 6,871,479 | \$ 6,871,479 |