



## DEBT SERVICE FUNDS



Electric	25			
Cable	10			
Unit	75			
Edison Pkce	7,571.24			
Phone	300			
Cable	350.50			
Phone	75			
Phone	10			
Split PCS	84.88			
Keypads	23.50			
	53.00			

**Debt Service Fund**

This fund is used to account for the accumulation of resources for, and the payment of general obligation bonds. General obligation bonds are the most common type of bond issued by a city. They are often called "full faith and credit bonds" because the taxable valuation of all real property located in the city is pledged to pay them.

The advantage of general obligation bonds over other bonds is that the interest rate is usually lower than other types of bonds. The main disadvantage of general obligation bonds is that they are subject to debt limitation, while others are not.

There are two types of general obligation bonds: essential corporate purpose and general corporate purpose. **Bonds issued for a general corporate purpose require a public election with a 60 percent majority vote. Some examples of general corporate purpose bonds include bonds issued for swimming pools, libraries, city halls, fire stations, and police stations.** Bonds issued for an essential corporate purpose need only the approval of a resolution by a majority of the total city council at an official meeting, following a published notice and hearing. Examples of essential corporate purpose bonds include bonds issued for street and bridge construction; refinancing of debt; park improvements; and flood control.

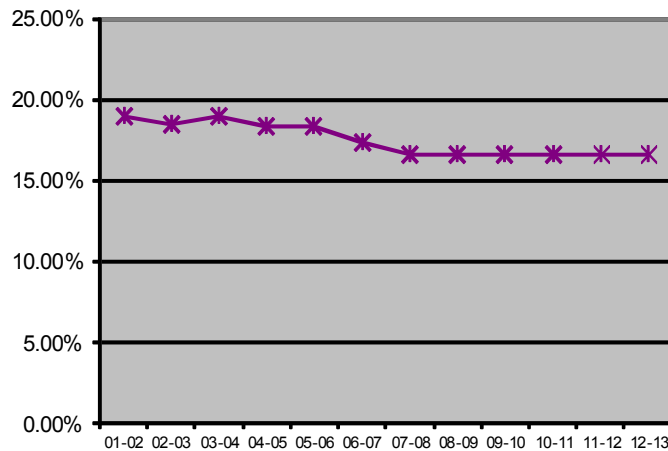
**Financial Summary**

In FY 12-13 the Debt Service levy rate is projected to be \$2.00 per \$1,000 in valuation. This rate is 16.60% of the City's total property tax rate. This maintains the lowest percentage since FY 1994-95, when the Debt Service rate equaled approximately 17% of the City's property tax rate. This means the City is able to dedicated more of the property tax ley to general operations.

In FY 12-13, interest income is projected to be minimal. This projection is based on estimated cash reserves during the year and historical interest rates. Any interest earned will be used to increase the ending fund balance, which is projected to be \$4,299,805 at June 30, 2013.

Currently, the Debt Service fund balance is approximately 24.67% of operating expenditures; ideally, the City would like to see this percentage be in the range of 7% to 10%. The Debt Service fund balance is reserved for future debt service requirements.

**Debt Service Levy as a % of Total Levy**



## Financial Summary

	ACTUAL FY 2009-10	ACTUAL FY 2010-11	REVISED BUDGET FY 2011-12	BUDGET FY 2012-13	INC(DEC) FY 2012-13 OVER FY 2011-12	% INC (DEC)
<b>REVENUES</b>						
<b>Operating Revenues</b>						
Property Taxes	\$7,851,202	\$8,094,534	\$8,306,896	\$8,338,548	\$31,652	0.38%
TIF Revenues						
Other City Taxes	94,835	45,478	96,634	95,313	(1,321)	(1.37%)
Licenses and Permits						
Use of Money and Property	35,797	6,637				
Intergovernmental						
Charges for Services						
Special Assessments						
Miscellaneous						
<b>Sub-total Operating Revenues</b>	<b>\$7,981,834</b>	<b>\$8,146,649</b>	<b>\$8,403,530</b>	<b>\$8,433,861</b>	<b>\$30,331</b>	<b>0.36%</b>
<b>Other Financing Sources</b>						
Proceeds of Long Term Debt	2,953,687	(280)				
Transfers In	50,140,878	9,051,103	9,886,737	8,992,806	(893,931)	(9.04%)
<b>Sub-total Other Financing Sources</b>	<b>\$53,094,565</b>	<b>\$9,050,823</b>	<b>\$9,886,737</b>	<b>\$8,992,806</b>	<b>(\$893,931)</b>	<b>(9.04%)</b>
<b>TOTAL REVENUES &amp; OTHER SOURCES</b>	<b>\$61,076,399</b>	<b>\$17,197,472</b>	<b>\$18,290,267</b>	<b>\$17,426,667</b>	<b>(\$863,600)</b>	<b>(4.72%)</b>
<b>EXPENDITURES</b>						
<b>Operating Expenditures</b>						
Personal Services						
Supplies and Services						
Universal Commodities						
Non-Recurring/Non-Capital						
Capital						
<b>Sub-total Operating Expenditures</b>						
<b>Debt Service Expenditures</b>	<b>\$61,353,329</b>	<b>\$17,081,564</b>	<b>\$17,570,475</b>	<b>\$17,426,667</b>	<b>(\$143,808)</b>	<b>(0.82%)</b>
<b>Capital Improvement Expenditures</b>						
<b>Total Expenditures</b>	<b>\$61,353,329</b>	<b>\$17,081,564</b>	<b>\$17,570,475</b>	<b>\$17,426,667</b>	<b>(\$143,808)</b>	<b>(0.82%)</b>
<b>Transfers Out</b>	<b>\$127,357</b>	<b>\$126,269</b>				
<b>TOTAL EXPENDITURES/TRANSFERS OUT</b>	<b>\$61,480,686</b>	<b>\$17,207,833</b>	<b>\$17,570,475</b>	<b>\$17,426,667</b>	<b>(\$143,808)</b>	<b>(0.82%)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(\$404,287)</b>	<b>(\$10,361)</b>	<b>\$719,792</b>		<b>(\$719,792)</b>	<b>(100.00%)</b>
<b>BEGINNING FUND BALANCE</b>	<b>\$3,994,661</b>	<b>\$3,590,374</b>	<b>\$3,580,013</b>	<b>\$4,299,805</b>	<b>\$719,792</b>	<b>n/a</b>
<b>ENDING FUND BALANCE</b>	<b>\$3,590,374</b>	<b>\$3,580,013</b>	<b>\$4,299,805</b>	<b>\$4,299,805</b>		<b>n/a</b>
<b>FUND BALANCE% OF EXPENDITURES</b>	<b>5.85%</b>	<b>20.96%</b>	<b>24.47%</b>	<b>24.67%</b>		



## Composition of Debt Service Levy

	Principal Payable in FY 2012-13	Interest Payable in FY 2012-13	Total FY 2012-13 Obligation	Amount Paid by Other Funds & Debt Service Fund Balance	Amount Paid by Current Year Debt Service Taxes
2003D - ECP	504,000	183,338	687,338		687,338
2003D - GCP	696,000	252,062	948,062		948,062
2004 - ECP	185,000	243,184	428,184		428,184
2005 - GCP	255,000	39,208	294,208		294,208
2006 - ECP	325,000	125,938	450,938		450,938
2007A - ECP JC abated	205,000	60,678	265,678	265,678	
2008A -ECP Mills abated	1,730,000	107,681	1,837,681	1,837,681	
2008B -ECP Mills abated	100,000	266,416	366,416	366,416	
2009A- ADV Refunding	1,655,000	94,475	1,749,475		1,749,475
2009B-ECP	230,000	28,000	258,000		258,000
2010A-ECP	610,000	197,525	807,525		807,525
2010A-ECP Jordan Creek abated	3,130,000	775,275	3,905,275	3,905,275	
2010B-ECP	240,000	9,900	249,900		249,900
2010B-ECP Mills abated	385,000	15,700	400,700	400,700	
2010C-ECP	695,000	182,700	877,700		877,700
2010D-ECP Mills abated	50,000	156,731	206,731	206,731	
2011A-ECP	375,000	153,781	528,781		528,781
2011B-ECP MCP-WFHM abated	1,775,000	235,325	2,010,325	2,010,325	
2012-ECP (pre-levy)		1,143,750	1,143,750		1,143,750
Registration Costs			10,000		10,000
<b>Total General Obligation Bonds</b>	<b>\$13,145,000</b>	<b>\$4,271,667</b>	<b>\$17,426,667</b>	<b>\$8,992,806</b>	<b>\$8,433,861</b>

## FY 2012-13 General Obligation Bonds Outstanding

	Original Issue	Estimated Balance June 30, 2012	FY 2012-13 Additions	FY 2012-13 Reductions	Estimated Balance June 30, 2013
2003D - ECP	5,050,000	4,157,500		504,000	3,653,500
2003D - GCP	6,950,000	5,717,500		696,000	5,021,500
2004A - ECP	6,000,000	5,010,000		185,000	4,825,000
2005A - GCP	2,290,000	1,070,000		255,000	815,000
2006A - GCP	6,000,000	3,045,000		325,000	2,720,000
2007A - ECP JC abated	2,550,000	1,635,000		205,000	1,430,000
2008A - ECP Mills abated	9,860,000	3,515,000		1,730,000	1,785,000
2008B - ECP Mills abated	7,000,000	7,000,000		100,000	6,900,000
2009A - Refunding Capital Loan Notes	7,510,000	3,075,000		1,655,000	1,420,000
2009B - ECP	6,500,000	700,000		230,000	470,000
2010A - ECP Refunding	6,050,000	5,460,000		610,000	4,850,000
2010A - Refunding JC abated	25,400,000	22,330,000		3,130,000	19,200,000
2010B - ECP Refunding	975,000	495,000		240,000	255,000
2010B - Refunding Mills abated	1,530,000	785,000		385,000	400,000
2010C - ECP	7,000,000	6,090,000		695,000	5,395,000
2010D - ECP Mills abated	5,000,000	5,000,000		50,000	4,950,000
2011A - ECP	6,900,000	5,685,000		375,000	5,310,000
2011B - ECP MCP-WFHM-abated	11,270,000	11,270,000		1,775,000	9,495,000
2012A - ECP (pre-levy)			8,250,000		8,250,000
<b>Total General Obligation Bonds</b>	<b>\$123,835,000</b>	<b>92,040,000</b>	<b>\$8,250,000</b>	<b>\$13,145,000</b>	<b>\$87,145,000</b>

## Future Debt Service Payments based on Existing Debt

Fiscal Years	Principal Payable	Interest Payable	Total Obligation	Amount Paid by Other Funds & Debt Service Fund Balance	Amount Paid by Current Year Debt Service Taxes
FY 2013-14	12,810,000	2,774,816	15,584,816	9,193,050	6,391,766
FY 2014-15	10,380,000	2,432,126	12,812,126	7,157,950	5,654,176
FY 2015-16	11,010,000	2,076,978	13,086,978	7,051,519	6,035,459
FY 2016-17	11,105,000	1,697,600	12,802,600	7,328,731	5,473,869
FY 2017-18	11,150,000	1,301,694	12,451,694	7,357,550	5,094,144
FY 2018-19	8,770,000	882,861	9,652,861	5,332,030	4,320,831
FY 2019-20	4,825,000	525,075	5,350,075	1,527,956	3,822,119
FY 2020-21	3,030,000	335,039	3,365,039	1,535,406	1,829,633
FY 2021-22	1,850,000	208,725	2,058,725	1,539,756	518,969
FY 2022-23	790,000	141,756	931,756	412,006	519,750
FY 2023-24	815,000	116,081	931,081	411,606	519,475
FY 2024-25	845,000	87,969	932,969	415,469	517,500
FY 2025-26	355,000	58,825	413,825	413,825	
FY 2026-27	370,000	46,400	416,400	416,400	
FY 2027-28	385,000	31,600	416,600	416,600	
FY 2028-29	405,000	16,200	421,200	421,200	
	<b>\$78,895,000</b>	<b>\$12,733,745</b>	<b>\$91,628,745</b>	<b>\$50,931,054</b>	<b>\$40,697,691</b>