



Debt Service Fund

April 17, 2012



Debt Service Fund

- Accounts for General Obligation Bond Debt Service

<u>Sources</u>	
Secondary Property Taxes	\$ <u>XXXXXXX</u>
IRS Interest Credits	\$ <u>XXXXXXX</u>
Total Sources	\$ <u>XXXXXXX</u>
<u>Uses</u>	
Principal	\$ <u>XXXXXXX</u>
Interest	\$ <u>XXXXXXX</u>
Total Sources	\$ <u>XXXXXXX</u>

Debt Service Fund Balance

- At 6/30/11, Fund Deficit = \$334,556
- At 6/30/12, Est. Fund Deficit = \$350,000
- Fund Deficits are Common
 - Timing of debt issuances
 - Property tax fluctuations
- Although common, deficit primarily exists due to 7/1/2010 interest payment not recovered through subsequent tax levies or General Fund Support

Options to Consider

1. Fund with Secondary Property Tax Levies
 - a) FY12-13 – Will require public notice (April 19)*
 - b) FY13-14 – Levy increase can be combined with new debt issuance
2. General Fund Support
 - a) Current Year (Contingency)
 - b) Subsequent Years

* Notifications of any levy increases are now required

Questions?

