Fund:
DEBT SERVICE

Department:
DEBT SERVICE

Division:
2010 G.O. BONDS PUBLIC SAFETY CENTER

Division No.: **43015**

MISSION:

This Division provides current funding for redemption of principal, the interest cost and paying agent fees for the Series 2010 General Obligation Bonds for the Public Safety Center Construction.

PROGRAM HIGHLIGHTS*:*

During Fiscal Year 2011, the City of Carbondale issued $4,000,000 of Recovery Zone Bonds under the American Recovery and Reinvestment Act and $3,991,000 of Build America Bonds to provide funding for the construction of a new Public Safety Center. Recovery Zone Bonds provide a 45% and Build America Bonds provide a 35% annual rebate of interest costs respectively from the federal government. The annual debt service required to retire the 2010 Series Bonds is approximately $582,000 per year after the interest rebate over a 20 year term.

Debt service payments are funded entirely through funding source transfers from the General Fund.

The FY 2016 debt service includes June 1, 2015, interest payments of $124,450 for the Recovery Zone Bonds and $67,485 for the Build America Bonds and December 1, 2015, interest payments of $124,450 for the Recovery Zone Bonds and $67,485 for the Build America Bonds and a principal payment of $380,000 for the Build America Bonds. Paying agent fees totaled approximately $2,200 resulting in the FY 2016 debt service total of approximately $766,070.

The FY 2017 debt service includes June 1, 2016, interest payments of $124,450 for the Recovery Zone Bonds and $60,645 for the Build America Bonds and December 1, 2016, interest payments of $124,450 for the Recovery Zone Bonds and $60,645 for the Build America Bonds. A principal payment of $390,000 is due on December 1, 2016, for the Build America Bonds. Paying agent fees total approximately $2,200 resulting in the FY 2017 debt service total of approximately $762,390.

Interest rebates generated by these bonds are recognized in the fund's operating revenues. Due to the sequestration of federal funds the current year and anticipated receipts have been reduced by 6.80% from the face value rebate rates.

The final principal and interest payment on the 2010 "A" Redevelopment Zone Bond is scheduled for December 1, 2029. The final principal and interest payment on the 2010 "B" Build America Bond is scheduled for December 1, 2021.

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EXPENDITURE CLASSIFICATION		ACTUAL FY2015	AUTHORIZED BUDGET FY2016	ESTIMATED ACTUAL FY2016	BUDGET FY2017
DEBT SERVICE					
600	General Obligation Bond Prin.	370,000	380,000	380,000	390,000
601	General Obligation Bond Int.	395,895	383,870	383,870	370,190
690	Paying Agent Fees	2,200	2,200	2,200	2,200
	TOTAL DEBT SERVICE EXPENDITURES	768,095	766,070	766,070	762,390
	TOTAL EXPENTURES	768,095	766,070	766,070	762,390