Debt

Department: Debt Service 01.18
Division\Program: Fiscal & Administrative Services Fund: General
Program Administrator: Deborah Hudson, Director of Fiscal & Administrative Services

Expenditure Category	FY2012 Actual	FY2013 Adopted	FY2014 Request	FY2014 Adopted	$ Change from FY2013	% Chg.
Operating Costs	$4,595,700	$187,700	$198,000	$198,000	$10,300	5.5%
Debt Service	55,894,142	19,617,300	20,407,100	19,863,300	246,000	1.3%
Transfers Out	404,107	418,400	434,800	368,300	(50,100)	-12.0%
Total Expenditures	$60,893,949	$20,223,400	$21,039,900	$20,429,600	$206,200	1.0%
Revenues	$34,232,933	$1,575,900	$2,862,800	$2,862,800	$1,286,900	81.7%

Baseline Changes and Useful Information:

- FY2012 Actual includes a Bond Refunding which increased Debt Service by $35.7 million and Operating Costs by $4.3 million. Offsetting revenues are reflected above.
- **Revenues** includes the use of Fund Balance from the 2012 Bond Premium in FY2014.

Description:

This department is used to account for the annual General Fund principal, interest, and bond expenses associated with general obligation bonds and capital lease agreements. Debt service requirements are reviewed periodically in order to maintain a strong fiscal position relative to infrastructure financing.

A breakdown of the annual debt service payment by function is listed below:

	FY2012 Actual	FY2013 Adopted	FY2014 Adopted	$ Change from FY2013	% Chg.
Bonds					
Board Of Education	$4,361,273	$3,690,000	$3,727,200	$37,200	1.0%
College of Southern Maryland	1,188,526	1,246,500	1,288,800	42,300	3.4%
General Government	4,493,653	4,588,300	4,669,100	80,800	1.8%
Public Safety	2,360,544	2,231,700	2,208,400	(23,300)	-1.0%
Transportation	5,739,074	6,431,100	6,865,900	434,800	6.8%
FHA Loan	10,948	10,900	10,900	0	0.0%
Pisgah Closure	570,767	0	0	0	N/A
Bond Principal & Interest	$18,724,784	$18,198,500	$18,770,300	$571,800	3.1%
Bond Refunding	$40,051,361	$0	$0	$0	N/A
Leases					
Public Works - Facilities	$385,165	$391,200	$352,600	($38,600)	-9.9%
Emergency Services	329,115	403,400	243,200	(160,200)	-39.7%
Fiscal & Administrative Services	137,287	134,300	71,100	(63,200)	-47.1%
Community Services	16,361	11,000	6,600	(4,400)	-40.0%
General Government	26,105	17,500	5,200	(12,300)	-70.3%
Sheriff	515,454	421,600	356,100	(65,500)	-15.5%
Library	3,472	16,100	28,900	12,800	79.5%
Other Agencies	9,079	23,700	29,300	5,600	23.6%
Capital Lease Principal & Interest	$1,422,038	$1,418,800	$1,093,000	($325,800)	-23.0%
Transfer to Enterprise Fund	$404,107	$418,400	$368,300	($50,100)	-12.0%
Operating Costs	$291,659	$187,700	$198,000	$10,300	5.5%
Total	**$60,893,949**	**$20,223,400**	**$20,429,600**	**$206,200**	1.0%

Objectives & Measurements:

	FY10 Actual	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Estimated
Objective: To maintain or improve the County's bond rating. The higher the rating, the lower the interest rate will be on County issued bonds; which translates into less revenue needed to meet the costs.					
Standard & Poor's	AA	AA	AA	AA+	AA+
Moody's Investors Service	Aa2	Aa1	Aa1	Aa1	Aa1
Fitch Investors Service	AA+	AA+	AAA	AAA	AAA