

## **Debt Service Funds**

**The Debt Service Funds are used to account for the accumulation of resources for, and the payment of long-term debt principal, interest and related costs. Debt from bond issues are financed by sales tax collection and special property tax levies within the territorial limits of Consolidated School District No. 1 (Lafayette Parish). Debt from sources other than bond issues are funded using a transfer from General Fund.**

# ***DEBT SERVICE FUNDS***

## **CONSOLIDATED SCHOOL DISTRICT NO. 1 :**

To accumulate monies for payment of one remaining bond issue. The bonds were issued by Consolidated School District No. 1 for the purpose of acquiring land for building sites and playgrounds, purchasing, erecting and/or improving school buildings and other school related facilities, acquiring necessary equipment and furnishings and asbestos abatement. The bond issues are financed by a special property tax on property within the territorial limits of Consolidated School District No. 1 (Lafayette Parish).

## **SALES TAX REVENUE BOND SINKING FUND AND SALES TAX REVENUE BOND RESERVE FUND:**

To accumulate monies for payment of five remaining bond issues. The bonds were issued by the School Board for the purpose of constructing and acquiring capital improvements, including the acquisition of land for building sites and playgrounds, purchasing, erecting and improving school buildings and related facilities, acquiring necessary equipment and furnishings, and refunding previous bond issues to take advantage of a better interest rate market.

The Sales Tax Revenue Bond Agreements require monthly deposits into the Sales Tax Revenue Bond Debt Service Fund of the one percent sales tax now being levied and collected by the School Board, sufficient in amount to pay the principal of and interest on said bonds when due.

The Sales Tax Revenue Bond Agreements also require that a Sales Tax Revenue Bond Reserve Fund be maintained in an amount equal to the highest combined principal and interest requirements of all outstanding sales tax revenue bonds in any succeeding fiscal year.

## **DEBT SERVICE – OTHER DEBT**

To account for debt service expenditures that are not directly related to bond issues. Such debt includes certificates of indebtedness, lease financing and qualified zone academy bonds (QZAB). This debt usually has shorter terms and does not require a reserve fund or specific identification of resources used to pay the debt.

Funds to pay this debt are recorded as revenue in the general fund and are transferred to this fund in amounts to equal debt service needs. In an effort to more clearly disclose the total debt obligations of the School Board, this fund was established to allow specific identification of debt obligations previously accounted for in various other funds.

Lafayette Parish School System  
**Debt Service Funds Budget Comparison**

FY 2006 - 2007

	Actual 2004/2005	Budget 2005/2006	Budget 2006/2007
<b>REVENUES:</b>			
Ad Valorem Taxes	\$ 663,287	\$ 631,576	\$ 510,857
Sales Taxes	9,422,041	9,420,309	9,427,729
Interest	317,364	295,600	635,080
<b>Total Revenues</b>	<b>\$ 10,402,692</b>	<b>\$ 10,347,485</b>	<b>\$ 10,573,667</b>
<b>EXPENDITURES:</b>			
Pension Fees/General Admin.	\$ 31,187	\$ 57,700	\$ 57,700
Debt Service:			
Principal Reduction	6,936,770	7,577,230	8,093,180
Interest Payments	4,585,420	4,424,567	4,193,975
<b>Total Expenditures</b>	<b>\$ 11,553,377</b>	<b>\$ 12,059,497</b>	<b>\$ 12,344,855</b>
<b>Other Financing Sources/Uses:</b>			
Transfers In	\$ 1,500,458	\$ 2,167,158	\$ 2,511,403
Transfers Out		(180,000)	(849,480)
<b>Total other Financing Sources/Uses</b>	<b>\$ 1,500,458</b>	<b>\$ 1,987,158</b>	<b>\$ 1,661,923</b>
Excess (Deficit)	349,773	275,146	(109,265)
Beginning Fund Balance (Deficit)	13,843,488	13,843,488	14,129,276
<b>Ending Fund Balance</b>	<b>\$ 14,193,261</b>	<b>\$ 14,118,634</b>	<b>\$ 14,020,011</b>

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Lafayette Parish School System  
**Debt Service Funds**  
**Combining Statements of Revenues, Expenditures, and Changes in Fund Balance**  
FY 2006 - 2007  
Adopted Budget

	Sales Tax Revenue Bonds			General	Other	Total
	Sinking Fund	Reserve Fund	Total	Obligation Bonds School District No. 1	Debt Various Issues	
<b>REVENUES:</b>						
Ad Valorem Taxes	\$ -	\$ -	\$ -	\$ 510,857	\$ -	\$ 510,857
Sales Taxes	9,427,729	-	9,427,729	-	-	9,427,729
Interest	360,000	249,480	609,480	25,600	-	635,080
<b>Total Revenues</b>	<b>\$ 9,787,729</b>	<b>\$ 249,480</b>	<b>\$ 10,037,209</b>	<b>\$ 536,457</b>	<b>\$ -</b>	<b>\$ 10,573,667</b>
<b>EXPENDITURES:</b>						
Pension Fees/General Admin.	\$ 13,700	\$ -	\$ 13,700	\$ 44,000	-	\$ 57,700
Debt Service:						
Principal Reduction	5,710,000	-	5,710,000	560,000	1,823,180	8,093,180
Interest Payments	3,714,638	-	3,714,638	40,594	438,744	4,193,975
<b>Total Expenditures</b>	<b>\$ 9,438,338</b>	<b>\$ -</b>	<b>\$ 9,438,338</b>	<b>\$ 644,594</b>	<b>\$ 2,261,923</b>	<b>\$ 12,344,855</b>
<b>Other Fin. Sources/Uses:</b>						
Transfers In	\$ 249,480	\$ -	\$ 249,480	\$ -	2,261,923	\$ 2,511,403
Transfers Out	-	(249,480)	(249,480)	-	-	(249,480)
Transfer to Capital Improv.	(600,000)	-	(600,000)	-	-	(600,000)
Transfer to Minor Ren/Imp.	-	-	-	-	-	-
<b>Total Other Fin. Sources/Uses</b>	<b>\$ (350,520)</b>	<b>\$ (249,480)</b>	<b>\$ (600,000)</b>	<b>\$ -</b>	<b>\$ 2,261,923</b>	<b>\$ 1,661,923</b>
<b>Excess (Deficit)</b>	<b>(1,128)</b>	<b>-</b>	<b>(1,128)</b>	<b>(108,136)</b>	<b>-</b>	<b>(109,265)</b>
<b>Beg. Fund Balance (Deficit)</b>	<b>\$ 3,798,663</b>	<b>\$ 9,491,855</b>	<b>\$ 13,290,518</b>	<b>\$ 838,758</b>	<b>-</b>	<b>\$ 14,129,276</b>
<b>Ending Fund Balance</b>	<b>\$ 3,797,535</b>	<b>\$ 9,491,855</b>	<b>\$ 13,289,390</b>	<b>\$ 730,622</b>	<b>\$ -</b>	<b>\$ 14,020,011</b>

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Lafayette Parish School System  
**Total Bonds Outstanding Per Year**  
**Outstanding Principal Balances**  
FY 2006 - 2007

<u>Years</u>	<u>FY Ending June 30</u>	<u>General Obligation Bonds (1)</u>	<u>Sales Tax Revenue Bonds</u>	<u>Other Debt</u>	<u>Total Outstanding For the Year</u>
1	2006	1,735,000	81,185,000	13,673,381	96,593,381
2	2007	1,175,000	75,475,000	11,850,201	88,500,201
3	2008	595,000	69,480,000	10,226,942	80,301,942
4	2009	-	63,180,000	8,548,683	71,728,683
5	2010	-	56,605,000	6,815,424	63,420,424
6	2011	-	49,745,000	5,012,165	54,757,165
7	2012	-	42,575,000	3,798,906	46,373,906
8	2013	-	35,075,000	2,550,647	37,625,647
9	2014	-	29,120,000	1,257,388	30,377,388
10	2015	-	22,880,000	331,629	23,211,629
11	2016	-	16,730,000	0	16,730,000
12	2017	-	10,290,000	0	10,290,000
13	2018	-	3,545,000	-	3,545,000
14	2019	-	1,880,000	-	1,880,000
15	2020	-	965,000	-	965,000
16	2021	-	-	-	-
		-	-	-	-

(1) Debt service of the General Obligation Bonds is funded by property taxes.

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Lafayette Parish School System  
**Sales Tax Revenue Bonds**  
**Outstanding Principal Balances**  
FY 2006-2007

	<u>2004 Bonds(1)</u>	<u>1995 Bonds</u>	<u>1998 Bonds</u>	<u>1999 Bonds</u>	<u>2001 Bonds</u>	<u>Total</u>
<b>June 30, 2006</b>	<u>\$ 10,360,000</u>	<u>\$ 4,920,000</u>	<u>\$ 47,545,000</u>	<u>\$ 8,020,000</u>	<u>\$ 10,340,000</u>	<u>\$ 81,185,000</u>
Principal Reduction	<u>(1,325,000)</u>	<u>(435,000)</u>	<u>(2,920,000)</u>	<u>(560,000)</u>	<u>(470,000)</u>	<u>(5,710,000)</u>
<b>June 30, 2007</b>	<u>\$ 9,035,000</u>	<u>\$ 4,485,000</u>	<u>\$ 44,625,000</u>	<u>\$ 7,460,000</u>	<u>\$ 9,870,000</u>	<u>\$ 75,475,000</u>
Principal Reduction	<u>(1,365,000)</u>	<u>(455,000)</u>	<u>(3,075,000)</u>	<u>(605,000)</u>	<u>(495,000)</u>	<u>(5,995,000)</u>
<b>June 30, 2007</b>	<u>\$ 7,670,000</u>	<u>\$ 4,030,000</u>	<u>\$ 41,550,000</u>	<u>\$ 6,855,000</u>	<u>\$ 9,375,000</u>	<u>\$ 69,480,000</u>

*Note 1: These bonds are a refunding of an original 1994 issue*

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Lafayette Parish School System  
**Consolidated School District #1**  
**General Obligation Bonds**  
**Outstanding Principal Balances**  
FY 2006-2007

	<u>SERIES 1993</u>
<b>June 30, 2006</b>	<u>\$ 1,735,000</u>
Principal Reduction	<u>(560,000)</u>
<b>June 30, 2007</b>	<u>\$ 1,175,000</u>
Principal Reduction	<u>(580,000)</u>
<b>June 30, 2008</b>	<u>\$ 595,000</u>

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Lafayette Parish School System  
**Future Debt Service Requirements**  
**Principal & Interest**  
FY 2006-2007

<u>Years</u>	<u>Year Ending June 30</u>	<u>General Obligation Bonds</u>	<u>Sales Tax Revenue Bonds</u>	<u>Other Debt</u>	<u>Total</u>
1	2007	600,594	9,424,638	2,261,923	12,287,155
2	2008	609,394	9,433,913	2,006,253	12,049,559
3	2009	610,619	9,443,115	2,015,740	12,069,474
4	2010	-	9,449,955	2,013,698	11,463,653
5	2011	-	9,455,868	2,025,234	11,481,101
6	2012	-	9,474,393	1,381,492	10,855,884
7	2013	-	9,491,855	1,382,760	10,874,615
8	2014	-	7,611,060	1,387,403	8,998,463
9	2015	-	7,617,390	997,416	8,614,806
10	2016	-	7,234,215	384,129	7,618,344
11	2017	-	7,236,140	-	7,236,140
12	2018	-	7,238,800	-	7,238,800
13	2019	-	1,842,250	-	1,842,250
14	2020	-	1,009,000	-	1,009,000
15	2021	-	1,013,250	-	1,013,250
		-			-
<b>Total</b>		<b><u>\$ 1,820,606</u></b>	<b><u>\$ 106,975,840</u></b>	<b><u>\$ 15,856,048</u></b>	<b><u>\$ 124,652,495</u></b>

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**Lafayette Parish School System  
Debt Service - Other Debt  
FY 2006-2007**

FISCAL YEAR	Other Debt Service (QZAB- 7 Roofs)	2002 Cert of Debt 19 Portable Bldgs	2002 Cert of Debt Energy Mgmt	Bank One Lease 22 Busses	Bank One Lease AS400 Upgrade	2003 Cert of Debt Textbooks/Portables	2005 Cert of Debt Roofs/Portables	<i>Estimated (1)</i>		GRAND TOTAL
								2007 Debt Various		
2007	218,258.92	218,281.25	438,062.50	205,106.65	51,276.66	389,300.00	466,637.50	275,000.00	\$2,261,923	
2008	218,258.92	216,250.00	438,906.25	-	-	388,260.00	469,577.50	275,000.00	\$2,006,253	
2009	218,258.92	214,031.25	439,187.50	-	-	391,760.00	477,502.50	275,000.00	\$2,015,740	
2010	218,258.92	211,625.00	438,906.25	-	-	389,800.00	480,107.50	275,000.00	\$2,013,698	
2011	218,258.92	213,937.50	438,062.50	-	-	392,380.00	487,595.00	275,000.00	\$2,025,234	
2012	218,258.91	-	-	-	-	394,408.00	493,825.00	275,000.00	\$1,381,492	
2013	218,258.88	-	-	-	-	390,976.00	498,525.00	275,000.00	\$1,382,760	
2014	218,258.88	-	-	-	-	392,084.00	502,060.00	275,000.00	\$1,387,403	
2015	218,258.88	-	-	-	-	-	504,157.50	275,000.00	\$997,416	
2016	109,129.44	-	-	-	-	-	-	275,000.00	\$384,129	
2017	-	-	-	-	-	-	-	-	\$0	
<b>TOTAL</b>	<b>\$2,073,460</b>	<b>\$1,074,125</b>	<b>\$2,193,125</b>	<b>\$205,107</b>	<b>\$51,277</b>	<b>\$3,128,968</b>	<b>\$4,379,988</b>	<b>\$2,750,000</b>	<b>\$13,106,048</b>	

Note (1) Based on an estimate of \$2,000,000 for 10 years

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