

BOND AND INTEREST FUND**BOND AND INTEREST****ACCOUNT 301-1066-556****2005 DEPARTMENT / DIVISION SPENDING SUMMARY**

EXPENDITURES	2003 Actual	2004 Adopted	2004 Estimate	2005 Budget
Personal Services	\$ -	\$ -	\$ -	\$ -
Commodities	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	7,207,301	9,424,856	9,424,856	10,615,000
Transfers	-	-	-	-
Contingency	-	500,000	-	500,000
Total	\$ 7,207,301	\$ 9,924,856	\$ 9,424,856	\$ 11,115,000

PURPOSE AND MISSION OF THE DEPARTMENT / DIVISION

This fund is used to account for the resources dedicated to the payment of the principal and interest on the City's general obligation bonds. Revenues come from ad valorem property taxes, special assessments, interest earnings and transfers of surplus funds from capital projects.

As of June 30, 2004, the total general obligation debt for the city was \$97,110,000. The City is limited by State law in the amount of general obligation debt it can incur. This limit is set at 30% of the total assessed valuation, including motor vehicle assessments. The legal debt margin as of June 30, 2004 can be computed as follows:

Assessed Value - January 1, 2003	\$ 743,219,623	
Debt Limitation (30% of assessed value)		\$222,965,887
Total Bonded Debt (including notes)	106,585,000	
Less Revenue Bonds	<u>-9,475,000</u>	
Total Debt applicable to limitation		<u>\$ 97,110,000</u>
Legal Debt Margin		<u>\$ 125,855,887</u>

CURRENT YEAR ACCOMPLISHMENTS

- Maintained a G.O. Debt rating of Aa2.
- Issued \$40.93 million in notes and bonds.
- Distributed notice of sale and preliminary official statement using the internet.
- Selected bond counsel on the basis of responses to a request for proposals.