

**SPARTANBURG COUNTY, SOUTH CAROLINA  
FY 08 ADOPTED OPERATING BUDGET**

# DEBT SERVICE FUND

The Debt Service Fund accounts for the accumulation of resources and payment of General Obligation Bond and Capital Lease principal and interest.

**Financial Information**

<b>FUND NUMBER: 70</b>	<b>DEBT SERVICE FUND</b>						
	FY 04/05	FY 05/06	FY 06/07	FY 07/08	FY 07/08	\$ INC/DEC	% INC/DEC
	ACTUAL	ACTUAL	BUDGET	RECOMM	ADOPTED	FY 08 - 07	FY 08 - 07
<b>REVENUES</b>							
Taxes-Current	2,803,032	2,849,769	3,370,170	4,426,391	<b>4,426,391</b>	1,056,221	31.3%
Fee-In-Lieu Of Taxes	260,824	167,338	260,000	160,000	<b>160,000</b>	(100,000)	-38.5%
Delinquent Tax - Prior Years	100,434	80,965	100,000	74,000	<b>74,000</b>	(26,000)	-26.0%
Delinquent Tax - Current Year	63,833	149,977	64,000	150,000	<b>150,000</b>	86,000	134.4%
Mountainview Nursing Home Receipts	0	12,750	17,000	17,000	<b>17,000</b>	0	0.0%
Accommodations Tax - Mem. Auditorium	539,299	632,311	500,000	500,000	<b>500,000</b>	0	0.0%
Transfers From General Fund	418,699	396,470	0	0	<b>0</b>	0	0.0%
Transfers From Recreation Commission	0	0	326,340	326,426	<b>326,426</b>	86	0.0%
Transfers From County Library	1,966,100	1,965,927	1,958,940	1,974,683	<b>1,974,683</b>	15,743	0.8%
Bond Issue Proceeds	37,800	13,145,000	0	0	<b>0</b>	0	0.0%
Other	0	0	0	236,236	<b>236,236</b>	236,236	
<b>REVENUE TOTAL</b>	<b>\$6,190,021</b>	<b>\$19,400,506</b>	<b>\$6,596,450</b>	<b>\$7,864,736</b>	<b>\$7,864,736</b>	<b>\$1,268,286</b>	<b>19.2%</b>
<b>EXPENDITURES</b>							
<b>MEMORIAL AUDITORIUM</b>							
Principal	215,000	220,000	225,000	230,000	<b>230,000</b>	5,000	2.2%
Interest	230,620	128,866	26,888	16,650	<b>16,650</b>	(10,238)	-38.1%
Subtotal, Memorial Auditorium	445,620	348,866	251,888	246,650	<b>246,650</b>	(5,238)	-2.1%
<b>GEN. OBLIGATION BOND ISSUES</b>							
Fees - Professional	17,724	84,990	7,000	63,736	<b>63,736</b>	56,736	810.5%
Principal	3,138,846	3,251,538	3,442,313	3,629,551	<b>3,629,551</b>	187,238	5.4%
Interest	1,072,221	1,150,647	1,241,622	1,178,106	<b>1,178,106</b>	(63,516)	-5.1%
Advance Refunding Escrow	0	13,049,638	0	0	<b>0</b>	0	0.0%
Subtotal, GO Bond Issues	4,228,791	17,536,814	4,690,935	4,871,393	<b>4,871,393</b>	180,458	3.8%
<b>COUNTY LIBRARY</b>							
Principal	1,236,154	1,303,462	1,372,693	1,458,462	<b>1,458,462</b>	85,769	6.2%
Interest	729,947	507,247	280,934	205,785	<b>205,785</b>	(75,149)	-26.7%
Subtotal, County Library	1,966,101	1,810,708	1,653,627	1,664,247	<b>1,664,247</b>	10,620	0.6%
<b>CAPITAL LEASE PAYMENTS</b>							
Principal	0	0	0	958,964	<b>958,964</b>	958,964	
Interest	0	0	0	123,482	<b>123,482</b>	123,482	
Subtotal, Capital Lease Payments	0	0	0	1,082,446	<b>1,082,446</b>	1,082,446	
<b>TOTAL, DEBT SERVICE FUND EXP.</b>	<b>\$6,640,512</b>	<b>\$19,696,388</b>	<b>\$6,596,450</b>	<b>\$7,864,736</b>	<b>\$7,864,736</b>	<b>\$1,268,286</b>	<b>19.2%</b>
<b>FUND BALANCE</b>							
Beginning Fund Balance	818,264	367,773	71,890	71,890	<b>71,890</b>		
Add To/(Use Of) Fund Balance	(450,491)	(295,883)	0	0	<b>0</b>		
<b>YEAR END FUND BALANCE</b>	<b>\$367,773</b>	<b>\$71,890</b>	<b>\$71,890</b>	<b>\$71,890</b>	<b>\$71,890</b>		

**SPARTANBURG COUNTY, SOUTH CAROLINA  
FY 08 ADOPTED OPERATING BUDGET**

*(DEBT SERVICE FUND CONTINUED)*

**FY 08 Budget Highlights & Initiatives**

---

The Debt Service Fund collectively represents the county's principal and interest payment obligations to retire its debt obligations. These include General Obligation Bonds, Special Revenue Bonds, Refunding Bonds, Voter-Approved Bonds and lease obligations. In FY 07, County Council agreed that debt service payments should be funded by the debt service tax levy. As a result of this shift of funding sources for debt, this fund is now self-supporting. Also in FY 07, the County Council approved a capital lease purchase agreement to retire and replace over one-hundred fifty (150) Sheriff's Office vehicles, as year one of a four-year replacement program.

The Memorial Auditorium Debt was issued in 1998 for \$6,000,000. The purpose of this issuance was to renovate and revitalize the Memorial Auditorium located adjacent to downtown Spartanburg. The revenue is provided from the Accommodation Tax. This debt will retire in 2018.

A Refunding Bond was issued in 2006 for \$13,145,000 to take advantage of lower interest rates and reduce future costs by \$3,950,000. This debt combined portions of earlier issues including the auditorium, library, and recreation. The refunding issue debt will retire in 2020.

Other debt service includes the remaining long-term debt obligations for the Court House, Jail, Library, University of South Carolina Upstate, County Administration Building, and miscellaneous renovations. Portions of these issues have been refunded as well, and the various issues retire in 2008 through 2019.

Lease Payments are new for FY 08. As mentioned above, County Council approved a four-year capital lease program in 2007 to retire and replace vehicles. Each year, for four years, a new issue will be added. The payment of \$1,082,466 represents the first and second issue principal and interest payments. County Council also adopted a policy and funded reserves for an equipment replacement program for all General Fund vehicles.