

## Fund 406 Sewer Bond Debt Reserve

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### **Focus**

Fund 406, Sewer Bond Debt Reserve, fulfills the County's requirement to maintain a Reserve Fund for the 2004 Sewer Revenue Refunding Bonds. As outlined in the 1986 Bond Resolution, this reserve is required to be the lesser of the maximum principal and interest requirements for any bond year or 125 percent of the average annual principal and interest requirements for the bonds.

No funding is required for Fund 406, Sewer Bond Debt Reserve in FY 2008. The recommended reserve is \$6,893,125 to satisfy the existing reserve requirement for the 2004 Sewer Revenue Refunding Bonds. Funding of \$9,706,000 was included in FY 2007 for the planned 2007 Sewer Revenue Bonds; however, due to revised project timelines and other shorter-term financing options that will be pursued for funding projects in FY 2008, a bond sale is no longer anticipated. The necessary adjustments to Fund 406 and other impacted funds will be made to the FY 2007 Budget at an upcoming quarterly review.

### **Changes to FY 2007 Adopted Budget Plan**

*The following funding adjustments reflect all approved changes in the FY 2007 Revised Budget Plan since passage of the FY 2007 Adopted Budget Plan. Included are all adjustments made as part of the FY 2006 Carryover Review and all other approved changes through December 31, 2006:*

- ◆ The Board of Supervisors made no adjustments to this fund.

# Fund 406

## Sewer Bond Debt Reserve

### FUND STATEMENT

Fund Type G40, Enterprise Funds

Fund 406, Sewer Bond Debt Reserve

	FY 2006 Actual	FY 2007 Adopted Budget Plan	FY 2007 Revised Budget Plan	FY 2008 Advertised Budget Plan
<b>Beginning Balance</b>	<b>\$6,900,348</b>	<b>\$6,900,348</b>	<b>\$6,900,348</b>	<b>\$16,606,348</b>
Revenue:				
Bond Proceeds <sup>1</sup>	\$0	\$9,706,000	\$9,706,000	\$0
Total Revenue	\$0	\$9,706,000	\$9,706,000	\$0
<b>Total Available</b>	<b>\$6,900,348</b>	<b>\$16,606,348</b>	<b>\$16,606,348</b>	<b>\$16,606,348</b>
Total Expenditures	\$0	\$0	\$0	\$0
<b>Total Disbursements</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Ending Balance<sup>2</sup></b>	<b>\$6,900,348</b>	<b>\$16,606,348</b>	<b>\$16,606,348</b>	<b>\$16,606,348</b>

<sup>1</sup> An amount of \$9,706,000 budgeted in FY 2007 represents a portion of the planned FY 2007 bond sale receipts that was to be set aside to satisfy reserve requirements. However, based on revised project timelines and financing options, a bond sale is no longer anticipated and therefore, the requirement is \$0. The necessary adjustments to the FY 2007 Budget will be made as part of an upcoming quarterly review.

<sup>2</sup> The fund balance provides a sufficient level to satisfy the legal reserve requirements of \$6,893,125 for the 2004 Sewer Revenue Refunding bonds. This reserve provides for one year of principal and interest as required by the Sewer System's General Bond Resolution.