

FUND 407

SEWER BOND SUBORDINATE DEBT SERVICE

Board of Supervisors' Adjustments

The following funding adjustments reflect all changes to the FY 2003 Advertised Budget Plan, as approved by the Board of Supervisors on April 29, 2002:

- ◆ The Board of Supervisors made no changes to the FY 2003 Advertised Budget Plan.

The following funding adjustments reflect all approved changes to the FY 2002 Revised Budget Plan from January 1, 2002 through April 22, 2002. Included are all adjustments made as part of the FY 2002 Third Quarter Review:

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

County Executive Proposed FY 2003 Advertised Budget Plan

Purpose

Fund 407, Sewer Bond Subordinate Debt Service, provides debt service funding for the Upper Occoquan Sewage Authority (UOSA) Bond Series based on the County's portion of the plant expansion to 54 million gallons per day (MGD). It should be noted that, pursuant to the Sewer Bond resolution and the UOSA service agreement, the County's obligations to UOSA are subordinate to the County's revenue bonds. In FY 2001, the County participated in the State Revolving Program (SRF) which provides loans below the market rate to local governments within the State for sewer/water projects and is administered by the Virginia Resources Authority (VRA) and the Department of Environmental Quality (DEQ). The County received a \$40 million low interest loan from SRF to offset its share of construction costs for the Alexandria Sanitation Authority (ASA) treatment plant upgrade for ammonia removal as required by the State Water Control Board (SWCB). This loan is subordinate to the County's Sewer Revenue Bonds and therefore, the payments are shown in this fund.

FY 2003 Initiatives

Funding in the amount of \$18,236,861 is required for this fund in FY 2003. Of this amount, \$2,175,880 will fund the debt service on the 1993 Bond Series, \$10,725,948 will fund the debt service on the 1995A Bond Series, \$2,325,749 will fund the debt service on the 1995B Bond Series and \$2,999,284 will support the FY 2001 VRA loan. An amount of \$10,000 is also included for fiscal agent fees. All debt service payments are supported by Sewer System Revenues.

FUND 407

SEWER BOND SUBORDINATE DEBT SERVICE

The following table identifies the Bond Series and VRA loan payments required in FY 2003.

	Principal	Interest	Total
UOSA Plant Expansion:			
1993	\$218,618	\$1,957,262	\$2,175,880
1995A	1,596,713	9,129,235	10,725,948
1995B	1,788,029	472,010	2,260,039
1995B - Manassas Park	53,718	11,992	65,710
Subtotal - UOSA	\$3,657,078	\$11,570,499	\$15,227,577
VRA Loan	\$1,401,368	\$1,597,916	\$2,999,284
Subtotal - VRA	\$1,401,368	\$1,597,916	\$2,999,284
Total	\$ 5,058,446	\$13,168,415	\$18,226,861

Funding Adjustments

The following funding adjustments reflect all approved changes to the FY 2002 Revised Budget Plan since passage of the FY 2002 Adopted Budget Plan. Included are all adjustments made as part of the FY 2001 Carryover Review and all other approved changes through December 31, 2001.

- ◆ A decrease of \$1,105,695 in the FY 2002 Transfer In from Fund 400, Sewer Revenue resulted from a delay in the first quarterly debt service payment of a \$40 million loan to VRA as mentioned above.

FUND 407

SEWER BOND SUBORDINATE DEBT SERVICE

FUND STATEMENT

Fund Type G40, Enterprise Funds

Fund 407, Sewer Bond Subordinate Debt
Service

	FY 2001 Actual	FY 2002 Adopted Budget Plan	FY 2002 Revised Budget Plan	FY 2003 Advertised Budget Plan	FY 2003 Adopted Budget Plan
Beginning Balance	\$246,600	\$0	\$1,105,695	\$0	\$0
Transfer In:					
Sewer Revenue (400)	\$15,760,415	\$18,314,214	\$17,208,519	\$18,236,861	\$18,236,861
Total Transfer In	\$15,760,415	\$18,314,214	\$17,208,519	\$18,236,861	\$18,236,861
Total Available	\$16,007,015	\$18,314,214	\$18,314,214	\$18,236,861	\$18,236,861
Expenditures:					
Principal Payment ¹	\$3,098,075	\$6,634,184	\$6,634,184	\$5,058,446	\$5,058,446
Interest Payment ¹	11,803,245	11,670,030	11,670,030	13,168,415	13,168,415
Fiscal Agent Fees ²	0	10,000	10,000	10,000	10,000
Total Expenditures	\$14,901,320	\$18,314,214	\$18,314,214	\$18,236,861	\$18,236,861
Total Disbursements	\$14,901,320	\$18,314,214	\$18,314,214	\$18,236,861	\$18,236,861
Ending Balance	\$1,105,695	\$0	\$0	\$0	\$0

¹ The bond principal and interest payments are shown here as expenditures. However, for accounting purposes, the Comprehensive Annual Financial Report (CAFR) will show these disbursements as "Construction in Progress" to be capitalized.

² No fiscal agent fees were incurred for the UOSA debt in FY 2001.