

Service Area Plan

Treasury Board

Debt Service Payments on College Building Authority Bonds (74304)

Service Area Background Information

Service Area Description

This service area provides for the amounts appropriated for the payment of principal and interest on obligations issued under the Virginia College Building Authority (VCBA) 21st Century Program to finance capital projects and equipment. Amount is also provided to pay on-going program expenses (e.g., trustee fees, counsel, rebate calculation fees).

Service Area Alignment to Mission

This service area directly aligns with the Department of the Treasury's mission of providing excellent financial management.

Service Area Statutory Authority

- VCBA capital projects are authorized by the General Assembly in the capital budget.
- VCBA equipment allocations are authorized by the General Assembly in the budget.
- Language relating to the appropriation for VCBA debt service is provided at Item 296 C. of Ch. 951, 2005 Acts of Assembly.
- Item 270 of Ch. 951, 2005 Acts of Assembly authorizing VCBA equipment allocation by institution.

Service Area Customer Base

Customer(s)	Served	Potential
Institutions of Higher Education	17	17
Virginia College Building Authority	1	1

Service Area Partners

§ Department of Planning & Budget

determining equipment allocations, obtaining draw schedules, controlling project allotments and capital outlay process.

Service Area Products and Services

- Prepare estimates of debt service on future issues of VCBA bonds based on draw schedules and spending plans obtained from DPB and/or the responsible agencies.
- Prepare estimates of debt service on VCBA equipment issues based on authorized equipment allocations.
- Prepare and periodically update debt service budget for outstanding and projected obligations for inclusion in executive budget.

Factors Impacting Service Area Products and Services

Since the issuance of bonds is on-going, a portion of the budget is estimated rather than actual. Estimates are based on (i) projected spending estimates obtained from agencies by DPB, (ii) an estimated rate of interest, and (iii) an estimated issuance date, all of which are subject to change.

Increased authorizations, refundings, etc. require more bond issues and more ongoing costs (e.g., trustee, rebate).

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Service Area Financial Summary

The budget for this service area is comprised of general fund appropriations for debt service for capital projects authorized by the General Assembly for financing through the VCBA.

	<u>Fiscal Year 2007</u>		<u>Fiscal Year 2008</u>	
	<u>General Fund</u>	<u>Nongeneral Fund</u>	<u>General Fund</u>	<u>Nongeneral Fund</u>
Base Budget	\$74,582,849	\$6,842,604	\$74,582,849	\$6,842,604
Changes To Base	\$18,500,584	(\$2)	\$25,488,428	(\$2)
SERVICE AREA TOTAL	\$93,083,433	\$6,842,602	\$100,071,277	\$6,842,602

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