

Service Area Plan

Treasury Board

Debt Service Payments on General Obligation Bonds (74301)

Service Area Background Information

Service Area Description

This service area provides for the payment of principal and interest on full faith and credit obligations of the Commonwealth and per diem and travel expenses of Treasury Board members.

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

- 1992 General Obligation Bond Acts (Chs. 849, 781, 894, 896, 892, 1992 Acts) authorized \$612.9 million (Education, Parks & Mental Health). Issuance of the Bonds was completed in 1999; debt service continues through 2020.
- 2002 General Obligation Bond Acts (Chs. 859, 884, etc. 2002 Acts) authorized \$1.0 billion (Education & Parks) issuance and debt service is on-going.
- § 2.2-2415 Code of Va. - compensation for members.

Service Area Customer Base

Customer(s)	Served	Potential
Agencies and institutions for which bonds are being issued	47	47
Bondholders	0	0
Citizens of the Commonwealth utilizing the facilities	0	0
Executive branch and money committee staff	0	0
Treasury Board members (citizen)	3	3

Service Area Partners

Department of Planning & Budget

Compiles draw schedules used for issuance assumptions, controls project allotments and capital outlay process.

Service Area Products and Services

- Prepare estimates of debt service on future issues of general obligation bonds based on draw schedules and spending plans obtained from DPB.
- Prepare and periodically update debt service budget for outstanding and projected obligations for inclusion in executive budget.

Factors Impacting Service Area Products and Services

The issuance of bonds authorized under the 2002 Acts is on-going, therefore 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 could change dramatically.

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Service Area Financial Summary

The budget for this service area is comprised of general fund appropriations for debt service for voter approved general obligation bonds to which the full faith and credit of the Commonwealth is pledged. General obligation debt service is a fixed cost to the Commonwealth

	<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	\$96,398,986	\$0	\$96,398,986	\$0
Changes To Base	(\$7,324,204)	\$0	\$7,383,156	\$0
SERVICE AREA TOTAL	\$89,074,782	\$0	\$103,782,142	\$0

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