

DEBT SERVICE FUND

ABOUT THIS FUND

The Debt Service Fund or 'V' Fund contains the appropriations for Albany County's outstanding debt.

Issuance of Albany County debt is governed by the New York State Constitution and Local Finance Law.

Article VIII, Section 4 of the New York State Constitution provides that no County, city, town, village or school district shall contract indebtedness which, including existing indebtedness, shall exceed seven percent (7%) of the five-year average full valuation of taxable real estate therein. The debt limit, based upon that calculation, is \$1.7 billion. The County's net indebtedness as of September 30, 2012 is \$220.4 million or 0.9 percent of the five-year average full valuation.

The following debt schedule shows in greater detail Albany County's current debt obligations. All of the County's current outstanding debt was issued in the form of bonds or bond anticipation notes.

Debt service payments in 2013 will decrease by approximately \$225,000 as compared to 2012. New projects included in the 2013 - 2017 Albany County Capital Plan are not included in the debt service figures found in this section. The County will need to continually revisit and manage the Capital Plan as any project undertaken will have a direct impact on future debt issuance and debt service. Under the property tax cap Legislation, there is not a 'carve out' for debt service for municipal governments. As a result, debt service payments and any increase therein must be absorbed within the cap. The County's flexibility to undertake capital projects, in general and defined as part of the 2013-2017 Capital Plan may be limited.

| CALCULATION OF TOTAL INDEBTEDNESS As of September 30, 2012 | |
|---|----------------------|
| Five Year Average Full Valuation of Taxable Property | \$24,565,283,397 |
| Debt Limit (7% Thereof) | \$1,719,569,838 |
| Outstanding Indebtedness | |
| Bonds | \$228,457,093 |
| Bond Anticipation Notes | \$35,161,320 |
| Outstanding Indebtedness | \$263,618,413 |
| Less Exclusions | |
| Environmental Facilities Corporation | \$4,425,000 |
| Refunding Bonds | \$28,375,428 |
| 2012 Budgeted Principal Appropriations (remaining) | \$10,406,181 |
| Total Exclusions | \$43,206,609 |
| | |
| TOTAL NET INDEBTEDNESS | \$220,411,804 |

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| COMPUTATION OF DEBT LIMIT | |
|--|--------------------------|
| FISCAL YEAR ENDING DECEMBER 31 | FULL VALUATION |
| 2008 | \$24,971,921,964 |
| 2009 | \$24,407,589,937 |
| 2010 | \$24,780,071,182 |
| 2011 | \$23,932,029,411 |
| 2012 | \$24,734,804,490 |
| TOTAL FIVE YEAR FULL VALUATION | \$122,826,416,984 |
| | |
| AVERAGE FIVE YEAR VALUATION | \$24,565,283,397 |
| | |
| DEBT LIMIT—7% OF FULL VALUATION | \$1,719,569,838 |

| ALBANY COUNTY TREND OF OUTSTANDING DEBT (As of September 30, 2012) | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2008 | 2009 | 2010 | 2011 | 2012 |
| Subject to Debt Limit | | | | | |
| Bonds | \$196,835,393 | \$181,165,393 | \$173,201,665 | \$186,798,630 | \$195,656,665 |
| Bond Anticipation Notes | \$32,133,500 | \$60,767,500 | \$47,410,634 | \$27,886,369 | \$12,361,320 |
| Other Notes | \$0 | \$0 | \$15,028,304 | \$15,100,000 | \$0 |
| Not Subject to Debt Limit | | | | | |
| Bonds | \$5,533,074 | \$5,155,000 | \$39,165,428 | \$36,660,428 | \$32,800,000 |
| Bond Anticipation Notes | \$0 | \$0 | \$0 | \$0 | \$0 |
| Other Notes | \$0 | \$0 | \$0 | \$0 | \$0 |
| | | | | | |
| TOTAL DEBT OUTSTANDING | \$234,501,967 | \$247,087,893 | \$274,806,031 | \$266,445,427 | \$240,817,985 |

V FUND SUMMARY

| | 2011 | 2012 | 2013 | 2013 | 2013 |
|---------------------------------------|---------------------|---------------------|---------------------|---------------------|-------------|
| Description | Actual | Adjusted | Requested | Proposed | Adopted |
| APPROPRIATIONS | | | | | |
| General Government | \$ - | \$ - | \$ - | \$ - | \$ - |
| Education | \$ - | \$ - | \$ - | \$ - | \$ - |
| Public Safety | \$ - | \$ - | \$ - | \$ - | \$ - |
| Health/Mental Health | \$ - | \$ - | \$ - | \$ - | \$ - |
| Transportation | \$ - | \$ - | \$ - | \$ - | \$ - |
| Econ Asst/Opportunity | \$ - | \$ - | \$ - | \$ - | \$ - |
| Culture/Recreation | \$ - | \$ - | \$ - | \$ - | \$ - |
| Home/Community | \$ - | \$ - | \$ - | \$ - | \$ - |
| | | | | | |
| | | | | | |
| Undistributed | | | | | |
| Bonds | | | | | |
| Serial Bonds (Principal) | \$17,070,914 | \$18,724,796 | \$16,908,003 | \$16,908,003 | \$ - |
| Serial Bonds (Interest) | \$6,430,357 | \$7,693,400 | \$8,671,878 | \$8,671,878 | \$ - |
| Bond Anticipation Note [Principal] | \$1,084,000 | \$1,768,369 | \$570,000 | \$570,000 | \$ - |
| Bond Anticipation Note [Interest] | \$592,633 | \$340,013 | \$327,865 | \$327,865 | \$ - |
| Transfer to Other Funds | \$71,986 | \$ - | \$ - | \$ - | \$ - |
| Transfer to Civic Center Debt Reserve | \$ - | \$ - | \$1,823,667 | \$1,823,667 | \$ - |
| Total Appropriations | \$25,249,890 | \$28,526,578 | \$28,301,413 | \$28,301,413 | \$ - |
| | | | | | |
| REVENUES | | | | | |
| Revenues | | | | | |
| Local Tax Items | \$ - | \$ - | \$ - | \$ - | \$ - |
| Dept./Misc. Income | \$6,086,419 | \$5,973,468 | \$6,184,807 | \$6,184,807 | \$ - |
| State Aid | \$809,868 | \$764,934 | \$919,504 | \$919,504 | \$ - |
| Federal Aid | \$ - | \$ - | \$ - | \$ - | \$ - |
| Appropriated Reserve | \$ - | \$ - | \$ - | \$ - | \$ - |
| Transfers | | | | | |
| Interfund Transfer | \$15,551,439 | \$21,831,594 | \$21,197,102 | \$21,197,102 | \$ - |
| Total Revenues | \$22,447,726 | \$28,569,996 | \$28,301,413 | \$28,301,413 | \$ - |