

DEBT SERVICE

Summary of Recommended Appropriations By Agency

DEBT SERVICE

	Adjusted Appropriation 2009-10	Executive Request 2010-11	Change	Percent Change
AGENCY SUMMARY				
General Fund	245,000,000	245,000,000	0	0.0%
Fiduciary	35,500,000	30,500,000	(5,000,000)	-14.1%
Debt Service Fund	5,592,300,000	5,992,575,000	400,275,000	7.2%
Capital Projects Fund - Other	615,200,000	920,200,000	305,000,000	49.6%
Emergency	3,370,000,000	2,100,000,000	(1,270,000,000)	-37.7%
Total for AGENCY SUMMARY:	9,858,000,000	9,288,275,000	(569,725,000)	-5.8%

Agency Mission

(Executive Budget: pp. 447-455)

Programmatic Highlights

The State Fiscal Year (SFY) 2010-11 Executive Budget includes:

- \$9.3 billion in Debt Service Appropriations with \$5.8 billion in cash behind the appropriations.

Budget Detail

Proposed Increases

The Executive proposes:

- \$377.3 million from the General Debt Service Fund for Revenue Bond Payments;
- \$305 million from the Capital Projects Fund for the Dedicated Highway and Bridge Trust Fund;
- \$47.3 million from the General Debt Service Fund for Financing Agreements; and
- \$25.0 million from the General Debt Service Fund for General Obligation Bonds

Proposed Decreases

The Executive proposes:

- \$35 million from the Mental Health Services fund for Financing Agreements;
- \$5.0 million from the Fiduciary Funds for School Capital Facilities Financing Reserve Fund;
- \$5.0 million from the Local Government Assistance Tax Fund for the Financing Agreements;
- \$4.5 million from the Housing Debt Fund for General Obligation Bonds;
- \$3.5 million from the State University Dormitory Income Fund for Financing Agreements;
- \$1.3 million from the Department of Health Income for Financing Agreements;
- \$1.27 billion from the All Funds Contingency Appropriation; and
- \$0.25 million from the General Debt Service Fund for Lease Purchase Payments

Article VII

The Executive recommends Article VII legislation that would:

- consolidate State-supported bond caps into Section 67-d of the State Finance Law;
- change the requirement of the LGAC Board to have a majority rule instead of the current unanimous rule which would enable the Board to react more quickly in case of fiscal crisis;
- authorize the State to be able to set-aside money in the General Debt Service Fund to ensure that scheduled debt service payments are made on time in the event of further General Fund cash flow difficulties;
- amend the general obligation bond structure adjustment by removing the 100.5 percent cap on new money and refunded GO bonds and change the notice period for a change in terms of sale from one day to one hour before pricing;

- make the variable rate calculations permanent; and
- \$250 million in appropriation for the Debt Reduction Reserve Fund in case of emergency, there is no cash behind this appropriation.