

# Debt Service

**DEBT SERVICE  
Budget Unit 801**

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**Rick Graham**

**Auditor - Controller**

**PROGRAM DESCRIPTION**

This budget unit itemizes all County capital lease and bond payments in individual accounts that are then collectively offset by charges to the appropriate operating departments. This budget unit is for accounting purposes only and does not affect total expenditures.

**BUDGET REQUESTS**

The requested budget is based upon an accumulation of data supplied by the Auditor-Controller as to all operational debt service and interest.

**SUMMARY OF RECOMMENDATIONS**

The current policy of debt management and financing capital projects and equipment acquisition is based on the concept of spreading the cost of such projects and acquisitions over the period of benefit. Care is exercised in structuring debt to ensure future debt payments do not exceed the benefit produced by the project or equipment acquired during the same period, so as not to place an unfair burden on future budgets. No obligations are incurred unless sufficient present and future funds have been identified as being available for debt payments.

This budget is recommended as prepared by the Auditor-Controller.

**PENDING ISSUES AND POLICY CONSIDERATIONS**

None.

**DEPARTMENT HEAD CONCURRENCE OR APPEAL**

The department head concurs with this budget as recommended.

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**FINAL BOARD ACTION**

Adopted as presented in the Proposed Budget.

COUNTY OF SHASTA SCHEDULE 9

REVENUES AND EXPENDITURES  
 STATE OF CALIFORNIA  
 BUDGET UNIT FINANCING SUMMARY  
 BUDGET FOR THE FISCAL YEAR 2003 - 2004

	ACTUAL	ACTUAL	ACTUAL	BUDGET	CAO	ADOPTED
STATE CONTROLLER	EXP/REV	BUDGET	EXP/REV	REQUESTS	RECOMMENDS	BY TH B O S
COUNTY BUDGET ACT (1985)	2001-2002	2002-2003	2002-2003	2003-2004	2003-2004	2003-2004
UNIT TITLE: 801 DEBT SERVICE						
FUNCTION: DEBT SERVICE						
ACTIVITY: RETIREMENT OF LONG-TERM DEBT						
FUND:0198 DEBT SERVICE/GLTD ACCT GRP						
OTHER CHARGES	1631018	1,642,475	1,642,147	1,590,737	1,621,187	1,621,187
INTRAFUND TRANSFERS	-1631018	-1,642,475	-1,642,147	-1,590,737	-1,621,187	-1,621,187
TOTAL EXPENDITURES*****	\$0	\$0	\$0	\$0	\$0	\$0
DEBT SERVICE EXP OVER (UNDER) REV	\$0	\$0	\$0	\$0	\$0	\$0

**DEBT SERVICE  
Budget Unit 802**

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**Rick Graham**

**Auditor - Controller**

**PROGRAM DESCRIPTION**

This budget unit is to pay all County capital lease and bond payments that are not chargeable to individual departments. This budget unit is for accounting purposes only and does not affect total expenditures.

**BUDGET REQUESTS**

The requested budget is based upon an accumulation of data supplied by the Auditor-Controller as to all operational debt service and interest.

**SUMMARY OF RECOMMENDATIONS**

The current policy of debt management and financing capital projects and equipment acquisition is based on the concept of spreading the cost of such projects and acquisitions over the period of benefit. Care is exercised in structuring debt to ensure future debt payments do not exceed the benefit produced by the project or equipment acquired during the same period, so as not to place an unfair burden on future budgets. No obligations are incurred unless sufficient present and future funds have been identified as being available for debt payments.

This budget is recommended as prepared by the Auditor-Controller.

**PENDING ISSUES AND POLICY CONSIDERATIONS**

None.

**DEPARTMENT HEAD CONCURRENCE OR APPEAL**

The department head concurs with this budget as recommended.

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**FINAL BOARD ACTION**

Adopted as presented in the Proposed Budget.

COUNTY OF SHASTA SCHEDULE 9

REVENUES AND EXPENDITURES  
 STATE OF CALIFORNIA  
 BUDGET UNIT FINANCING SUMMARY  
 BUDGET FOR THE FISCAL YEAR 2003 - 2004

STATE CONTROLLER	ACTUAL	ACTUAL	ACTUAL	BUDGET	CAO	ADOPTED
COUNTY BUDGET ACT (1985)	EXP/REV	BUDGET	EXP/REV	REQUESTS	RECOMMENDS	BY TH B O S
	2001-2002	2002-2003	2002-2003	2003-2004	2003-2004	2003-2004
UNIT TITLE: 802 SHASTA COUNTY DEBT						
FUNCTION: DEBT SERVICE						
ACTIVITY: RETIREMENT OF LONG-TERM DEBT						
FUND:0060 GENERAL						
OTHER CHARGES	281271	281,271	281,271	281,271	281,271	281,271
TOTAL EXPENDITURES*****	\$281,271	\$281,271	\$281,271	\$281,271	\$281,271	\$281,271
OTHR FINANCING SOURCES TRAN IN	281271	281,271	281,271	281,271	281,271	281,271
TOTAL REVENUES*****	\$281,271	\$281,271	\$281,271	\$281,271	\$281,271	\$281,271
SHASTA COUNTY DEBT EXP OVER (UNDER) REV	\$0	\$0	\$0	\$0	\$0	\$0

**RESERVE FOR CONTINGENCIES**  
**Budget Unit 900**

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**PROGRAM DESCRIPTION**

The Reserve for Contingencies consists of funds set aside to provide for unanticipated requirements that may occur during the year. Examples of items that qualify for use of these funds are: costs associated with natural disasters and essential equipment or structure failures.

**BUDGET REQUESTS**

The requested Contingency Reserve for FY 2003-2004 is \$2 million. This represents 3.7 percent of the total requested budget for county General Fund.

**SUMMARY OF RECOMMENDATIONS**

The recommended Contingency Reserve amount of \$2 million is roughly 4 percent of the General Fund appropriations of the FY 2003-2004 Recommended Budget. The amount of Contingency is quite modest when considering the total County budget for which the Board is responsible.

**PENDING ISSUES AND POLICY CONSIDERATIONS**

The County's Contingency Reserve is the source of funding for emergencies that may exceed amounts built into the budget on a unit basis. This account is used exclusively as a fund of "last resort" when all other options have been exhausted. Of the \$2 million allocated in FY 2002-2003, all remained at year-end and became available for use in FY 2003-2004.

**DEPARTMENT HEAD CONCURRENCE OR APPEAL**

This budget was prepared and is recommended by the County Administrative Office.

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**FINAL BOARD ACTION**

Adopted as presented in the Proposed Budget.

COUNTY OF SHASTA SCHEDULE 9

REVENUES AND EXPENDITURES  
 STATE OF CALIFORNIA  
 BUDGET UNIT FINANCING SUMMARY  
 BUDGET FOR THE FISCAL YEAR 2003 - 2004

	ACTUAL	ACTUAL	ACTUAL	BUDGET	CAO	ADOPTED
STATE CONTROLLER	EXP/REV	BUDGET	EXP/REV	REQUESTS	RECOMMENDS	BY TH B O S
COUNTY BUDGET ACT (1985)	2001-2002	2002-2003	2002-2003	2003-2004	2003-2004	2003-2004
UNIT TITLE: 900 RESERVES FOR CONTINGENCIES						
FUNCTION: GENERAL						
ACTIVITY: RESERVES FOR CONTINGENCIES						
FUND:0060 GENERAL						
APPROP FOR CONTINGENCY	0	2,147,000	0	2,000,000	2,000,000	2,000,000
TOTAL EXPENDITURES*****	\$0	\$2,147,000	\$0	\$2,000,000	\$2,000,000	\$2,000,000
RESERVES FOR CONTINGENCIES EXP OVER (UNDER) REV	\$0	\$2,147,000	\$0	\$2,000,000	\$2,000,000	\$2,000,000

**PUBLIC SAFETY  
RESERVE FOR CONTINGENCIES  
Budget Unit 901**

**PROGRAM DESCRIPTION**

The Public Safety Reserve for Contingencies consists of funds set aside to provide for unanticipated requirements that may occur during the year. Examples of items that qualify for use of these funds are costs associated with unknowns in State revenue receipts, and essential equipment or structure failures.

**BUDGET REQUESTS**

None Requested.

**SUMMARY OF RECOMMENDATIONS**

Not applicable.

**PENDING ISSUES AND POLICY CONSIDERATIONS**

None.

**DEPARTMENT HEAD CONCURRENCE OR APPEAL**

Not applicable.

**FINAL BOARD ACTION**

Adopted as presented in the Proposed Budget.

COUNTY OF SHASTA            SCHEDULE 9  
  
REVENUES AND EXPENDITURES  
STATE OF CALIFORNIA  
BUDGET UNIT FINANCING SUMMARY  
BUDGET FOR THE FISCAL YEAR 2003 - 2004

	ACTUAL EXP/REV	ACTUAL BUDGET	ACTUAL EXP/REV	BUDGET REQUESTS	CAO RECOMMENDS	ADOPTED BY TH B O S
COUNTY BUDGET ACT (1985)	2001-2002	2002-2003	2002-2003	2003-2004	2003-2004	2003-2004
UNIT TITLE: 901 RSV CONTINGENCY PUBLIC SAFETY						
FUNCTION: PUBLIC PROTECTION						
ACTIVITY: RESERVES FOR CONTINGENCIES						
FUND:0195 PUBLIC SAFETY						
APPROP FOR CONTINGENCY	0	200,000	0	0	0	0
TOTAL EXPENDITURES*****	\$0	\$200,000	\$0	\$0	\$0	\$0
RSV CONTINGENCY PUBLIC SAFETY EXP OVER (UNDER) REV	\$0	\$200,000	\$0	\$0	\$0	\$0