

## DEBT SERVICE

	Adjusted Appropriation 2005-06	Executive Request 2006-07	Change	Percent Change
<b>AGENCY SUMMARY</b>				
General Fund	245,000,000	245,000,000	0	0.0%
Internal Service Fund	25,000,000	22,010,000	(2,990,000)	-12.0%
Fiduciary	40,000,000	40,000,000	0	0.0%
Debt Service Fund	4,208,300,000	4,629,420,000	421,120,000	10.0%
Capital Projects Fund - Other	775,000,000	475,150,000	(299,850,000)	-38.7%
Emergency	2,350,000,000	2,450,000,000	100,000,000	4.3%
<b>Total for AGENCY SUMMARY:</b>	<b>7,643,300,000</b>	<b>7,861,580,000</b>	<b>218,280,000</b>	<b>2.9%</b>

### **Programmatic Highlights**

(Executive Budget: pp. 489 - 494)

The State Fiscal Year (SFY) 2006-07 Executive Budget includes the following:

- The Executive proposes to create the Debt Reduction Reserve Fund and would pay down \$250,000,000 in debt service for SFY 2006-07.

### **Budget Detail**

The Executive recommends total Debt Service budget appropriations of \$7,861,580,000 for State Fiscal Year (SFY) 2006-07, a net increase of \$218,280,000 over SFY 2005-06

### **Internal Service Funds**

#### **Proposed Decreases**

- \$2,990,000 for Financing Agreements under the Centralized Service Fund.

## **Debt Service Funds**

### Proposed Increases

- \$24,000,000 for the Mental Service Fund;
- \$179,900,000 for Revenue Bond Payments under the General Debt Service Fund;
- \$800,000 for Lease Purchase Payments under the General Debt Service Fund; and
- \$25,000,000 for Financing Agreements under the Local Government Assistance Tax Fund.

### Proposed Decreases

- \$54,080,000 for Financing Agreements under the General Debt Service Fund; and
- \$4,500,000 for Financing Agreements under the Health Income Fund.

## **Capital Projects Funds – Other**

### Proposed Decreases

- \$299,850,000 for Financing Agreements under the Dedicated Highway and Bridge Trust Fund.

## **All Funds**

### Proposed Increases

- \$100,000,000 for Contingent Appropriation under All Funds.

## **Article VII**

The Executive recommends a Constitutional Amendment that would amend Article VII, sections 10, 11, 12 and 16 to:

- limit debt to capital purposes only;
- ban “back-door” borrowing;
- limit all State debt to no more than four percent of personal income;
- limit debt service costs to five percent of the All Funds budget; and
- require voter approval for at least 50 percent of all new debt.