

Office of Treasurer of State  
Financing Information  
Correctional Facility Program

Stefanie Devin, Deputy Treasurer  
November 2007

# Existing Debt

- Series 2002 Refunding Revenue Bonds
- Par outstanding = \$54 million
- Federal tax law prohibits refunding an issue more than once, so existing debt cannot be refunded.

# Remaining Debt Service on Existing Debt

FY ending June 30	Pledged Revenue	Debt Service Series 2002 Bonds	Excess To General Fund
2008	\$9,500,000	\$8,396,631	\$1,103,369
2009	\$9,500,000	\$8,402,356	\$1,097,644
2010	\$9,500,000	\$8,402,981	\$1,097,019
2011	\$9,500,000	\$8,390,981	\$1,109,019
2012	\$9,500,000	\$8,398,144	\$1,101,856
2013	\$9,500,000	\$8,398,719	\$1,101,281
2014	\$9,500,000	\$8,399,675	\$1,100,325
2015	\$9,500,000	\$6,199,938	\$3,300,063
2016	\$9,500,000	\$3,071,681	\$6,428,319

# Authorizing Issuance of Bonds Designating Issuer

- Vision Iowa Program
  - Treasurer of State issued bonds at request of Vision Iowa Board
  - Board involved in issuance process
- Honey Creek
  - Specific Authority created to issue bonds
    - Treasurer of State
    - Auditor of State
    - Director of DOM

# Authorizing Issuance of Bonds

## General Language

- Enabling legislation may reference uniform bonding language adopted in 2007 session (SF 539 or Iowa Code Chapter 12F)
  - Bonds payable only from pledged revenue
  - Moral obligation
  - State tax exemption

# Authorizing Issuance of Bonds Specifics

- Flexibility is important
- Identify the revenue source to pay off bonds
- Cap the amount of proceeds for construction  
OR  
Indicate the amount of revenue to be pledged
- Coverage needed usually 110%