Bob,

I am writing in follow up to our telephone conversation earlier today related to your current bond payments.  Your last bond issue was the 2011 series.  At the time of that issue, you had adequate restricted funds to cover the debt service of all your outstanding bonds.  Since that time your District’s ADA has decreased by approx. 40.  This directly affects your restricted funds available for debt service.  As a result you were approx. $18,000 short last fiscal year and will be approx $14,000 short the current fiscal year.

You have funds available in your SFCC restricted cash accounts.   I would suggest you complete a Capital Funds Request to cover the shortfall.  There should also be adequate funds in the SFCC restricted account to cover any shortfalls for the next three years.  After that time your bond payments are lower and you should have adequate restricted funds in your annual budget to meet the debt service requirements.

Joe Nance