

DEBT SERVICE FUNDS

The Debt Service Funds account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

The Department of Transportation Fund administers the payment of principal and interest on the 1990 Series State of Arizona Highway Revenue Bond issues, the 1991 Series A and 1992 Series B State of Arizona Subordinated Highway Revenue Bond issues, the 1993 Series State of Arizona Highway Revenue Refunding Bond issue and the 1992 Series A, 1993 Series A and 1993 Series B State of Arizona Subordinated Highway Revenue Refunding Bond issues.

The Maricopa Regional Area Road Fund administers the payment of principal and interest on the 1988 Series A, 1991 Series A, 1992 Series A Refunding, 1992 Series B and 1998 Series A Transportation Board of the State of Arizona Transportation Excise Tax Revenue Bond issues, the 1989 Series A Transportation Board of the State of Arizona Subordinated Transportation Excise Tax Revenue Bond issue, the 1993 Series and 1995 Series A Transportation Board of the State of Arizona Subordinated Transportation Excise Tax Revenue Bond issues and the 1995 Series B Transportation Board of the State of Arizona Subordinated Transportation Excise Tax Revenue Refunding Bond issue.

The Certificates of Participation Fund administers the payment of principal and interest on the State of Arizona Certificates of Participation.

STATE OF ARIZONA
COMBINING BALANCE SHEET
DEBT SERVICE FUNDS
JUNE 30, 1999
(Expressed in Thousands)

	DEPARTMENT OF TRANSPORTATION	MARICOPA RARF	CERTIFICATES OF PARTICIPATION	TOTAL
ASSETS				
Cash and investments	\$ 1,504	\$ 31,037	\$ 4,223	\$ 36,764
Interest receivable	630	1,565	-	2,195
Total Assets	<u>\$ 2,134</u>	<u>\$ 32,602</u>	<u>\$ 4,223</u>	<u>\$ 38,959</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 4	\$ 4
Due to others	-	-	2,983	2,983
Total Liabilities	<u>-</u>	<u>-</u>	<u>2,987</u>	<u>2,987</u>
Fund Balances, all reserved	<u>2,134</u>	<u>32,602</u>	<u>1,236</u>	<u>35,972</u>
Total Liabilities and Fund Balances	<u>\$ 2,134</u>	<u>\$ 32,602</u>	<u>\$ 4,223</u>	<u>\$ 38,959</u>

STATE OF ARIZONA
**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES**
DEBT SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 1999
(Expressed in Thousands)

	DEPARTMENT OF TRANSPORTATION	MARICOPA RARF	CERTIFICATES OF PARTICIPATION	TOTAL
REVENUES				
Earnings on investments	\$ 1,706	\$ 5,943	\$ 1,274	\$ 8,923
Other	-	-	1,096	1,096
Total Revenues	1,706	5,943	2,370	10,019
EXPENDITURES				
Current:				
Transportation	33	740	-	773
Principal	43,805	106,765	25,005	175,575
Interest and other fiscal charges	31,090	43,252	14,047	88,389
Total Expenditures	74,928	150,757	39,052	264,737
Revenues (Under) Expenditures	(73,222)	(144,814)	(36,682)	(254,718)
OTHER FINANCING SOURCES (USES)				
Operating transfers in	74,192	152,309	37,286	263,787
Operating transfers out	(211)	(2,918)	-	(3,129)
Proceeds of refunding bonds	-	28,826	-	28,826
Payment to refunded bond escrow agent	-	(27,390)	-	(27,390)
Total Other Financing Sources	73,981	150,827	37,286	262,094
Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	759	6,013	604	7,376
Beginning Fund Balances	1,375	26,589	632	28,596
Ending Fund Balances	\$ 2,134	\$ 32,602	\$ 1,236	\$ 35,972