

# **PUBLIC SAFETY SALES TAX DEBT SERVICE**

## **Fund 106-013**

The sales tax revenue required to be set aside for repayment of the \$28,797,290 in bonds issued for the construction/remodeling of the Courthouse and construction of the Juvenile Detention Center, and the \$5,955,000 in bonds issued for the Courthouse exterior masonry renovation and Clock and Bell Tower restoration projects are deposited in this budget. The corresponding annual bond payments are budgeted as expenditure in this budget.

### ***BUDGET HIGHLIGHTS***

The Budget reflects one annual principal payment and two semi-annual interest payments on the bonds that have been issued for the afore-mentioned projects. The refunding of the 2007 bonds in FY2016, and the refunding of the 2005 bonds in FY2014, and are generating savings in the annual debt service obligations paid out of the Public Safety Sales Tax Fund.

The final payment on the 2000B bonds will be made in FY2017, freeing up approximately \$1.2 million in Public Safety Sales tax revenue previously pledged to debt service allowing the County to address some of its technology and infrastructure needs in FY2018. Unfortunately, due to the state's imposture of a 2% sales tax collection fee, the \$1.2 million is reduce by an estimated \$96,000 in FY2018.

### ***FINANCIAL***

		<b>Fund 106 Dept 013</b>	<b>2016 Actual</b>	<b>2017 Original</b>	<b>2017 Projected</b>	<b>2018 Budget</b>
318	9	PUB SAFETY 1/4% SALES TAX PROPERTY TAXES	\$3,577,538 \$3,577,538	\$3,574,302 \$3,574,302	\$3,528,200 \$3,528,200	\$2,307,960 \$2,307,960
361	10	INVESTMENT INTEREST	\$0	\$1,000	\$0	\$0
369	90	OTHER MISC. REVENUE	\$0	\$0	\$3,565	\$0
		MISCELLANEOUS	\$0	\$1,000	\$3,565	\$0
383	10	PROCEEDS-GEN OBLIG BONDS	\$3,775,000	\$0	\$0	\$0
		INTERFUND REVENUE	\$3,775,000	\$0	\$0	\$0
		<b>REVENUE TOTALS</b>	<b>\$7,352,538</b>	<b>\$3,575,302</b>	<b>\$3,531,765</b>	<b>\$2,307,960</b>
533	7	PROFESSIONAL SERVICES	\$36,084	\$0	\$0	\$0
		SERVICES	\$36,084	\$0	\$0	\$0
581	1	GEN OBLIG BOND PRINCIPAL	\$1,550,860	\$1,606,707	\$1,631,707	\$1,305,000
582	2	INT & FEES-GEN OBLIG BONDS	\$1,999,654	\$1,967,595	\$1,896,493	\$1,002,960
583	1	GEN OBLIG BOND REFUNDED	\$3,738,916	\$0	\$0	\$0
		DEBT	\$7,289,430	\$3,574,302	\$3,528,200	\$2,307,960
		<b>EXPENDITURE TOTALS</b>	<b>\$7,325,514</b>	<b>\$3,574,302</b>	<b>\$3,528,200</b>	<b>\$2,307,960</b>

## **DESCRIPTION**

The County sold \$23.8 million in General Obligation – Public Safety Sales Tax Alternate Revenue Source Bonds in June 1999 for the purpose of constructing a new Juvenile Detention Center, and for the construction of an addition and remodel of the Champaign County Courthouse.

The County sold additional bonds for the Courthouse construction/renovation project in February 2000 - \$1,370,000 General Obligation – Public Safety Sales Tax Alternate Revenue Source Bonds Issue 2000A; and \$3,627,290.25 General Obligation – Public Safety Sales Tax Alternate Revenue Source Bonds Issue 2000B (Capital Appreciation Bonds). The bonds matured on 1/1/2018.

In 2005, the County approved the advance refunding of \$18,440,000 of the 1999 bonds due in 2010 to 2018 to achieve savings from lower interest rates. Although the bonds mature in 2018, principal payments on the 1999 issue ensue in FY2019 resulting in no reduction in the total annual debt service payments.

In 2014, the County approved the advance refunding of \$9,795,000 - of the 2005B bonds due in 2023-2028 to achieve savings from lower interest rates.

In 2016, the County refunded the 2007A General Obligation – Public Safety Sales Tax Alternate Revenue Source Bonds originally sold for \$5,955,000 for the exterior renovation of the original Courthouse and the restoration of the Courthouse Clock and Bell Tower. The series 2016 refunded bonds, \$3,775,000, are due in 2017-2026.

The debt service schedules for the bonds are as follows:

### **Bond Issue 1999 – Courthouse and Juvenile Detention Center Facility Bonds**

<b>Maturity Date</b>	<b>Principal</b>	<b>Interest Rate</b>	<b>Original Yield to Maturity</b>
1/1/2020	\$1,015,000	8.25%	5.39%
1/1/2021	\$1,140,000	8.25%	5.40%
1/1/2022	\$1,275,000	8.25%	5.41%
1/1/2023	\$1,420,000	8.25%	5.42%
<b>Total</b>	<b>\$4,850,000</b>		

### **Debt Service Payments**

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
FY 2018	\$0	\$400,125	\$400,125
FY 2019	\$1,015,000	\$400,125	\$1,415,125
FY 2020	\$1,140,000	\$316,388	\$1,456,388
FY 2021	\$1,275,000	\$222,338	\$1,497,338
FY 2022	\$1,420,000	\$117,150	\$1,537,150
<b>TOTAL</b>	<b>\$4,850,000</b>	<b>\$1,456,125</b>	<b>\$6,306,125</b>

**Bond Issue 2005B – Refunding 1999 Courthouse & Juvenile Detention Center Facility Bonds**

<b>Maturity Date</b>	<b>Principal</b>	<b>Interest Rate</b>	<b>Original Yield to Maturity</b>
1/1/2019	\$950,000	5.25%	4.09%
<b>Total</b>	<b>\$950,000</b>		

**Debt Service Payments**

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
FY 2018	\$950,000	\$49,876	\$999,876
<b>TOTAL</b>	<b>\$950,000</b>	<b>\$49,876</b>	<b>\$999,876</b>

**Bond Issue 2016 – Refunding 2007A Courthouse Exterior Renovation & Clock Tower Restoration (Private Placement)**

<b>Maturity Date</b>	<b>Principal</b>	<b>Interest Rate</b>
1/1/2019	\$355,000	1.84%
1/1/2020	\$360,000	1.84%
1/1/2021	\$370,000	1.84%
1/1/2022	\$375,000	1.84%
1/1/2023	\$385,000	1.84%
1/1/2024	\$390,000	1.84%
1/1/2025	\$410,000	1.84%
1/1/2026	\$400,000	1.84%
1/1/2027	\$410,000	1.84%
<b>Total</b>	<b>\$3,440,000</b>	

**Debt Service Payments**

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
FY 2018	\$355,000	\$63,210	\$418,210
FY 2019	\$360,000	\$56,687	\$416,687
FY 2020	\$370,000	\$50,072	\$420,072
FY 2021	\$375,000	\$43,273	\$418,273
FY 2022	\$385,000	\$36,383	\$421,383
FY 2023	\$390,000	\$29,308	\$419,308
FY 2024	\$410,000	\$22,142	\$417,142
FY 2025	\$400,000	\$14,884	\$414,884
FY 2026	\$410,000	\$7,534	\$417,534
<b>TOTAL</b>	<b>\$3,440,000</b>	<b>\$323,492</b>	<b>\$3,763,492</b>

**Bond Issue 2014 – Refunding 2005B Courthouse & Juvenile Detention Center Facility Bonds**

<b>Maturity Date</b>	<b>Principal</b>	<b>Interest Rate</b>	<b>Original Yield to Maturity</b>
1/1/2024	\$1,330,000	5.00%	2.40%
1/1/2025	\$1,445,000	5.00%	2.51%
1/1/2026	\$1,565,000	5.00%	2.60%
1/1/2027	\$1,690,000	5.00%	2.72%
1/1/2028	\$1,815,000	5.00%	2.84%
1/1/2029	\$1,950,000	5.00%	2.90%
<b>Total</b>	<b>\$9,795,000</b>		

**Debt Service Payments**

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
FY 2018	\$0	\$489,750	\$489,750
FY 2019	\$0	\$489,750	\$489,750
FY 2020	\$0	\$489,750	\$489,750
FY 2021	\$0	\$489,750	\$489,750
FY 2022	\$0	\$489,750	\$489,750
FY 2023	\$1,330,000	\$489,750	\$1,819,750
FY 2024	\$1,445,000	\$423,250	\$1,868,250
FY 2025	\$1,565,000	\$351,000	\$1,916,000
FY 2026	\$1,690,000	\$272,750	\$1,962,750
FY 2027	\$1,815,000	\$188,250	\$2,003,250
FY 2028	\$1,950,000	\$97,500	\$2,047,500
<b>TOTAL</b>	<b>\$9,795,000</b>	<b>\$4,271,250</b>	<b>\$14,066,250</b>

**FY2018**

Total Principal	\$1,305,000
Total Interest	<u>\$1,002,960</u>
Total Debt Service	\$2,307,961