

NURSING HOME DEBT SERVICE

Fund 074-010

This fund is for the repayment of \$19,925,000 in general obligation bonds issued in FY2003 for the purpose of financing the current Champaign County Nursing Home. In FY2011, the remainder of the original 2003 bonds were refunded to achieve lower interest rates.

BUDGET HIGHLIGHTS

This budget reflects the annual cost of the debt service in the form of one annual principal payment and two semi-annual interest payments. The bonds funding this debt service will be retired in FY2021. The final payment on the 2005A bonds is scheduled to be made on January 1, 2019.

The planned sale of the Nursing Home in FY2018, will result in the defeasance of the 2011 bonds and abatement of the levies in the bond ordinances. A defeasance escrow will be established to make the debt service payments until the earliest call date, July 1, 2021, at which time the bonds will be redeemed. The FY2018 Projected Budget assumes the bonds will be defeased with sale proceeds in FY2018; however, as a precaution debt service payments for FY2019 are budgeted.

FINANCIAL

Fund 074 Dept 010			2017	2018	2018	2019
			Actual	Original	Projected	Budget
311	33	CURR PROP TX-NURS HM BOND	\$1,437,484	\$1,440,463	\$1,440,891	\$1,537,200
313	33	RE BACKTAX-NURS HOME BOND	\$889	\$0	\$0	\$0
314	10	MOBILE HOME TAX	\$1,226	\$0	\$0	\$0
315	10	PAYMENT IN LIEU OF TAXES	\$1,042	\$0	\$0	\$0
		PROPERTY TAXES	\$1,440,641	\$1,440,463	\$1,440,891	\$1,537,200
361	10	INVESTMENT INTEREST	\$7,347	\$0	\$4,700	\$0
		MISCELLANEOUS	\$7,347	\$0	\$4,700	\$0
371	81	FROM NURSING HOME FND 081	\$0	\$0	\$4,650,000	\$0
		INTERFUND REVENUE	\$0	\$0	\$4,650,000	\$0
		REVENUE TOTALS	\$1,447,988	\$1,440,463	\$6,095,591	\$1,537,200
581	1	GEN OBLIG BOND PRINCIPAL	\$1,145,000	\$1,205,000	\$5,855,000	\$1,365,000
582	2	INT & FEES-GEN OBLIG BONDS	\$294,525	\$235,463	\$235,463	\$172,200
		DEBT	\$1,439,525	\$1,440,463	\$6,090,463	\$1,537,200
		EXPENDITURE TOTALS	\$1,439,525	\$1,440,463	\$6,090,463	\$1,537,200

FUND BALANCE

FY2017 Actual	FY2018 Projected	FY2019 Budgeted
\$436,654	\$441,782	\$441,782

The fund balance of a debt service fund is required to cover the ensuing fiscal year debt service payments. The indicated fund balance, when added to the property tax revenue to be received in each fiscal year, provides appropriate coverage for the debt service to be paid in that year.

DEBT SERVICE SCHEDULE

The County sold \$19,925,000 in General Obligation Bonds in February 2003. Pursuant to a voter approved referenda in November 2002, the debt will be repaid from property taxes over a twenty- year period. The final payment for the 2005A issue was made in FY2018; however, principal payments for the 2011 issue will ensue in FY2019 resulting in no reduction in the total annual debt service payments.

Bond Issue 2011 - Refunding 2003 Nursing Home Construction Bonds

Maturity Date	Principal	Interest Rate	Original Yield to Maturity
1/1/2020	\$1,365,000	4.00%	3.00%
1/1/2021	\$1,415,000	4.00%	3.18%
1/1/2022	\$1,475,000	4.00%	3.40%
Total	\$4,255,000		

Debt Service Payments

Fiscal Year	Principal	Interest	Total
FY 2019	\$1,365,000	\$170,200	\$1,535,200
FY 2020	\$1,415,000	\$115,600	\$1,530,600
FY 2021	\$1,475,000	\$59,000	\$1,534,000
TOTAL	\$4,255,000	\$344,800	\$4,599,800