

PARK RIDGE-NILES SCHOOL DISTRICT 64
Notes to Financial Statements (continued)
June 30, 2018

4. LONG-TERM DEBT

Long-term debt activity for the year ended June 30, 2018 was as follows:

	Balance July 1, 2017	Additions	Reductions	Balance June 30, 2018	Amount due in one year
General Obligation Bonds Payable					
3/13/14 A General Obligation	\$ 7,900,000	\$ -	\$ 1,720,000	\$ 6,180,000	\$ 1,830,000
3/13/14 B Taxable General Obligation	800,000	-	800,000	-	-
Total Bonds Payable	8,700,000	-	2,520,000	6,180,000	1,830,000
4/27/17 Debt Certificates	8,795,000	-	425,000	8,370,000	465,000
Premium on Bonds Issued	1,351,161	-	264,590	1,086,571	-
Capital Lease	724,189	-	225,097	499,092	229,853
Net Pension Liability:					
Teachers' Retirement System	6,137,061	-	555,484	5,581,577	-
Illinois Municipal Retirement Fund	6,888,533	-	3,935,732	2,952,801	-
Other Post-Employment Benefit Liability:					
Teachers' Health Insurance Security Fund	45,512,878	-	380,714	45,132,164	-
Post-Employment Healthcare Plan	7,759,895	226,269	-	7,986,164	-
Compensated Absences	214,751	228,776	214,751	228,776	228,776
Termination benefits	172,233	148,678	172,233	148,678	-
Total Long-Term Debt	\$ 86,255,701	\$ 603,723	\$ 8,693,601	\$ 78,165,823	\$ 2,753,629

a. General Obligation Bonds Payable

General obligation bonds payable at June 30, 2018 are comprised of the following individual issues:

Series 2014A general obligation bonds dated March 13, 2014 issued in the original principal amount of \$7,900,000 for the purpose of funding; principal payments from \$340,000 to \$2,065,000 due annually on December 1 from 2018 through 2022 at an interest rate of 3.00% to 4.00%.

At June 30, 2018 the annual cash flow requirements of all bonds payable to retirement were as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2019	\$ 1,830,000	197,200	2,027,200
2020	1,945,000	121,700	2,066,700
2021	2,065,000	46,500	2,111,500
2022	340,000	5,100	345,100
Total	\$ 6,180,000	\$ 370,500	\$ 6,550,500

Payments to retire bonds payable will be made from debt service levies in future periods.

4. LONG-TERM DEBT (Continued)

The District is subject to the *Illinois Compiled Statutes* which limits the amount of bond indebtedness, to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2018 the statutory debt limit for the District was \$115,538,826 providing a debt margin of \$104,162,172 after taking into account amounts available in the Debt Service Fund.

b. Debt Certificates

\$8,795,000 of Debt Certificates, Series 2017; principal payments from \$425,000 to \$755,000 due serially on June 1, with a maturity date of June 1, 2032 and an interest rate ranging from 2.00% to 4.00%.

Principal and interest requirements for the debt certificate is as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2019	\$ 465,000	\$ 321,925	\$ 786,925
2020	485,000	303,325	788,325
2021	500,000	283,925	783,925
2022	515,000	268,925	783,925
2023	535,000	248,325	783,325
2024-2028	3,020,000	909,700	3,929,700
2029-2032	2,850,000	290,600	3,140,600
Total	\$ 8,370,000	\$ 2,626,725	\$ 10,996,725

c. Capital Leases

The District has entered into lease agreements as lessee for financing the acquisition of equipment. The lease agreements qualify as capital leases for accounting purposes and, therefore, the assets and obligations have been recorded at the present value of the future minimum lease payments as of the inception date. At June 30, 2018, \$846,083 of amounts included in capital assets were acquired via capital leases. The obligations for the capital leases will be repaid from the Debt Service Fund. The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2018, are as follows:

	Amount
2019	\$ 246,501
2020	168,333
2021	113,072
Total minimum lease payments	527,906
Less: amount representing interest	(28,814)
Present value of minimum lease payments	<u>\$ 499,092</u>