



Lake County Illinois

Legislation Details (With Text)

File #: 19-0182 **Version:** 2 **Name:** FY2019 Abatement 2010A GO
Type: ordinance **Status:** Passed
File created: 1/23/2019 **In control:** Financial & Administrative Committee
On agenda: **Final action:** 2/12/2019

Title: Tax Abatement Ordinance for the Series 2010A General Obligation Bonds.

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
2/12/2019	2	Lake County Board	adopted	Pass
2/7/2019	2	Financial & Administrative Committee	recommended for adoption to the consent agenda	Pass

Tax Abatement Ordinance for the Series 2010A General Obligation Bonds.

- All general obligation debt is backed by a property tax levy as its revenue source. When alternate revenue streams are available to fund the ongoing debt service, however, general obligation bonds can be issued as "alternate revenue" bonds.
- Series 2010A is one such bond, which is backed by General Fund sales tax revenue as its alternate revenue stream.
- Each year, the Finance and Administrative Services Department assesses whether there are sufficient sales tax revenues available to pay the debt service payments for Series 2010A. Once that determination is made, Finance recommends Board action to abate the property tax levy that would have otherwise automatically been extended.
- The General Fund does have sufficient sales tax revenue funds available for payment of Fiscal Year 2019 principal and interest debt service on Series 2010A. Therefore, staff recommends the abatement of the Series 2010A General Obligation Bond property tax levy for Tax Year 2018.

Ordinance abating the tax heretofore levied for the tax year 2018 and collected in Fiscal Year (FY) 2019 to pay the principal of and interest on \$31,410,000 Taxable General Obligation Bonds (Sales Tax Alternate Revenue Source), Series 2010A, of The County of Lake, Illinois.

WHEREAS, the County Board of Lake County, Illinois by ordinance, adopted on October 12, 2010 (as supplemented by the Bond Order executed in connection therewith, the "*Ordinance*"), did provide for the issue of \$31,410,000 Taxable General Obligation Bonds, Series 2010A (the "*Bonds*"), and the levy of a direct annual tax sufficient to pay the principal of and interest on the Bonds; and

WHEREAS, the Sales Taxes (as defined in the Ordinance) have been determined by the Treasurer to provide an amount not less than 1.25 times debt service of all outstanding Bonds (as defined in the Ordinance) in the next succeeding bond year (May 30 and November 30); and

WHEREAS, the Sales Taxes have been deposited in the 2010A Alternate Bond Fund (as created in

the Ordinance) in an amount sufficient to pay debt service on all outstanding Bonds in the next succeeding bond year; and

WHEREAS, it is necessary and in the best interests of the County that the tax heretofore levied for the tax year 2018 and collected in FY2019 to pay the principal of and interest on the Bonds be abated;

NOW, THEREFORE, BE IT ORDAINED, by the County Board of The County of Lake, Illinois, as follows:

Section 1. Abatement of Tax. The tax heretofore levied for the tax year 2018 and collected in FY2019 in the Ordinance is hereby abated in its entirety.

Section 2. Filing of Ordinance. Forthwith upon the adoption of this ordinance, there shall be filed a certified copy hereof with the County Clerk (the "*County Clerk*") of the County, and it shall be the duty of the County Clerk to abate said tax levied for the tax year 2018 and collected in FY2019 in accordance with the provisions hereof.

Section 3. Effective Date. This ordinance shall be in full force and effect forthwith upon its adoption.

DATED at Waukegan, Lake County, Illinois, on February 12, 2019.