



Lake County Illinois

Legislation Text

File #: 19-0186, Version: 1

Tax Abatement Ordinance for the Series 2018 General Obligation Refunding 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 2018 General Obligation Refunding 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 2018. 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 2018. Therefore, staff recommends the abatement of the Series 2018 General Obligation Refunding Bonds property tax levy for Tax Year 2018.

An ordinance abating the tax heretofore levied for the tax year 2018 and collected in Fiscal Year (FY) 2019 to pay debt service on \$20,700,000 general obligation refunding bonds, series 2018 (sales tax alternate revenue source) of the County of Lake, Illinois.

WHEREAS, the County Board (the "*Board*") of Lake County, Illinois (the "*Issuer*"), by ordinance adopted on February 13, 2018 (the "*Ordinance*"), did provide for the issue of \$20,700,000 General Obligation Refunding Bonds (Sales Tax Alternate Revenue Source), Series 2018 (the "*Bonds*"), and the levy of a direct annual tax sufficient to pay principal and interest on the Bonds; and

WHEREAS, the Issuer will have Pledged Revenues (as defined in the Ordinance) available for the purpose of paying the debt service due on the Bonds during the next succeeding bond year; and

WHEREAS, it is necessary and in the best interests of the Issuer that the tax heretofore levied for the tax year 2018 and collected in FY2019 to pay such debt service on the Bonds be abated.

NOW, THEREFORE, BE IT ORDAINED, by this County Board of Lake County, 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, the County Clerk of the Board shall file a certified copy hereof with her offices as County Clerk of Lake County, Illinois, and it shall be the duty of said 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.