



Lake County Illinois

Legislation Text

File #: 19-1078, **Version:** 2

Ordinance providing for the issue of not to exceed \$54,000,000 General Obligation Refunding Bonds (Sales Tax Alternate Revenue Source) to refund certain outstanding obligations of the County, authorizing and directing the execution of an Escrow Agreement, providing for the levy of property taxes and collection, segregation and distribution of certain sales taxes to pay said bonds, and authorizing the sale of said bonds to the purchaser thereof.

- Lake County has the opportunity to refund certain General Obligation Sales Tax Alternate Revenue debt that is funded by $\frac{1}{4}\%$ Regional Transportation Authority (RTA) Sales Tax for Transportation and Public Safety.
- Series 2010A was originally issued in the amount of \$31,410,000 with interest rates ranging from 4.85 - 5.25 percent and has a final maturity on November 30, 2028. Series 2011A was originally issued in the amount of \$20,000,000 with interest rates ranging from four to five percent and has a final maturity on November 30, 2025. Both were issued to provide road improvements to public roads within the County.
- Interest rates currently available in the bond market are favorable such that refunding is recommended to take advantage of debt service savings. It is anticipated that the bond sale in early August 2019 would result in debt service savings of about \$3,200,000 less the costs of issuance for a Net Present Value Benefit of approximately \$2,700,000. The refunded bonds will mature in 2028.
- A report on the bond sale results will be shared at the August 13, 2019, County Board meeting and the bonds will close in early September.
- This ordinance authorizes and provides for the issuance of not to exceed \$54,000,000 General Obligation Refunding Bonds (Sales Tax Alternate Revenue Source), Series 2019.