Village of Oak Park

Agenda Item Summary

File #: ORD 22-28, **Version:** 1

Submitted By
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Reviewed By
A.M. Zayyad

Agenda Item Title
An Ordinance Providing for the Abatement of $163,253.00 Against the 2022 Tax Levy (2012A General Obligation Corporate Purpose Bonds)

Overview
On an annual basis, Village staff recommends the abatement or cancellation of various tax levies that were originally pledged to pay the debt service of a specific bond issue. By default, whenever a general obligation (GO) bond is issued, the annual debt service is automatically levied by the County unless the Village directs the Cook County Clerk's Office to abate some or all of the annual levy amount. When other non-property tax Village revenues are available to pay all or a portion of the debt service, the Village abates the tax levy.

Staff Recommendation
Approve the Ordinance.

Fiscal Impact
This ordinance will reduce the necessary property levy for debt service by $163,253.00 as recommended in the FY23 Budget.

Background
Abatements come before the Village Board for review and approval annually as the Village
sets its property tax levy necessary to pay annual debt service. Debt service payments on this particular debt issue are split between the Debt Service Fund (75.9%) and the Water/Sewer Fund (24.1%). An abatement of $163,253.00 is the Water/Sewer Fund share of this debt service which will be paid by water/sewer user fees rather than the general property tax.

Alternatives
The Village Board is not required to abate any of the pre-filed debt levies with the County and by doing so, the abated amounts reduce the debt service portion of the Village levy. Prior to abating the debt service on a particular bond issue, there must be an alternative revenue source to pay that annual debt service.

Previous Board Action
The Village Board last approved the annual abatements at its meeting held on December 6, 2021.

Citizen Advisory Commission Action

N/A.

Anticipated Future Actions/Commitments

N/A.

Intergovernmental Cooperation Opportunities

N/A.