



Agenda Item Summary

File #: ORD 16-121, **Version:** 1

Submitted By

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Reviewed By

LKS

Agenda Item Title

An Ordinance Providing for the Issuance of \$10,005,000 Tax Exempt General Obligation Corporate Purpose Bonds, Series 2016D and Providing for the Levy and Collection of a Direct Annual Tax for the Payment of the Principal of and Interest on Said Bonds.

Overview

The 2016D issue will be used to finance certain projects in the FY16 capital improvement plan including street, alley, and facility improvements as well as financing costs. This will be a tax exempt issue and it is less than the amount budgeted of \$10,400,000. Since many of the expenditures have already been incurred and paid thus far this year, Resolution 16-320 was previously adopted by the Board which allows Series 2016D to reimburse the Village for those expenditures already paid.

Staff Recommendation

Approval.

Fiscal Impact

This will be a twenty year issue and the interest over this duration is estimated to be approximately \$4.3 million. The exact amount will be provided upon sale of the bonds.

Background

A total of approximately \$15.6 million in capital projects has been budgeted in the current year excluding special revenue and non-enterprise capital expenditures. Included in the \$15.6 million are street and alley improvement projects which total \$5.7 million, or 37% of this amount. Also included in the FY16 budget is \$10.4 million in bond proceeds revenue as well as another \$3.5 million in dedicated tax revenue to pay for the capital improvement projects.

Alternatives

The Village Board may defer or reject the bond issue. Should this occur, there will not be adequate cash to fund remaining payments on budgeted capital project expenditures incurred but not yet paid to date in the current fiscal year.

Previous Board Action

The Village Board previously issued three bond series on March 30, 2016 as follows:

2016A- Refunded Series 2006B (tax exempt \$20,300,000)
2016B- Financing for Colt Westgate Garage (taxable \$4,125,000)
2016B- Financing for Colt Westgate Streetscape (taxable \$2,900,000)

Citizen Advisory Commission Action

N/A.

Anticipated Future Actions/Commitments

N/A.

Intergovernmental Cooperation Opportunities

N/A.

Performance Management (MAP) Alignment

N/A.