



## Agenda Item Summary

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**File #:** ORD 19-89, **Version:** 1

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### **Submitted By**

Steven Drazner, CFO

### **Reviewed By**

LKS

### **Agenda Item Title**

**An Ordinance Providing for the Abatement of \$1,087,868 Against the 2019 Tax Levy (2018A 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 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.

The Village abates the tax levy needed to pay for certain issues depending on the purpose of the issue.

### **Staff Recommendation**

Approve

### **Fiscal Impact**

This ordinance will reduce the necessary property levy for debt service by \$1,087,868 as recommended in the FY20 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. The annual debt service on this bond is a TIF eligible expenditure and the abatement of \$1,087,868 will be paid by Downtown TIF incremental revenue.

### **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**

N/A

### **Citizen Advisory Commission Action**

N/A

**Anticipated Future Actions/Commitments**

N/A

**Intergovernmental Cooperation Opportunities**

N/A

**Performance Management (MAP) Alignment**

N/A