

VILLAGE OF ROSCOE

AGENDA ITEM - STAFF REPORT



Agenda Item: Abatement of Tax Levy for Series 2017 & Series 2018 Alternate Revenue Bonds

Date: December 12, 2024

Meeting: Village Board – 12/17/2024

Prepared by: Joe Kurlinkus

Department: Administration

Overview/Background Information

The Village of Roscoe has two outstanding general obligation alternate revenue bonds which were issued in 2017 & 2018. These bonds are funded through alternate revenue sources (telecommunications and sales taxes) and backed by property taxes as a security pledge. As part of the issuance, the Village files the bond ordinances with the Winnebago County Clerk pre-authorizing an annual property tax levy for the debt service. However, the Village may abate (reduce) this levy when sufficient alternate revenue is available, in this case, telecommunications & sales taxes (with general fund revenues supplementing any shortfall).

Series 2017 General Obligation Alternate Bonds

Purpose: Funded the construction of the Roscoe Police Department.

Issued Amount: \$1,100,000 in 2017.

Repayment Timeline: Scheduled to be fully paid off by the end of 2027.

Revenue Source: Sales Tax Alternate Revenue.

Series 2018 General Obligation Refunding Alternate Bond

Purpose: Refinanced the Series 2008 Bond (\$3,500,000), originally issued to fund:

1. Extension of trunk sewer mains.
2. Improvements to the North Park water supply, treatment, and distribution system.
3. Construction and renovation of an addition to Roscoe Village Hall.

Issued Amount: \$2,095,000 in 2018

Repayment Timeline: Scheduled to be fully paid off by the end of 2026.

Revenue Source: Telecommunications Tax Alternate Revenue.

Fiscal Note/Budget Impact

Tax Levy Abatement. Each year, the Village has the option to abate the property tax levy associated with these bonds by utilizing available alternate revenue sources. The attached tax levy abatement ordinance authorizes the Winnebago County Clerk to abate the debt service tax levy for the Series 2017 and Series 2018 Bonds.

Series 2017 - \$135,631.26 in principal and interest

Series 2018 - \$247,147.50 principal and interest

Action Required/Recommendation

Staff recommends that the Village Board approve the attached tax levy abatement ordinance for the Series 2017 and Series 2018 Alternate Revenue Bonds.

Attachments

Tax Levy Abatement Ordinance for Series 2017 Bonds.

Tax Levy Abatement Ordinance for Series 2018 Bonds.