

BUDGET FOOTNOTES DEBT SERVICE FUND

The purpose of the Debt Service Fund is to accumulate funds for the payment of principal and interest on the Village's outstanding bonds. Funding is provided by property taxes.

- 1 **Property Tax: (\$1,660,000)** - Property taxes are levied for payment of principal and interest on the following outstanding Village General Obligation (G.O.) bond issues:

Series 2003A GO Bonds
Series 2010 Refunding GO Bonds

These 10 year bonds were issued in 2001 (\$4,000,000), 2002 (\$9,000,000) and 2003 (\$5,000,000) in response to the November 2000 voter-approved referendum authorizing the issuance of \$18 million in bonds to finance 17 storm sewer projects to be constructed in six years - associated with a comprehensive 20 year street and storm sewer improvement program recommended by the Capital Improvements Commission in July, 2000 and approved by the Village Board in August, 2000. The Village refinanced \$2 million in 2010 to take advantage of lower interest rates.

- 2 **Reimbursement / District #87: (FY08/09 Actual - \$272,089)** - The Village used its home-rule authority and provided financing assistance to Glenbard School District #87 by issuing the 2000 (10 year) \$1,840,000 General Obligation Bonds, the proceeds of which were used to purchase Memorial Park from the Glen Ellyn Park District for District #87. Each year, District #87 deposited with the Village, the amount of money needed for the next fiscal year's principal and interest payments. Upon receipt of these funds, the Village abated the related property taxes pledged on the bonds.

FY08/09 included the final deposit and abatement on these bonds. Final debt service was paid during FY09/10 and all outstanding bonds are now retired.

- 3 **Interest Rebate – Dist #87: (\$0)** - The intergovernmental agreement with Glenbard High School District 87 required the deposit with the Village of future year debt service amounts well in advance of the bond principal and interest payment dates. As a result, the Village rebated to the District the amount of interest income generated on the funds deposited prior to payment of the bondholders.