

URBANA SCHOOL DISTRICT # 116
BUSINESS OFFICE MEMO

TO: Dr. Donald D. Owen, Superintendent

FROM: Carol Baker
Chief Financial Officer *CBB*

DATE: February 11, 2014

RE: Abatement Resolutions

Included on the Board Agenda are 3 abatement resolutions:

- 1) The resolution abating \$1,000,000 of our 2002 General Obligation Bonds. This will reduce our 2013 Bond and Interest Levy (2014 tax rate) and fulfills our commitment to our taxpayers to use proceeds from the Facility Sales Tax to abate a portion of our current debt service. This abatement will be the full \$1,000,000 annually until the bonds are paid in full in 2018.
- 2) The resolutions abating the 2013 levy to pay debt service on series 2010 and 2011 Alternative Revenue Bonds. These resolutions must be filed annually to certify to the County Clerk that the pledged revenues (sales tax receipts) are sufficient to pay the debt service and a tax levy is not necessary.

RESOLUTION abating a portion of the taxes heretofore levied for the year 2013 to pay debt service on the General Obligation Refunding School Bonds, Series 2002, of School District Number 116, Champaign County, Illinois.

* * *

WHEREAS, the Board of Education (the "*Board*") of School District Number 116, Champaign County, Illinois (the "*District*"), by a resolution of the Board adopted on the 19th day of February, 2002, as supplemented by a Notification of Sale executed the 3rd day of May, 2002 (the "*Bond Resolution*"), has heretofore issued and has outstanding its General Obligation Refunding School Bonds, Series 2002 (the "*Bonds*"); and

WHEREAS, a duly certified copy of the Bond Resolution and Direction for Abatement of Taxes (the "*Direction*") was filed in the office of the County Clerk of The County of Champaign, Illinois (the "*County Clerk*"); and

WHEREAS, the Board has determined and does hereby determine that the District has funds on hand and lawfully available to pay a portion of the principal of and interest on the Bonds (the "*Available Funds*"); and

WHEREAS, the Board has determined and does hereby determine that it is necessary and in the best interests of the District to apply the Available Funds to the payment of the Bonds and abate a portion of the taxes heretofore levied for the year 2013 to pay the principal of and interest on the Bonds; and

WHEREAS, the Available Funds have been deposited to the credit of the bond and interest fund of the District established pursuant to the Bond Resolution for the purpose of paying the principal of and interest on the Bonds:

NOW, THEREFORE, Be It and It Is Hereby Resolved by the Board of Education of School District Number 116, Champaign County, Illinois, as follows:

Section 1. Incorporation of Preambles. The Board hereby finds that all of the recitals contained in the preambles to this Resolution are full, true and correct and does incorporate them into this Resolution by this reference.

Section 2. Abatement of Tax. The tax heretofore levied for the year 2013 in the Bond Resolution shall be partially abated by the amount of \$1,000,000 as follows:

YEAR OF LEVY	TAX LEVIED IN THE DIRECTION	TAX TO BE ABATED	TAX TO BE EXTENDED SUFFICIENT TO PRODUCE
2010	\$3,265,450.00	\$1,000,000	\$2,265,450.00
2011	3,261,312.50	\$1,000,000	2,261,312.50
2012	3,264,343.78	\$1,000,000	2,264,343.78
2013	3,264,806.26	\$1,000,000	2,264,806.26
2014	3,263,281.26	0.00	3,263,281.26
2015	3,264,500.00	0.00	3,264,500.00
2016	3,263,500.00	0.00	3,263,500.00
2017	3,265,500.00	0.00	3,265,500.00

Section 3. Filing of Resolution. Forthwith upon the adoption of this Resolution, the Secretary of the Board shall file a certified copy hereof with the County Clerk, and it shall be the duty of the County Clerk to abate a portion of said tax levied for the year 2013 in accordance with the provisions hereof.

Section 4. Repeal. All resolutions or parts thereof in conflict herewith be and the same are hereby repealed and this Resolution shall be in full force and effect forthwith upon its adoption.

Adopted February 18, 2014.

President, Board of Education

Secretary, Board of Education