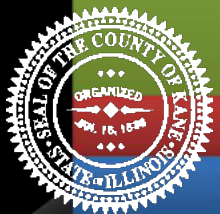


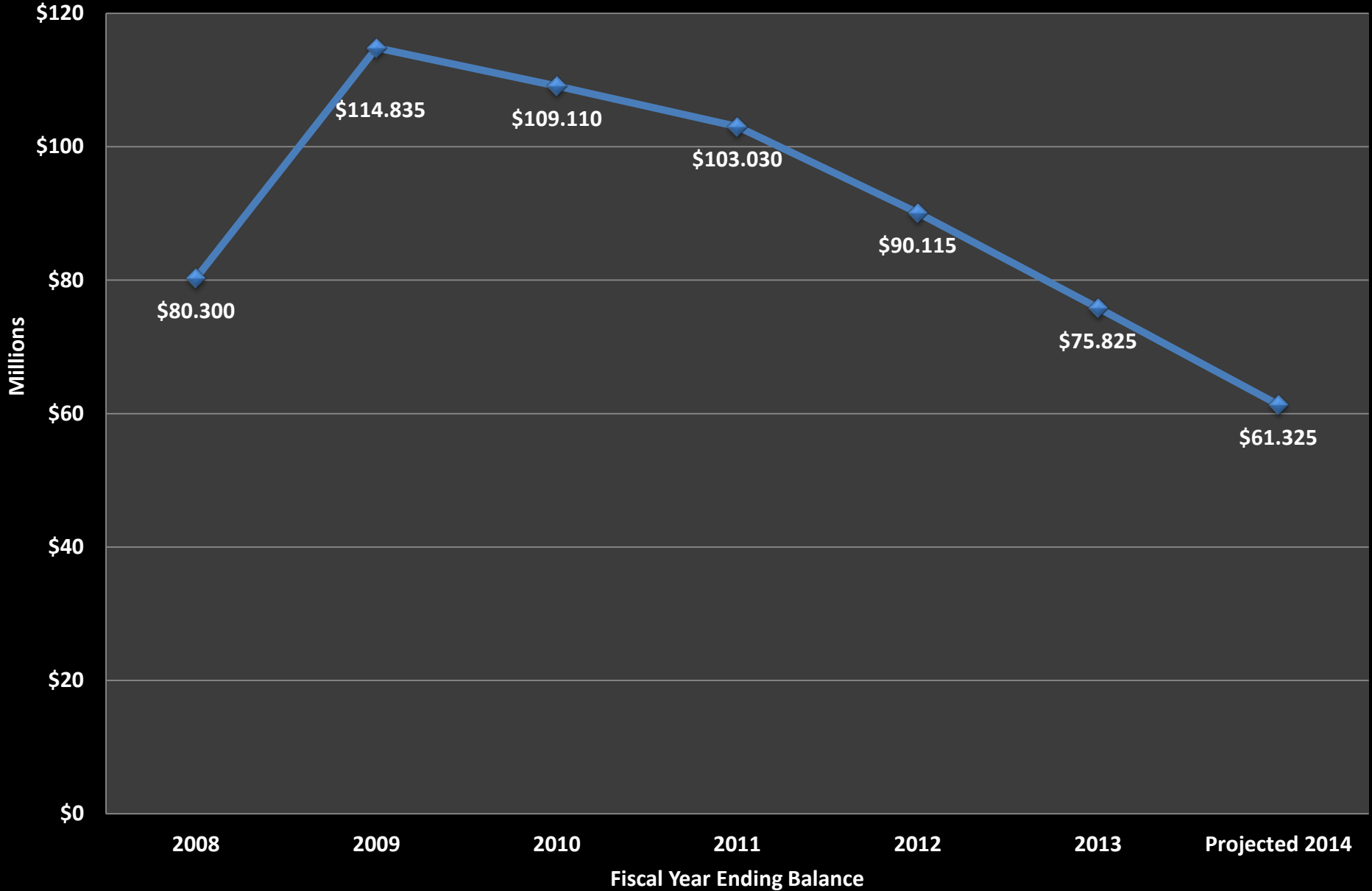
KANE COUNTY AUDITOR'S REPORT

Finance & Budget Committee
January 29, 2014

General Obligation Bonds and Debt Certificates
Past, Present and Future?



General Obligation Bonds & Debt Certificates Payable



Additional Bonds Issued – Fiscal Year 2009

In October 2009 the County issued a total of \$40,000,000 in “Build America Bonds” as authorized under the American Recovery and Reinvestment Act of 2009. The act provides for a Federal subsidy through a refundable tax credit to be paid to the County equal to 35% of the total interest paid to investors.

The bonds were used to finance various road and bridge capital improvements in the County. They were issued in two separate series. Series A consisted of \$23.6M and Series B consisted of \$16.4M, for a total of \$40M.

Interest rates range from 1.15% to 2.00% on Series A and from 2.70% to 3.00% on Series B.

Additional Bonds Issued – Fiscal Year 2011

In December 2010 the County issued an additional \$7,670,000 in “Build America Bonds” as authorized under the American Recovery and Reinvestment Act of 2009. The act provides for a Federal subsidy through a refundable tax credit to be paid to the County equal to 45% of the total interest paid to investors.

These bonds were designated as Recovery Zone Economic Development Bonds. Principal and interest payments come from the Recovery Zone Bond Debt Service Fund.

Semi-annual interest is paid at rates ranging from 1.15% to 6.55%.

Additional Bonds Issued – Fiscal Year 2012

On December 28, 2011 the County issued \$1,960,000 in General Obligation Limited Tax Bonds to fund improvements of the County.

Interest is paid semi-annually at a rate of 1.5%.

The second of the two annual principal payments was made in December of 2013, and this series is now fully retired.

Refinancing Bonds Issued – Fiscal Year 2013

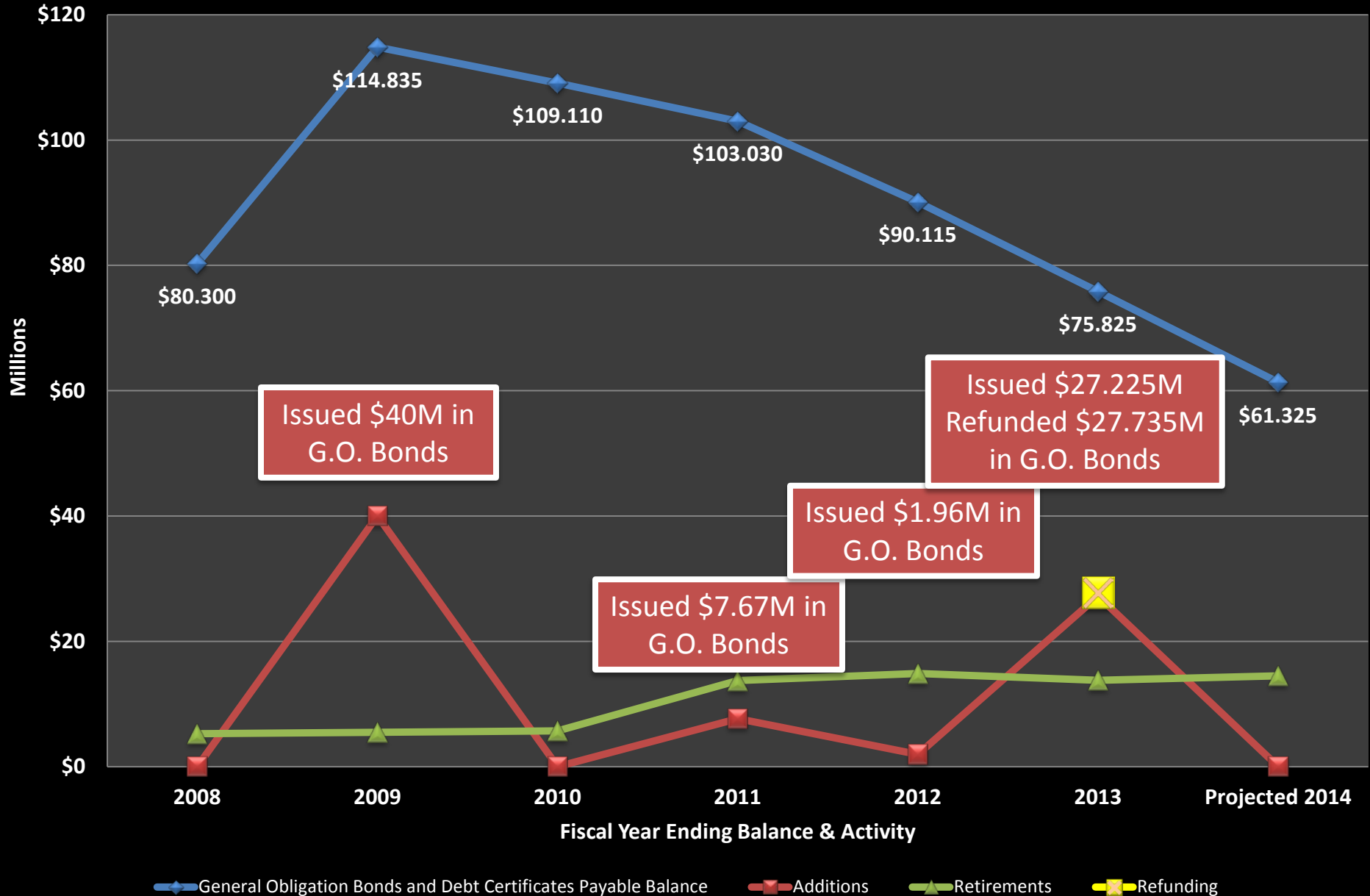
In April 2013 the County issued \$27,225,000 of General Obligation Bonds – Series 2013 for the purpose of refunding various debt instruments which carried higher interest rates to reduce the overall interest expense to the County.

The remaining principal balance of approximately \$2,320,000 in Series 2002 G.O. Bonds was fully refunded.

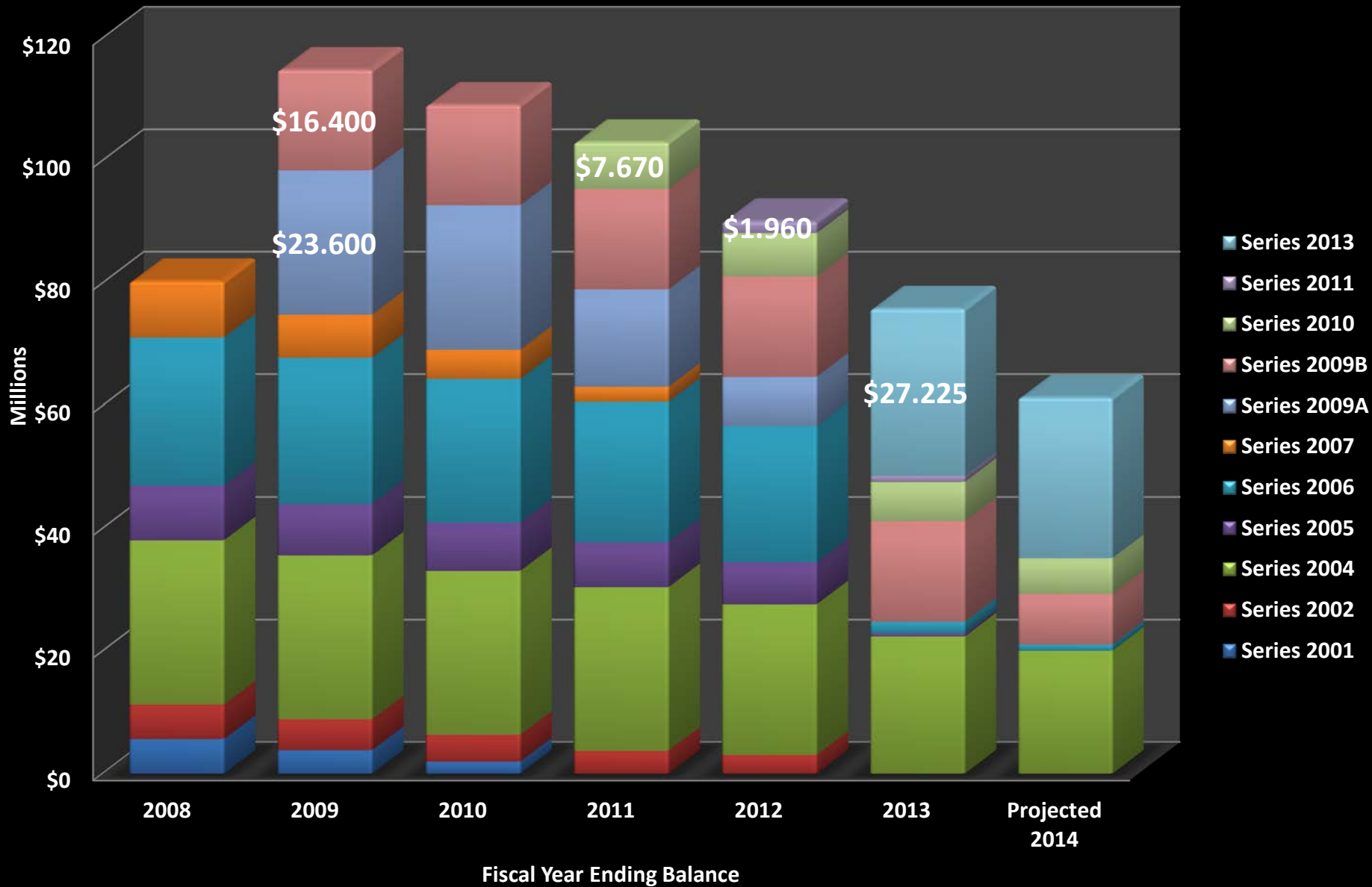
Additionally, partial refunding of approximately \$5,795,000 in Series 2005 Debt Certificates, and \$19,620,000 in Series 2006 Debt Certificates was made through the Series 2013 issue.

Interest between 2.00% and 3.00% is paid on a semi-annual basis.

General Obligation Bonds & Debt Certificates Payable



General Obligation Bonds & Debt Certificates Payable



Schedule of General Obligation Bonds and Debt Certificates After Making Scheduled Fiscal Year 2014 Principal Payments

Debt Series	Fiscal Year Scheduled to Retire	Principal Balance	Interest Rate Range
Series 2004	2021	\$20,045,000	5.00% - 5.25%
Series 2005	2015	1,005,000	4.25%
Series 2009B	2014	8,280,000	3.00%
Series 2010	2031	5,815,000	2.60% - 6.55%
Series 2013	2024	26,180,000	3.00%
TOTAL		\$61,325,000	

Questions?

