

VILLAGE OF LOMBARD  
REQUEST FOR BOARD OF TRUSTEES ACTION  
For Inclusion on Board Agenda

  X   Resolution or Ordinance (Blue)   X   *Waiver of First Requested*  
       Recommendations of Boards, Commissions & Committees (Green)  
       Other Business (Pink)

TO: PRESIDENT AND BOARD OF TRUSTEES

FROM: Scott Niehaus, Village Manager

DATE: December 6, 2016 (COW)(B of T) December 15, 2016

TITLE: An Ordinance Amending the Budget Ordinance (with a Waiver of First Reading) – Recommendation that the Village Board Not Adopt an Ordinance Amending the Budget Ordinance to Appropriate for the Debt Service for the Series 2005-A Bonds and the Series 2005-B Bonds for the Hotel and Conference Center, in Response to the Request from the Lombard Public Facilities Corporation to do so. (2/3 Vote Required)

SUBMITTED BY: Scott Niehaus, Village Manager  
Timothy Sexton, Director of Finance

BACKGROUND/POLICY IMPLICATIONS:

The Lombard Public Facilities Corporation (LPFC) Board of Directors has requested that the Village pay any shortfall on the Hotel and Conference Center Series 2005-A bonds and 2005-B bonds for the January 1, 2017 payment. The exact amount of shortfalls subject to Village appropriation are unknown at this time. However, it is anticipated that the shortfalls subject to appropriation will be \$2,000,000 for the Series 2005-A bonds and \$1,187,806 for the Series 2005-B bonds.

It is staff's recommendation that the Village not appropriate for the Series 2005-A or the Series 2005-B debt service shortfalls due January 1, 2017. The original cash reserves are fully depleted for both the Series 2005-A bonds and the Series 2005-B bonds, so these bonds will not be paid in full if the Village does not appropriate. Staff continues to work with the parties involved to attempt to restructure the debt. However, the current staff recommendation, consistent with previous discussions, is that the Village not approve the attached budget ordinance amendment that would appropriate for the shortfall. If the Village Board decides to appropriate for this shortfall, staff is requesting waiver of first reading.

Review (as necessary):

Village Attorney X _____	Date _____
Finance Director X <u>Timothy Sexton</u>	Date <u>12/6/16</u>
Village Manager X <u>Scott Niehaus</u>	Date <u>12/6/16</u>

NOTE: All materials must be submitted to and approved by the Village Manager's Office by 12:00 noon, Wednesday, prior to the Agenda Distribution.