

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 \_\_\_\_\_ Date \_\_\_\_\_  
Village Manager X \_\_\_\_\_ Date \_\_\_\_\_

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.

ORDINANCE \_\_\_\_\_

AN ORDINANCE AMENDING THE BUDGET ORDINANCE

WHEREAS, the Corporate Authorities of the Village of Lombard (the “Village”) have, pursuant to Ordinance No. 7151 adopted on November 19, 2015, approved the budget for the Village’s 2016 fiscal year, in the amount of \$91,516,051 (the “Budget Ordinance”); and

WHEREAS, 65 ILCS 5/8-2-9.6 allows for the amendment of the Budget Ordinance; and

WHEREAS, the Corporate Authorities find that an amendment to the Budget Ordinance is necessary at this time, to provide an amount sufficient to pay the shortfall on the debt service for the Lombard Public Facilities Corporation Series 2005-A Bonds and the Series 2005-B Bonds, due January 1, 2017;

NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF LOMBARD, DUPAGE COUNTY, ILLINOIS, as follows:

Section 1: That in order to provide an amount sufficient to pay the shortfall on the debt service for the Lombard Public Facilities Corporation Series 2005-A Bonds and the Series 2005-B Bonds, a Budget Ordinance amendment is necessary.

Section 2: That this Budget Ordinance amendment should reflect the actual amount of the shortfall on the Lombard Public Facilities Corporation Series 2005-A Bonds, in the amount of \$2,000,000.00; and of the shortfall on the Lombard Public Facilities Corporation Series 2005-B Bonds, in the amount of \$1,187,806.

Section 3: That the following amendment be made to the Budget Ordinance, to add the following department and division line item expenditure:

General Fund, General Services Cost Center, Miscellaneous Contractual Services	
101.120.510.75770	\$3,187,806

Section 4: That additional funds are available to effectuate the aforementioned Budget Ordinance amendment.

Section 5: That this Ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form, as required by law.

Passed on first reading this \_\_\_\_ day of \_\_\_\_\_, 2016.

First reading waived by action of the Board of Trustees this \_\_\_\_ day of \_\_\_\_\_, 2016.

ORDINANCE \_\_\_\_\_  
AN ORDINANCE AMENDING BUDGET ORDINANCE  
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Passed on second reading this \_\_\_\_ day of \_\_\_\_\_, 2016.

Ayes: \_\_\_\_\_

Nays: \_\_\_\_\_

Absent: \_\_\_\_\_

Approved by me this \_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Keith Giagnorio  
Village President

ATTEST:

\_\_\_\_\_  
Sharon Kuderna  
Village Clerk

Published by me in pamphlet form this \_\_\_\_ day of \_\_\_\_\_, 2016

\_\_\_\_\_  
Sharon Kuderna  
Village Clerk



## Lombard Public Facilities Corporation

255 E. Wilson Ave.  
Lombard, Illinois 60148  
(630) 620-5700

### Board of Directors

**Paul J. Powers**  
President

**George E. Seagraves**  
Vice President

**Edward Murhpy**  
Treasurer

**Jeffrey L. Mills**  
Secretary

**Tod Altenburg**  
Director

**Scott Niehaus**  
**Nicole Aranas**  
**Timothy Sexton**  
Designated  
Representatives

**Donald E. Renner III**  
Counsel

December 6, 2016

Keith Giagnorio  
Village President  
Village of Lombard  
255 E. Wilson Avenue  
Lombard, IL 60148

**RE: Request for Payment of Shortfall on Series 2005-A and Series 2005-B Bonds**

Dear President Giagnorio:

On behalf of the Lombard Public Facilities Corporation (the "LPFC"), I hereby request the Village of Lombard (the "Village"), pursuant to the Tax Rebate Agreement dated April 1, 2005, to provide to the First Tier Supplemental Debt Service Reserve Fund an amount sufficient to pay the shortfall on the debt service for the LPFC Series 2005 A Bonds due January 1, 2017, and to provide funds to pay for the shortfall on the debt service for the LPFC Series 2005 B Bonds due January 1, 2017.

Sincerely,

Lombard Public Facilities  
Corporation

By: 

Paul Powers, President