

APPROVED
**VILLAGE OF LAKE ZURICH
SPECIAL BOARD MEETING
MAY 27, 2008**

The meeting was called to order at 7:18 p.m.

ROLL CALL: *Present* –Mayor Tolomei, Trustees Branding (7:25), Callahan, Johnson, McAvoy, Taylor, and Poynton.

Also present –Administrator Vitas, Finance Director Zochowski, and Village Attorney Burkland.

CONSIDERATION OF AN ORDINANCE PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$4,600,000 GENERAL OBLIGATION REFUNDING BONDS, SERIES 2008A OF THE VILLAGE OF LAKE ZURICH, LAKE COUNTY, ILLINOIS, PROVIDING FOR THE EXECUTION OF A BOND ORDER IN CONNECTION THEREWITH AND PROVIDING FOR THE LEVY AND COLLECTION OF A DIRECT ANNUAL TAX FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SAID BONDS.

CONSIDERATION OF AN ORDINANCE PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$355,000 GENERAL OBLIGATION LIMITED TAX BONDS, SERIES 2008B, OF THE VILLAGE OF LAKE ZURICH, LAKE COUNTY, ILLINOIS, AUTHORIZING THE EXECUTION OF A BOND ORDER AND PROVIDING FOR THE LEVY AND COLLECTION OF A DIRECT ANNUAL TAX FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SAID BONDS, FOR THE PURPOSE OF PAYING FOR CERTAIN CORPORATE CAPITAL COSTS.

Mayor Tolomei said the purpose of the Special Board of Trustees meeting was to consider two ordinances related to general obligation refunding bonds and general obligation limited bonds.

Finance Director Zochowski said the two ordinances presented were in draft form and could not be finalized until they were sold on June 11, 2008. Staff is requesting Board approval to approve the bond issues up to the specified dollar amount and authorize staff to negotiate the sale of the bonds. These bonds would replace bonds that are currently in existence. The interest rate will be at a much lower rate and should save the Village approximately \$400,000. The proceeds of the other bond would be used to finance the completion of the Police firing range. The Village should realize additional revenue from other municipalities using the firing range.

Trustee Poynton said the debt savings are being spent. He asked for additional information on the savings the Village will realize and was concerned that the Village revenue would be short.

Finance Director Zochowski said the Village will be presented with a \$211,000 grant that will offset part of the \$375,000 expenditure for the firing range. The savings on the refinancing and

the grant will help offset the cost for the range. The grant money will be lost if the Village does not proceed on the firing range project.

Administrator Vitas explained that an additional savings will be in not having to pay the labor costs associated with police officers to traveling to Wisconsin for firearm practice. Additionally, fees will be charged to other police departments to use the range which will be used for its maintenance. He will prepare a fiscal analysis when the range is operational.

Finance Director Zochowski said the draft ordinance was written for an issuance not to exceed up to \$4,750,000 even though the agenda showed \$4,600,000.

MOTION made by Trustee Taylor, seconded by Trustee McAvoy, to approve an ordinance providing for the issuance of not to exceed \$4,750,000 in General Obligation Refunding Bonds, Series 2008A to be assigned ORD. #2008-05-565.

AYES: 4 Trustees Callahan, Johnson, McAvoy, and Taylor

NAYS: 1 Trustee Poynton

ABSTENTION: 1 Trustee Branding

MOTION CARRIED

MOTION made by Trustee Callahan, seconded by Trustee McAvoy, to approve an ordinance providing for the issuance of not to exceed \$355,000 General Obligation Limited Tax Bonds, Series 2008B to be assigned ORD. #2008-05-566.

AYES: 4 Trustees Callahan, Johnson, McAvoy, and Taylor

NAYS: 2 Trustees Branding and Poynton

MOTION CARRIED

ADJOURNMENT:

MOTION made by Trustee Taylor, seconded by Trustee Johnson, to adjourn the meeting.

Voice vote, AYES have it. MOTION CARRIED.

The meeting was adjourned at 7:30 p.m.

Submitted by: *Janet McKay, Recording Secretary*

Approved by: _____

President John G. Tolomei