

**Village of Round Lake Park  
Special Meeting Minutes  
January 27, 2009**

Mayor McCue called the special board meeting to order at 7:04 PM with the Pledge of Allegiance. On roll call by the Clerk the following members were:

Present: Kenyon, Nelson, Seminary, Schnur, and Teubert

Absent: None

Quorum

Also Present: Peter Karlovics, Patti , Barbara Chevalier, Donna Wagner

The special board meeting was called for the approval of a Resolution Placing a referendum question on the April 7, 2009 Consolidated election Ballot (2009-R-01 and the approval of an engagement letter with Chapman and Cutler for bond counsel services.

Attorney Karlovics reviewed the process for placing a Referendum question on the April 7, 2009 consolidated Election Ballot.

Mayor McCue suggested there could be a possibility to reduce the Bond issue from 2 million to 1 million and apply for some grants that the village could qualify for.

Mayor McCue asked to hear from the Spear Financial Representative, Barbara Chevalier and their recommendation.

Barbara reported on the Referendum Bond Tax Rate Study:

**Assumptions**

1. Tax rates are based on a median market value of a home located in the Village of Round Lake Park, The median market value is estimated at \$195,000. Taxes are levied on a portion of the market value which is commonly accepted to be one-third of the market value less, a \$6,000 homestead exemption. A \$195,000 market value would equal a \$59,000 estimated equalized assessed value for taxing purposes.
2. The 2007 Equalized Assessed Value of the Village is \$62,765,000.
3. The proposed bond issue is \$2,000,000 with level debt service payments average \$168,000.
4. The bond issue carries an estimated interest rate of 5% and is payable over 20 years.

**Taxes**

Based on the above assumption the residents of the Village would pay the following.

Average Annual Tax Rate to pay Principal and Interest on the Bonds ..... \$ 0.2678

Average Annual Taxes in Dollars Per Home.....\$ 158

Mayor McCue asked what the expired interest rate is. Barbara stated she was not sure, but would find out and get back to the Mayor with the information. The current rate is approximately 5%. The water bonds have expired so there would be no increase to the residents.

Discussion took place as to the referendum.

Trustee Schnur and Nelson expressed reservations about going for a referendum during a bad economy. Trustee Kenyon stated that the referendum gives residents input into the future of Main Street, and the citizens would be making the ultimate decision as to whether or not the bond would be issued. Trustee Schnur agreed. Trustee Schnur agreed that the residents would be making final decision. Trustee Nelson continued to express reservations about the referendum.

Discussion thereafter began on the amount of the referendum. Trustee Seminary suggested that the amount be reduced to \$1,000,000. Trustee Teubert stated that he believed that the amount should be higher. Trustee Teubert expressed concern that if the village was going for a referendum, it should ask for enough to complete the project on Main Street. Trustee Teubert was asked how much the referendum should be and he state that \$1.5 million should be considered, and no less, since he believed it would cover the cost of the project. The Trustees were polled as to the amount that the Village should seek, and the following response was received: Seminary: \$1.3 million; Schnur: \$2 million; Teubert: \$1.5 million, Kenyon: \$1.4 million; and Nelson: \$1.5 million.

Thereafter, Trustee seminary made the motion to approve the resolution, with the amount of bonds to be issued to be amended to \$1.5 million. The motion was seconded by Trustee Schnur. On a roll call vote, Trustees Seminary, Schnur and Kenyon voted yes, and Trustees Nelson and Teubert voted no. The motion passed with a 3-2 vote, Mayor McCue expressed that she did not want to take a position on the referendum, but wanted the voters to decide, so she supported placing the question on the ballot so the voters could decide.

#### **Approved Engagement Letter**

2. Motion by Trustee Nelson, seconded by Trustee Kenyon to approve an engagement letter with Chapman and Cutler for Bond Counsel services.

Ayes: Kenyon, Nelson, Seminary, Schnur, and Teubert

Nays: None

Motion Declared Carried

Adjourn

3. Motion by Trustee Nelson, seconded by Trustee Schnur to adjourn the Special Board Meeting at 8:01 PM

Voice Vote called

All those in favor-Ayes

All those opposed- None

Motion Declared carried

Respectfully Submitted

Linda M. Lucassen