Agenda
Village of Glen Ellyn
Finance Commission Meeting
Friday, February 12, 2021
7:00 AM
Glen Ellyn Civic Center, Galligan Board Room
Meeting Held Virtually - Via Zoom Only

This meeting will be conducted by audio and video conference without a physically present quorum of the Commission because of a disaster declaration related to COVID-19 and public health concerns affecting the Village of Glen Ellyn. The Illinois General Assembly passed Senate Bill 2135 on May 23, 2020, which was signed by the Governor on June 12, 2020. Senate Bill 2135 (now Public Act 1010640) amends the Open Meetings Act and allows the Village Board and Commissions to participate electronically in Board and Commission meetings when it is not feasible due to a disaster such as COVID-19. The Village has determined that an in person meeting at the Civic Center is not practical or prudent because of the disaster. Physical attendance at the Civic Center by the public is also not feasible because of the disaster.

To participate in the meeting at the appointed date and time, please click the link below to join the webinar:
https://us02web.zoom.us/j/84236994908?pwd=Yko2WHFjeG5NZFpDbFlET1dtTjVuZz09
Passcode: 273201
Or Telephone: US: +1 312 626 6799 or +1 301 715 8592 or +1 646 558 8656 or +1 346 248 7799 or +1 669 900 9128 or +1 253 215 8782
Webinar ID: 842 3699 4908
Passcode: 273201

A. Call to Order

B. Public Comment (Non Agenda Items)

C. Approval of Minutes

1) Finance Commission Minutes - January 15, 2021

D. Financial Reports

1) Village Links/Reserve 22 Financial Report - December 2020
2) 2020 Year-End Financial Report

E. Financial Policies

1) Village Financial Policy Update

F. Trustee Liaison's Report

G. Chairman's Report

H. Other Business

1) Economic Development Update
2) Next Meeting: Friday, March 12, 7:00 AM

I. Adjournment

FINANCE COMMISSION
MINUTES
JANUARY 15, 2021

CALL TO ORDER:

Matthew L. Halkyard	Chairman	Present
Jeremy S. VanEk	Vice-Chairman	Present
Michael Campagna	Commissioner	Present
Lea Dan	Commissioner	Excused Absence
Lisa A. Cleaver	Commissioner	Present
Scott R. Greeno	Commissioner	Present
Christopher Oakes	Commissioner	Present
Jose DeLeon	Commissioner	Present
Brenton J. Peck	Commissioner	Present
Kevin VanEk	Student Commissioner	Present

Also, present: Trustee Christiansen, Village Manager Franz, Finance Director Coyle, Assistant Finance Director Thomas, and Recording Secretary Haslett.

A. Call To Order

The meeting was called to order at 7:05AM.

B. Public Comments

None.

C. Approval of Minutes

1. Finance Commission - Regular Meeting – December 11, 2020 7:00 AM

MOVE TO APPROVE MINUTES OF FINANCE COMMISSION MEETINGS AS PRESENTED FROM 12/11/20.

RESULT	Motion Unanimously Carried
MOVER:	Commissioner Cleaver
SECONDER:	Commissioner J. VanEk
AYES:	Campagna, Cleaver, DeLeon, Greeno, Halkyard, J. VanEk, Oakes, and Peck
ABSENT:	Dan

D. Financial Reports

1. <u>Village Links/Reserve 22 Financial Statements – November 2020</u>

Finance Director Coyle discussed the positive trend toward golf during COVID. The good golf performance in 2020 built-up cash reserves. Staff continues to monitor the golf cash balance closely. Overall year-to-date revenues are up 21% for the Village Links, which mitigates the 21% loss for Reserve 22. Year-to-date operating expenses are down 10%. Commissioner Campagna commended the Links management staff for their efforts especially from a financial perspective during this pandemic.

2. General Fund Update – November 2020

Finance Director Coyle referenced the November 2020 General Fund report included in the agenda packet. Sales and home rule sales taxes were under budget, but exceeded the initial Covid-19 forecast. Income taxes remained steady due to unemployment insurance benefits. Business registration revenue is down because the Village waived the renewal fees. Liquor licenses were down due to waiving 25% of the renewal fees. Building permit revenue was up from the prior year by $473,265 due to the Apex 400 and Avere developments. Police fines are down due to the pandemic. Investment income is down due to lower interest rates. Miscellaneous revenue was higher than last November due to receiving the $1,463,693 CARES grant from DuPage County.

On the expense side the Village Manager's expenses are higher due to the Covid-19 costs that are recorded in this department. Information Technology costs were higher than last year due to the Storage Area Network and Audio-Visual System upgrades. Finance expenses were lower because of an unfilled position that remains vacant. Building expenses increased from the prior year due to higher personnel costs resulting from filling two (2) positions in the current year.

E. Policy Review

1. Financial Policy Review.

Finance Director Coyle provided some background on this agenda item and stated this will be the first of several meetings where the Finance Commission will review the Village's Financial Policies. During the budget discussions, the Village Board requested that the financial policies be reviewed and refreshed where appropriate. The review will include a three (3) step process. The first step in this process will be to review the most recently updated policies including: Purchasing, Investments, Fund Balance/Reserves, and Pension Funding. The next step will be to review the Debt, Budget, Revenue and Expenditure, and Accounting, Auditing, and Financial Reporting policies. The last step will be to add financial policies related to Capital Improvement, Long-term Financial Planning, and Property Taxes. The Village has practices in places for these last three (3) policies, but just not a formal written policy.

After reviewing the most recent policies, the Finance Commission concurred to further discuss these policies at the next meeting. Commissioner Oakes recommended staff provide comments for where policy improvements and changes can be made.

F. Trustee Liaison Report

Trustee Christiansen updated the Finance Commission on recent Village Board activities.

G. Chairman's Report

None.

H. Other Business

1. Economic Development Update

   Village Manager Franz provided the Economic Development update.

2. Next Meeting Friday, February 12, 2020, 7:00AM

I. Adjournment

1. Motion to Adjourn

   Commissioner J. VanEk moved and Commissioner Oakes seconded, to adjourn the meeting. The meeting was adjourned at 8:14AM.

Submitted by Aileen Haslett, Recording Secretary

Glen Ellyn Finance Commission
535 Duane Street
Glen Ellyn, IL 60137

Meeting 2/12/2021 7:00 AM
Department: Finance
Department Head:
Category: Report
Prepared By:

AGENDA ITEM (ID # 2021-896)

DOC ID: 2021-896

Village Links/Reserve 22 Financial Report - December 2020

Statement of the Issue:
Please see the reports attached.

Analysis:
N/A

Budget Impact:
N/A

Action Requested:
N/A

Attachments:

1. Managers Report Nov-Dec 20
2. Village Links - Financial Statements - December 2020

VILLAGE LINKS
GLEN ELLYN

RESERVE 22
TWENTY-TWO

"Committed to Excellence since 1967"

Manager's Report for NOVEMBER-DECEMBER 2020

Submitted by Jeff Vesevick, General Manager

November was overall a good month of golf weather. Eight of the first ten days were 60° or above, with a much welcomed seven consecutive days in the 70's. A relatively scant 1.5" of rain kept the golf cars running. The 18-hole golf course closed for the season on December 1st, however, as temperatures quickly crashed. The 9-hole course remained open on temporary tees and greens, and aided by the relative lack of snowfall, hosted 366 rounds.

High Temperatures in November

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
70º days	6				2	3				1	1	2	3			1				1
60º days	3			2	11	7	4	1	3	5	5	3	2	2	7	11	4	6	6	12
50º days	3	6	3	4	7	10	7	6	9	11	10	14	3	11	6	4	12	8	4	12
40º days	17	9	7	17	7	4	4	13	14	11	9	11	10	8	15	8	12	10	15	5
30º days	1	13	17	6	3	5	7	7	4	2	5		11	9	2	3	2	6	5	
20º days		1	3	1		1	7	3					1			3				
10º days		1					1													
0º days																				
Rain	1.5"	1.3"	2.3"	3.2"	1.8"	3.5"	1.5"	2.1"	1.0"	3.4"	2.5"	1.5"	1.0"	1.3"	3.3"	2.1"	3.0"	5.4"	1.0"	1.6"
Snow		4"	9.5"			8"		0.8"									5.8"		3.5"	

High Temperatures in December

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
70º days																				
60º days		1		1		2			3											2
50º days	3	4	3	4	1	8	1	1	2	3	1	1	2	2	9		4	1	2	2
40º days	8	11	12	5	1	8	8	7	12	14	1	2	4	3	10	2	9	16	10	14
30º days	15	8	14	11	16	8	17	8	14	13	12	18	13	18	8	13	9	9	15	4
20º days	5	7	2	4	8	4	4	9		1	15	9	8	8	2	11	4	5	4	6
10º days				4	3		1	5			2	1	3		2	5	5			3
0º days				2	1			1					1							
Rain	1.7"	1"	2"	0.2"	4.3"	4.3"	0.9"	0.8"	2.1"	2.0"	1.1"	1.5"	1.9"	3.5"	3.2"	0.7"	1.1"	1.9"	1.5"	1.1"
Snow	2.5"		1.4"	5.3"	15.5"	6.5"		8"		2"	16"	28"	16"	18"	6"	17"	3"	2"	6"	

GOLF - NOVEMBER

Rounds played were up 1,164% for the month, and are up 22% for the year
Green Fee revenue was up 1,883% for the month, and is up 27% for the year
Driving Range revenue was up 1,270% for the month, and is up 20% for the year
Motor Car revenue was down 7,570% for the month, and is up 18% for the year
Pro Shop sales were up 149% for the month, and are flat for the year
Overall Golf revenues were up 1,358% for the month, and are up 22% for the year

Golf Revenue November

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Rounds	2,497	2,003	1,110	1,028	2,401	2,721	1,091	457	418	5,285
Green Fees	45,127	40,758	21,967	18,154	42,317	52,351	17,587	9,877	5,747	113,993
Driving Range	3,129	577	2,073	1,825	4,597	5,115	1,723	984	1,296	17,756
Pro Shop	8,167	4,927	5,652	5,470	8,646	9,101	2,157	1,391	2,928	7,279
Carts	13,541	10,343	6,333	5,682	15,978	18,424	5,060	2,156	452	34,670
Resident Cards	0	0	0	0	0	0	0	0	0	20
Miscellaneous	5,049	1,283	3,321	2,778	6,208	4,793	1,106	751	1,664	2,469
Total Revenue	**75,011**	**57,804**	**38,958**	**33,908**	**77,747**	**89,783**	**27,633**	**15,159**	**12,087**	**176,186**

2020 was the BEST November for golf in the last 10 years

Golf Revenue December

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Rounds	348	994	15	378	612	18	499	67	260	366
Green Fees	56,563	71,007	93,621	71,219	110,688	97,043	172,228	174,850	90,293	52,739
Driving Range	246	0	159	912	884	19	1,051	301	1,329	1,322
Pro Shop	9,112	4,302	7,775	7,884	9,912	6,589	9,521	6,253	5,194	4,106
Carts	0	5,178	0	1,164	2,014	76	3,500	0	0	0
Resident Cards	0	0	0	0	20	0	20	0	0	0
Miscellaneous	292	1,429	63	298	310	741	1,338	474	732	106
Total Revenue	**66,227**	**91,805**	**101,618**	**81,477**	**123,828**	**104,469**	**187,658**	**181,878**	**97,547**	**58,272**

GOLF – YEAR END TOTALS

Rounds played were up 22% for the year
Green Fee revenue was up 23% for the year
Driving Range revenue was up 20% for the year
Motor cart revenue was up 18% for the year
Pro Shop sales were down 1% for the year
Overall Golf revenues were up 20% for the year

A determined and hearty 102 golfers participated in the **10th Annual Iron Man Open,** scheduled for Sunday, November 15, which turned out to be one of the few poor weather days of the month, as golfers battled the biting winds and temperatures struggling to reach 50°. The traditional post event gathering and selection of prizes was eliminated to due COVID restrictions. Prizes were selected online.

Outings accounted for only 3.7% of golf revenues for the year, contributing $107,238 in 2020, versus $286,686 (11%) a year ago. State restrictions, accompanied by general lack of group events, contributed to the reduction in revenues.

Preparations for the annual Holiday Open House were scrapped for 2020, due to COVID restrictions.

GOLF COURSE AND GROUNDS

NOVEMBER ACTIVITY
GROUNDS

1. Leave cleanup winding down, course is very clean for this time of year
2. Dead tree removal from 2green /3 tee 9 Hole, removed dead pines from 5 tee 9 Hole
3. Greens sprayed for Snow Mold and *Poa annua* seed head suppression
4. Fairways, Tees, and driving range tee sprayed for snow mold
5. Continued flail mowing of "native areas"
6. Continued hand work clean-up in native areas
7. Over seeded thin areas in the rough, tees, fairways
8. Irrigation system winterized
9. Superintendent and Assistants have taken online training for Irrigation Software.
10. Christmas lights hung on outside areas (Nothing inside due to Covid closure)

Mechanical and Building Maintenance

1. 10 pieces of equipment were repaired and/or serviced.
2. Furnace/AC replaced at Grounds Maintenance
3. All Furnaces and A/C Units inspected before winter, prompting replacement of 2 units (1 @ Grounds, 1 @ Clubhouse)
4. Full scale reel grinding has started
5. Maintenance equipment and buildings cleaned, and power washed
6. Heater in Sprinkler room repaired.
7. Heater for chemical storage area replaced

Horticulture/Conservation

1. Continue weed removal and bed clean-up, leave removal
2. Removing dead bushes
3. Parking Lot at Lambert Lake had 2 semi loads of gravel added, smoothed and rolled with the help of Public Works

DECMBER ACTIVITY

Grounds

11. All course accessories in, temporary pins out on 9 hole
12. Greens & Tees top dressed and gypsum applied
13. Cover applied to south side of 11 Tee to promote recovery
14. Continued flail mowing of “native areas”
15. Seeded into are around halfway/13/7
16. Continued online training for Irrigation Software.
17. Removed 6 dead ash trees between 2 and 3 on the nine hole
18. Attending online education seminars
19. Rotary Citrus Sale
20. Snow removal as required

Mechanical and Building Maintenance

8. 4 pieces of equipment were repaired and/or serviced.
9. Working on possible plans for halfway house improvements
10. Demolition of Halfway bathrooms started
11. Ordered Split A/C Heater units for starter huts

Horticulture/Conservation

4. Planning for Landscape improvements around clubhouse
5. Planning for hanging baskets at circle drive
6. Pruning and cleaning of Tropical plants in Basement

RESERVE 22

RESERVE 22 - NOVEMBER				Year to Date		
	2019	**2020**	**+/-**	**2019**	**2020**	**+/-**
Restaurant & Bar	77,846	80,841	*3.8%*	1,524,620	1,437,072	*-5.7%*
Banquets	31,100	4,285	*-86.2%*	598,039	213,779	*-64.3%*
from Outings	1,454	2,601	*78.9%*	142,710	17,129	*-88.0%*
Beverage Cart	0	2,946		66,440	88,328	*32.9%*
Halfway House	25	5,967	*23681.1%*	97,730	117,695	*20.4%*
Golf Express	172	1,466	*751.6%*	28,598	33,798	*18.2%*
Total Reserve 22	**112,143**	**95,542**	***-14.8%***	**2,318,428**	**1,890,653**	***-18.5%***

With indoor dining and bar operations virtually shut down, Reserve 22 staff rented tents to offer much coveted outdoor dining. Aided by the mild first half of the month, the main patio remained active, and achieved a 4% increase in sales compared to 2019. Without the customary 200+ guests who enjoy a traditional **Thanksgiving** Buffet, Chef Tom instead offered an all-inclusive take out menu for 2020. Thanksgiving Day sales increased by 25% over last year’s sales.
Banquet sales, however, continued to be almost non-existent, due to restrictions, and the tented option was not nearly as popular.

RESERVE 22 - DECEMBER				Year to Date		
	2019	2020	+/-	2019	2020	+/-
Restaurant & Bar	87,403	20,955	*-76.0%*	1,612,023	1,458,027	*-9.6%*
Banquets	80,220	0	*-100.0%*	678,259	213,779	*-68.5%*
from Outings	0	0		142,710	17,129	*-88.0%*
Beverage Cart	0	0		66,440	88,328	*32.9%*
Halfway House	0	0		97,730	117,695	*20.4%*
Golf Express	68	109	*58.9%*	28,666	33,907	*18.3%*
Total Reserve 22	**180,199**	**20,956**	***-88.4%***	**2,498,627**	**1,911,609**	***-23.5%***

The seasonal threat of snow forced the removal of the patio tents in December, as staff reverted to 100% take out only. Last year's **"Holiday Pop Up Bar",** which generated quite a buzz for the holiday season, would have to be scrapped, and revenues declined sharply for the month. A creative take-out menu produced $6,400 in **Christmas Dinner** sales.

With the normally reliable **Holiday Parties** in the Blue Heron Room, **Breakfast with Santa**, and **New Year's Eve** promotions cancelled, Reserve 22 revenues fell almost 88% for the month, as the take-out business was slow to catch on. Staff will continue to work to attract curbside business through the winter, offering dinner only service Wednesday through Sunday.

2020 in Review

Unusual and challenging to say the least, 2020 offered many surprises for Village Links and Reserve 22 staff. On the heels of 2-1/2 years of the rainiest seasons in Chicago area history, our weather dependent business was facing a looming cash deficit for the first time in its 52 year history. The ever changing rules and regulations imposed by state officials to offer safe activity amid an unrelenting pandemic forced staff in all areas to think of ways to continue to operate efficiently.

First Year Golf Course Superintendent Andrew Cross quickly made adjustments to operational procedures, and replaced some outdated and failing equipment which allowed him to provide excellent playing conditions, despite a 22% increase in golfer traffic, and a 30% reduction in his available labor force.

The Golf Staff practically reorganized their entire operation, and re-trained staff, in order to provide contactless check in procedures, sanitized golf carts, hand carts, range baskets, POS equipment, and everything else. In doing this, they eliminated some positions, and operated more efficiently, all while serving a robust 22% increase in volume. They were very innovative in the way they checked in guests for play, moving points of sale to the first tees, and introducing a free app which actually allowed for golfers to skip the check in procedure altogether. In spite of missing 6 full weeks of play, with another 4 weeks restricted to 33% capacity, favorable weather patterns and pent up demand allowed revenues in all areas to increase sharply from a year ago, with green fee revenue topping $2 million for the first time ever.

As has been well documented, the restaurant and bar industry are among those most impacted by the restrictions placed to combat the spread of the virus. With indoor activity virtually shut down, many restaurants have likely closed their doors for good. Reserve 22 was uniquely positioned to continue operations with its popular and award winning outdoor dining, once permitted in late May. Staff took full advantage of the opportunity, expanding available seating to accommodate the spike in popularity. While our kitchen was pushed to the limit, staff did a great job keeping up with the increased volume. Even without indoor service, restaurant and bar revenues soared more than 20%. Overall profitability suffered, however, due to the absence of the more highly profitable banquet and events business. Overall, in the absence of an unusually high unemployment claims charge, Reserve 22 was able to operate at nearly the break-even point.

Staff looks forward to the 2021 season with great anticipation, taking what we've learned and accomplished to the next level, in continuing to ***"Enhance Glen Ellyn community living by offering outstanding recreational and dining opportunities, while providing storm-water protection, at no cost to the taxpayer".***

UPCOMING MEETING TOPICS

FEBRUARY 26 – Regular Meeting

- Reserve 22 Presentation – F&B Director, Brad Chapple

MARCH 26 – Regular Meeting

- Golf Operations Presentation – Director of Golf, Noel Allen

APRIL 30 – Regular Meeting

- Golf and Grounds Presentation – Golf Course Superintendent, Andrew Cross

VILLAGE LINKS GLEN ELLYN | RESERVE 22 TWENTY-TWO

VILLAGE LINKS / RESERVE 22
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
As of December 31, 2020

			MONTH				YEAR-TO-DATE			
ORG	DESCRIPTION	2020 BUDGET	2020	2019	DIFF	% DIFF	2020	2019	DIFF	% DIFF
	REVENUES:									
5500	Village Links Revenues	$ 2,997,700	$ 67,058	$ 110,444	$ (43,386)	-39%	$ 3,228,063	$ 2,714,172	$ 513,890	19%
5520	Reserve 22 Revenues	2,733,000	20,956	180,199	(159,243)	-88%	1,943,688	2,612,488	(668,800)	-26%
	Total Revenues	**$ 5,730,700**	**$ 88,014**	**$ 290,643**	**$ (202,629)**	**-70%**	**$ 5,171,751**	**$ 5,326,661**	**$ (154,910)**	**-3%**
	EXPENDITURES:									
55700	Administration	$ 457,977	$ 43,657	$ 32,241	$ 11,416	35%	$ 452,100	$ 411,183	$ 40,917	10%
55710	Golf Course Maintenance	820,822	41,830	37,813	4,017	11%	767,251	774,124	(6,873)	-1%
55720	Golf Services	725,176	44,871	32,708	12,164	37%	698,293	706,105	(7,812)	-1%
55730	Reserve 22	2,452,699	94,474	164,293	(69,819)	-42%	1,997,187	2,478,720	(481,533)	-19%
55740	Stormwater Management	28,823	5,670	277	5,393	1947%	12,907	20,157	(7,250)	-36%
55750	Pro Shop Merchandise	157,234	7,043	6,465	579	9%	139,006	138,592	414	0%
55780	Motorized Carts	43,448	1,078	-	1,078	0%	45,313	39,425	5,888	15%
557X5	Mechanical Maintenance	184,873	44,033	11,302	32,731	290%	191,532	178,994	12,538	7%
	Total Operating Expenses	$ 4,871,052	$ 282,655	$ 285,099	$ (2,444)	-1%	$ 4,303,590	$ 4,747,299	$ (443,709)	-9%
	Operating Income (Loss)	**$ 859,648**	**$ (194,641)**	**$ 5,544**	**$ (200,186)**	**-3611%**	**$ 868,161**	**$ 579,361**	**$ 288,800**	**50%**
	Debt Service	657,696	606,348	599,035	7,313	1%	657,695	658,070	(375)	0%
	Capital Expenditures	192,000	3,050	2,200	850	39%	96,095	265,628	(169,533)	-64%
	CHANGE IN NET POSITION	**$ 9,952**	**$ (804,039)**	**$ (595,691)**	**$ (208,348)**	**35%**	**$ 114,371**	**$ (344,337)**	**$ 458,708**	**-133%**

KEY METRICS

	Goal						
Personnel Expenses as % of Sales	*48%*	*197%*	*50%*	*147%*	*47%*	*48%*	*-1%*
Cash Balance (End of Month, in $000's)	*$ 1,218*	*$ 719*	*$ 532*	*$ 187*			

VILLAGE LINKS GLEN ELLYN | RESERVE 22 TWENTY-TWO

VILLAGE LINKS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
GOLF
(Including Administration, Grounds, & Mechanical Maintenance)
As of December 31, 2020

ORG/ OBJECT	DESCRIPTION	2020 BUDGET	MONTH 2020	MONTH 2019	MONTH DIFF	MONTH % DIFF	YEAR-TO-DATE 2020	YEAR-TO-DATE 2019	YEAR-TO-DATE DIFF	YEAR-TO-DATE % DIFF
5500	**VILLAGE LINKS REVENUES:**									
440550	Green Fees	$ 1,850,000	$ 52,739	$ 90,293	$ (37,554)	-42%	$ 2,096,702	$ 1,705,109	$ 391,593	23%
440554	Pro Shop - Sales	180,000	4,106	5,194	(1,088)	-21%	147,085	148,111	(1,027)	-1%
440555	Motor Carts	525,000	-	-	-	0%	520,855	440,034	80,821	18%
440556	Driving Range	285,000	1,322	1,329	(7)	-1%	312,064	259,403	52,660	20%
440557	Resident Cards	32,000	-	-	-	0%	32,360	31,110	1,250	4%
460100	Investment Income	13,200	1	12,704	(12,703)	-100%	2,361	23,020	(20,659)	-90%
489000	Miscellaneous Revenue	112,500	261	874	(613)	-70%	108,773	107,395	1,378	1%
489100	Miscellaneous - Over/Short	-	(4)	51	(56)	-108%	(771)	(10)	(761)	7696%
490800	Operating Transfer In	-	8,635	-	8,635	0%	8,635	-	8,635	0%
	Total Revenues	**$ 2,997,700**	**$ 67,058**	**$ 110,444**	**$ (43,386)**	**-39%**	**$ 3,228,063**	**$ 2,714,172**	**$ 513,890**	**19%**
	COST OF GOODS SOLD:									
520945	Cost of Goods Sold - Pro Shop	$ 126,000	$ 3,946	$ 4,547	$ (601)	-13%	$ 107,817	$ 109,743	$ (1,926)	-2%
	Total Cost of Goods Sold	**$ 126,000**	**$ 3,946**	**$ 4,547**	**$ (601)**	**-13%**	**$ 107,817**	**$ 109,743**	**$ (1,926)**	**-2%**
	Gross Profit	**$ 2,871,700**	**$ 63,113**	**$ 105,897**	**$ (42,785)**	**-40%**	**$ 3,120,246**	**$ 2,604,429**	**$ 515,817**	**20%**
	OTHER OPERATING EXPENSES:									
510100	Salaries - Pensionable	$ 898,265	$ 81,438	$ 52,857	$ 28,581	54%	$ 875,325	$ 809,779	$ 65,546	8%
510120	Salaries - Non-Pensionable	168,200	5,485	706	4,780	677%	182,925	208,429	(25,504)	-12%
510200	Salaries - Overtime	4,500	63	-	63	0%	4,164	5,872	(1,708)	-29%
510400	FICA Taxes	81,928	6,424	3,930	2,494	63%	78,685	76,670	2,015	3%
510500	IMRF	81,653	7,134	3,622	3,512	97%	76,663	56,400	20,264	36%
590600	Health Insurance	132,375	10,330	9,964	366	4%	132,916	116,578	16,338	14%
52XXXX	Contractual Services	630,932	63,188	35,869	27,320	76%	601,592	587,850	13,741	2%
53XXXX	Commodities	294,500	10,173	9,311	862	9%	246,316	297,259	(50,942)	-17%
	Total Operating Expenses	**$ 2,292,353**	**$ 184,236**	**$ 116,259**	**$ 67,977**	**58%**	**$ 2,198,586**	**$ 2,158,837**	**$ 39,750**	**2%**
	Operating Income (Loss)	**$ 579,347**	**$ (121,123)**	**$ (10,361)**	**$ (110,762)**	**1069%**	**$ 921,660**	**$ 445,593**	**$ 476,067**	**107%**
	Operating Income (Loss) Percentage	**19%**	**-181%**	**-9%**			**29%**	**16%**		

KEY METRICS

	Goal	Month 2020	Month 2019	Month DIFF	YTD 2020	YTD 2019	YTD DIFF
Rounds Played	*70,000*	*366*	*260*	*106*	*74,894*	*61,324*	*13,570*
Revenue Per Round	*$ 42.82*	*$ 183.22*	*$ 424.79*	*$ (241.57)*	*$ 43.10*	*$ 44.26*	*$ (1.16)*
Resident Cards Sold	*N/A*	*-*	*-*	*-*	*2,560*	*2,456*	*104*
Cost of Goods Sold % - Pro Shop	*70%*	*96%*	*88%*	*9%*	*73%*	*74%*	*-1%*
Personnel Expenses as % of Sales	*46%*	*165%*	*64%*	*101%*	*42%*	*47%*	*-5%*

VILLAGE LINKS GLEN ELLYN | RESERVE 22 TWENTY-TWO

VILLAGE LINKS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
GOLF
(Including Administration, Grounds, & Mechanical Maintenance)
As of December 31, 2020

ORG/ OBJECT	DESCRIPTION	2020 BUDGET	MONTH 2020	MONTH 2019	MONTH DIFF	MONTH % DIFF	YEAR-TO-DATE 2020	YEAR-TO-DATE 2019	YEAR-TO-DATE DIFF	YEAR-TO-DATE % DIFF
	MISCELLANEOUS REVENUE									
	Miscellaneous Revenue includes the following items, which don't fit into any of the major revenue categories:									
	Handicaps		$ -	$ -	$ -		$ 37,280	$ 37,535	$ (255)	
	Hand Cart Rentals		96	131	(35)		22,664	23,033	(369)	
	Adult & Junior Golf Lessons		-	-	-		38,990	24,701	14,289	
	Golf Club Rentals		-	-	-		720	4,590	(3,870)	
	Golf Club Repairs		-	6	(6)		515	3,653	(3,138)	
	Locker Rentals		-	-	-		2,800	3,200	(400)	
	Illinois Sales Tax (1.75%)		141	145	(4)		2,873	3,383	(511)	
	Glen Ellyn Food & Beverage Tax (1%)		14	(3)	17		138	(9)	147	
	Misc. Tournament Prize		-	575	(575)		638	575	63	
	Memorial Tree Donation		-	-	-		-	500	(500)	
	FootGolf Ball Rentals		-	5	(5)		70	275	(205)	
	ATM Machine Commission		10	15	(5)		38	249	(211)	
	Miscellaneous		-	-	-		2,048	5,710	(3,662)	
	Total	$ 112,500	$ 261	$ 874	$ (613)		$ 108,773	$ 107,395	$ 1,378	

VILLAGE LINKS
GLEN ELLYN

RESERVE 22 TWENTY-TWO

RESERVE 22
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
As of December 31, 2020

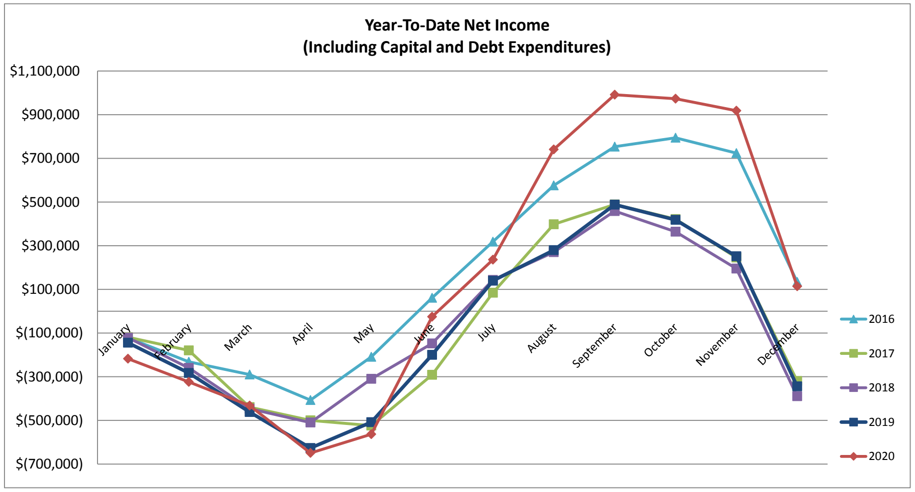
ORG/ OBJECT	DESCRIPTION	2020 BUDGET	MONTH 2020	MONTH 2019	MONTH DIFF	MONTH % DIFF	YEAR-TO-DATE 2020	YEAR-TO-DATE 2019	YEAR-TO-DATE DIFF	YEAR-TO-DATE % DIFF
5520	**RESERVE 22 REVENUES:**									
441100	Food	$ 1,500,000	$ 20,095	$ 110,384	$ (90,289)	-82%	$ 1,048,161	$ 1,449,187	$ (401,026)	-28%
441101	Liquor	260,000	671	18,117	(17,446)	-96%	207,044	247,473	(40,429)	-16%
441102	Beer	485,000	206	12,242	(12,036)	-98%	390,163	464,871	(74,707)	-16%
441103	Wine	235,000	72	18,919	(18,847)	-100%	169,076	223,668	(54,592)	-24%
441104	NA Beverages	85,000	19	3,724	(3,705)	-99%	80,173	83,239	(3,066)	-4%
441106	Room Charges	4,000	-	500	(500)	-100%	4,852	5,875	(1,023)	-17%
441107	Service Charges	160,000	-	16,198	(16,198)	-100%	42,622	134,401	(91,779)	-68%
489000	Miscellaneous Revenue	4,000	(108)	115	(223)	-194%	1,597	3,774	(2,178)	-58%
	Total Revenues	**$ 2,733,000**	**$ 20,956**	**$ 180,199**	**$ (159,243)**	**-88%**	**$ 1,943,688**	**$ 2,612,488**	**$ (668,800)**	**-26%**
55730	**COST OF GOODS SOLD:**									
530400	Cost of Goods Sold - Beer	$ 121,250	$ 982	$ 5,778	$ (4,796)	-83%	$ 98,496	$ 119,132	$ (20,636)	-17%
530401	Cost of Goods Sold - Wine	68,150	14	6,500	(6,487)	-100%	51,310	71,436	(20,125)	-28%
530402	Cost of Goods Sold - Liquor	46,800	(1)	6,606	(6,607)	-100%	49,474	63,125	(13,651)	-22%
530405	Cost of Goods Sold - NA Beverages	28,050	401	1,914	(1,513)	-79%	40,808	48,627	(7,819)	-16%
530420	Cost of Goods Sold - Food	495,000	11,656	43,855	(32,199)	-73%	355,378	530,030	(174,651)	-33%
	Total Cost of Goods Sold	**$ 759,250**	**$ 13,052**	**$ 64,652**	**$ (51,601)**	**-80%**	**$ 595,467**	**$ 832,349**	**$ (236,882)**	**-28%**
	Gross Profit	**$ 1,973,750**	**$ 7,904**	**$ 115,547**	**$ (107,642)**	**-93%**	**$ 1,348,222**	**$ 1,780,139**	**$ (431,918)**	**-24%**
	Gross Profit Percentage	**72%**	**38%**	**64%**			**69%**	**68%**		
55730	**OTHER OPERATING EXPENSES:**									
510100	Salaries - Pensionable	$ 640,000	$ 39,291	$ 46,870	$ (7,579)	-16%	$ 519,275	$ 636,497	$ (117,222)	-18%
510120	Salaries - Non-Pensionable	465,000	9,788	13,798	(4,011)	-29%	347,405	400,382	(52,977)	-13%
510200	Salaries - Overtime	5,000	-	212	(212)	-100%	9,168	17,154	(7,985)	-47%
510399	Tips Paid Through Payroll	-	1,547	1,242	305	25%	3,765	(377)	4,142	-1099%
510400	FICA Taxes	115,440	4,203	5,807	(1,604)	-28%	88,073	101,558	(13,485)	-13%
510500	IMRF	58,176	3,884	3,867	16	0%	55,562	51,507	4,055	8%
590600	Health Insurance	86,200	5,574	4,877	696	14%	67,932	73,141	(5,210)	-7%
52XXXX	Contractual Services	178,883	13,276	13,574	(298)	-2%	206,299	189,024	17,275	9%
53XXXX	Commodities	144,750	3,860	9,394	(5,534)	-59%	104,242	177,485	(73,244)	-41%
	Total Operating Expenses	**$ 1,693,449**	**$ 81,422**	**$ 99,641**	**$ (18,219)**	**-18%**	**$ 1,401,721**	**$ 1,646,371**	**$ (244,650)**	**-15%**
	Operating Income (Loss)	**$ 280,301**	**$ (73,518)**	**$ 15,906**	**$ (89,424)**	**-562%**	**$ (53,499)**	**$ 133,769**	**$ (187,268)**	**-140%**
	Operating Income (Loss) Percentage	**10%**	**-351%**	**9%**			**-3%**	**5%**		

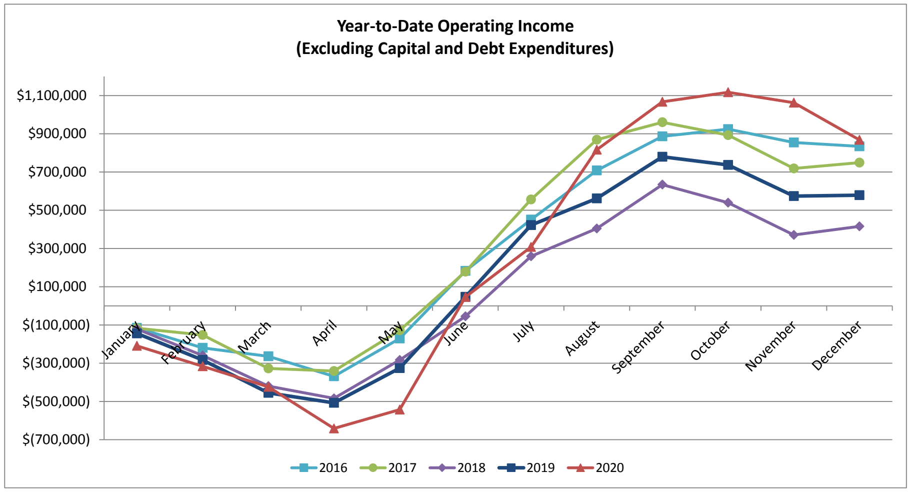
VILLAGE LINKS GLEN ELLYN | RESERVE 22 TWENTY-TWO

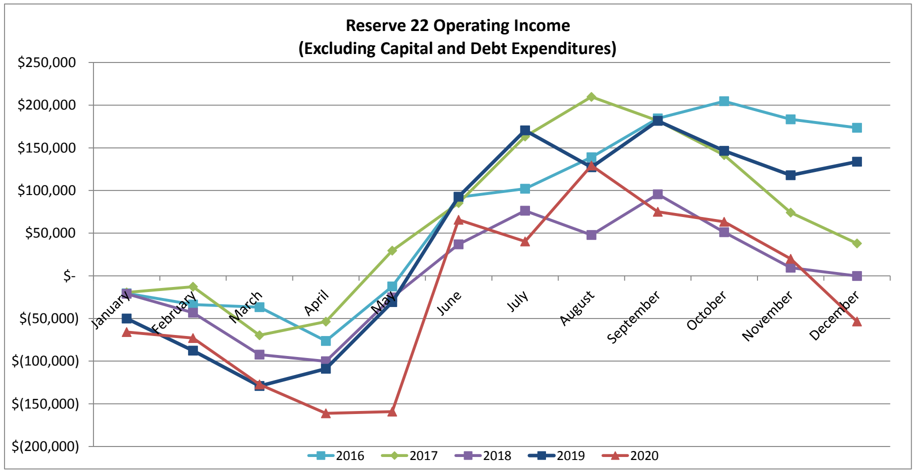
RESERVE 22
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
As of December 31, 2020

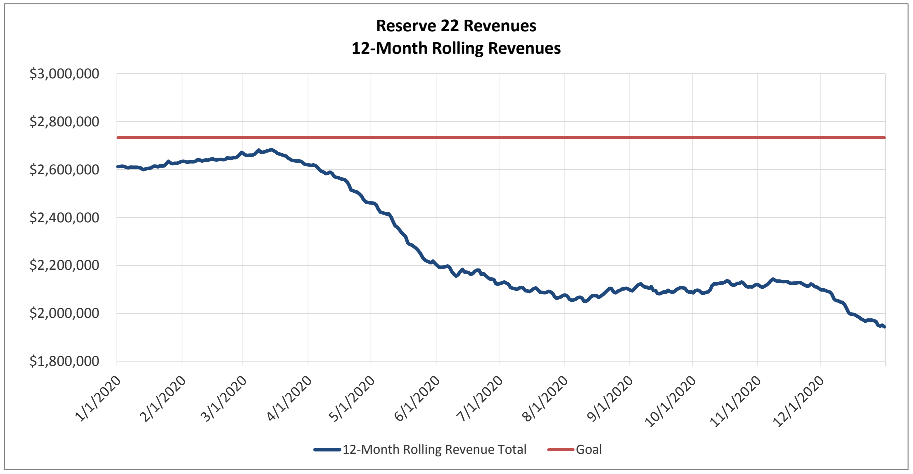
ORG/ OBJECT	DESCRIPTION	2020 BUDGET	MONTH 2020	MONTH 2019	MONTH DIFF	MONTH % DIFF	YTD 2020	YTD 2019	YTD DIFF	YTD % DIFF
	KEY METRICS									
		Goal								
	Revenue Source:									
	Restaurant/Bar	*N/A*	*$ 20,955*	*$ 87,418*	*$ (66,463)*	*-76%*	*$ 1,457,450*	*$ 1,611,639*	*$ (154,189)*	*-10%*
	Banquets	*N/A*	*-*	*92,698*	*(92,698)*	*-100%*	*245,915*	*807,600*	*(561,685)*	*-70%*
	Other	*N/A*	*1*	*83*	*(82)*	*-99%*	*240,323*	*193,249*	*47,074*	*24%*
	Total	*$ 2,733,000*	*$ 20,956*	*$ 180,199*	*$ (159,243)*	*-88%*	*$ 1,943,688*	*$ 2,612,488*	*$ (668,800)*	*-26%*
	Reserve 22 Revenues (Last 12 Months)	*$ 2,733,000*					$ 1,943,688	$ 2,612,488	*$ (668,800)*	*-26%*
	Reserve 22 Expenses (Last 12 Months)	*$ 2,452,699*					$ 1,997,187	$ 2,478,720	*$ (481,533)*	*-19%*
	# Guest Checks (Restaurant/Bar)	*N/A*	*386*	*2,055*	*(1,669)*		*34,690*	*47,644*	*(12,954)*	
	Revenue Per Guest Check	*N/A*	*$ 54.29*	*$ 42.54*	*$ 11.75*		*$ 42.01*	*$ 33.83*	*$ 8.19*	
	# Guests (Restaurant/Bar)	*N/A*	*516*	*3,726*	*(3,210)*		*59,892*	*81,634*	*(21,742)*	
	Average Guest Spend	*N/A*	*$ 40.61*	*$ 23.46*	*$ 17.15*		*$ 24.33*	*$ 19.74*	*$ 4.59*	
	Cost of Goods Sold %	*28%*	*62%*	*36%*	*26%*		*31%*	*32%*	*-1%*	
	Cost of Goods Sold % (By Category):									
	Cost of Goods Sold - Beer	*25%*	*477%*	*47%*	*430%*		*25%*	*26%*	*0%*	
	Cost of Goods Sold - Wine	*29%*	*19%*	*34%*	*-16%*		*30%*	*32%*	*-2%*	
	Cost of Goods Sold - Liquor	*18%*	*0%*	*36%*	*-37%*		*24%*	*26%*	*-2%*	
	Cost of Goods Sold - NA Beverages	*33%*	*2067%*	*51%*	*2016%*		*51%*	*58%*	*-8%*	
	Cost of Goods Sold - Food	*33%*	*58%*	*40%*	*18%*		*34%*	*37%*	*-3%*	
	Personnel Expenses as % of Sales	*50%*	*299%*	*42%*	*258%*		*55%*	*49%*	*6%*	
	Prime Cost (Cost of Goods Sold + Personnel Expenses) as % of Sales	*78%*	*362%*	*78%*	*284%*		*87%*	*81%*	*6%*	

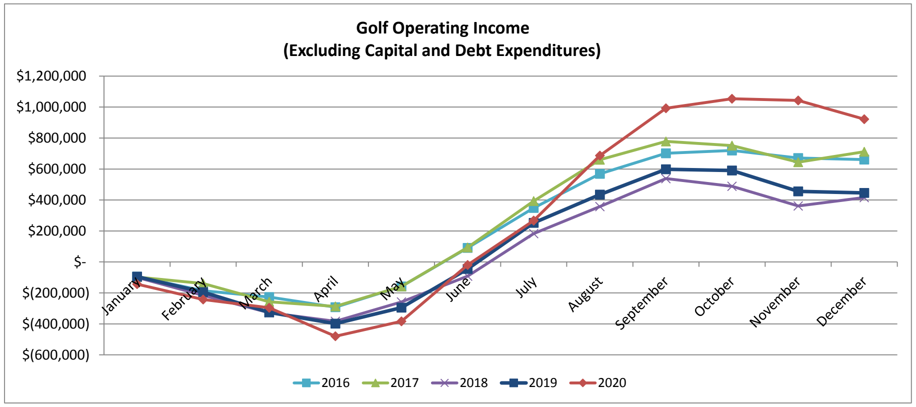
Village Links / Reserve 22
Dashboard Financial Report
As of December 31, 2020

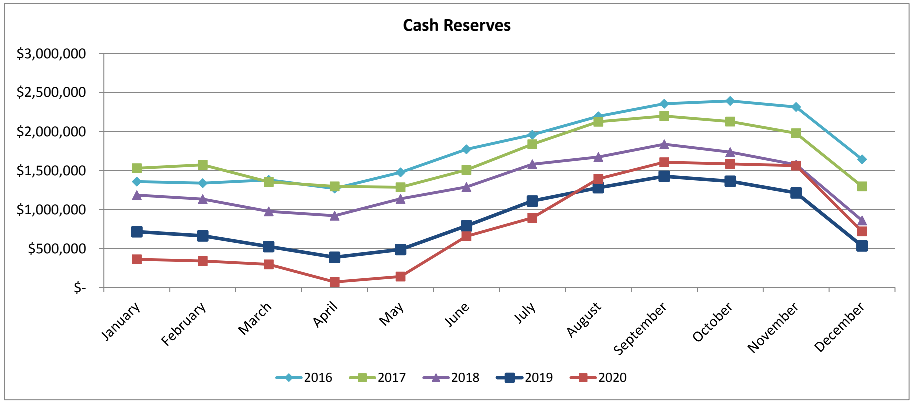












Glen Ellyn Finance Commission
535 Duane Street
Glen Ellyn, IL 60137

Meeting 2/12/2021 7:00 AM
Department: Finance
Department Head:
Category: Report
Prepared By:

AGENDA ITEM (ID # 2021-897)

DOC ID: 2021-897

2020 Year-End Financial Report

Statement of the Issue:
Please see the attached report.

Analysis:

Budget Impact:

Action Requested:

Attachments:

1. Year End Financial Report 2020

VILLAGE OF Glen Ellyn ILLINOIS

YEAR END FINANCIAL REPORT 2020

For the period January 1, 2020 to December 31, 2020

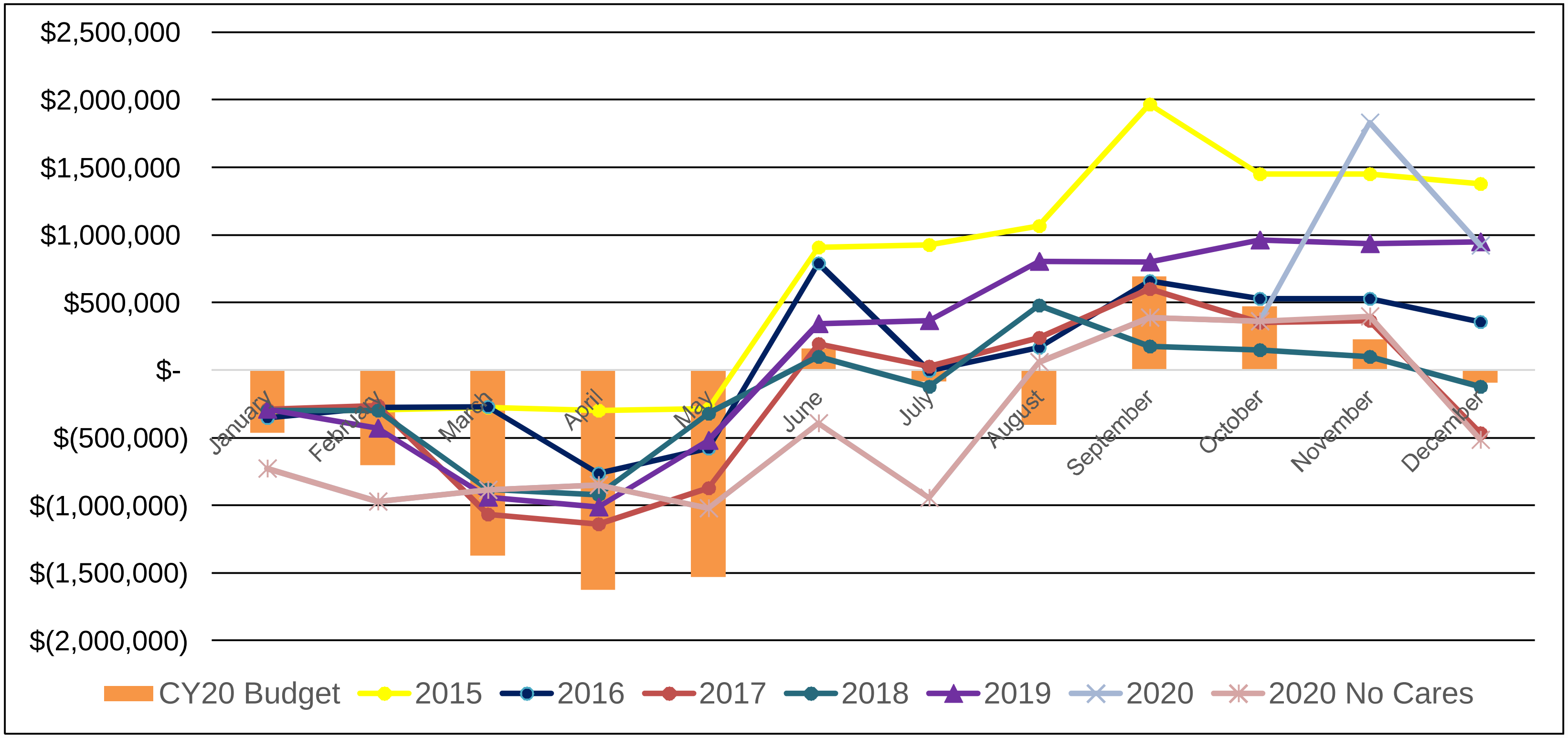
535 DUANE STREET • GLEN ELLYN, IL 60137 630.469.5000 • WWW. GLENELLYN.ORG

ABOUT THIS REPORT

- Covers the period January 1, 2020 to December 31, 2020, unless noted
- Unaudited
- Budget basis (cash basis)
- Report will be made available on the Village website

GENERAL FUND

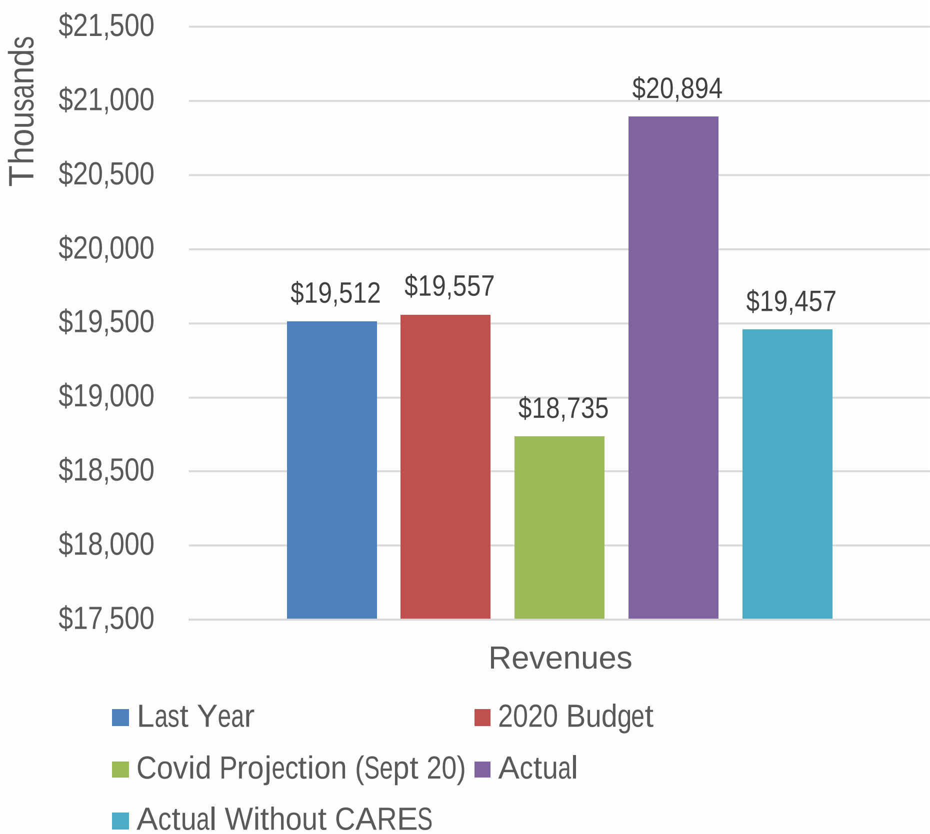
General Fund – 5 year historical trend – Cumulative Change in Fund Balance



2020 performance is shown both gross and net of $1.437 in Cares Funding

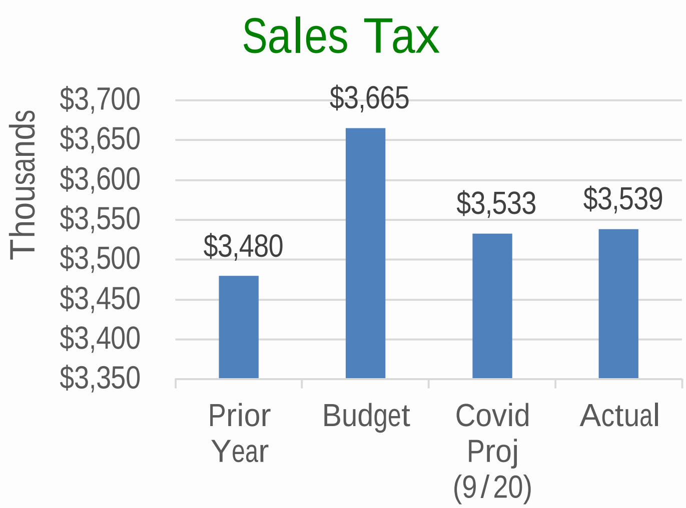
VILLAGE OF Glen Ellyn ILLINOIS

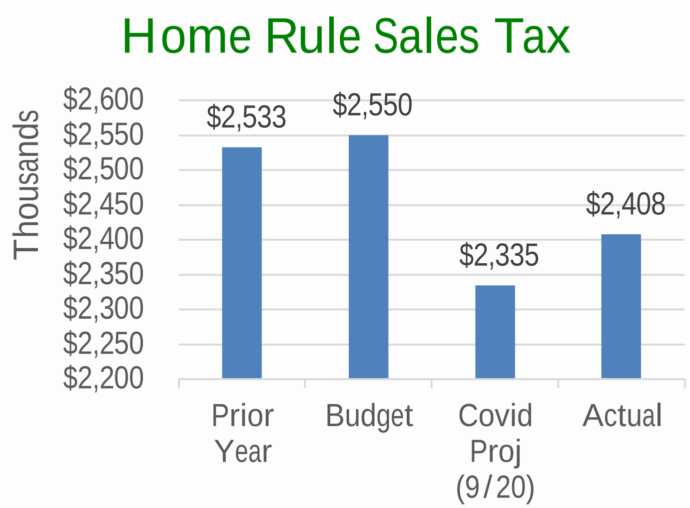
General Fund Revenues



- Actual revenues (before CARES Funding) performed slightly below budget, but better than the September Covid Estimate
- CARES Funding of $1.437 million was received

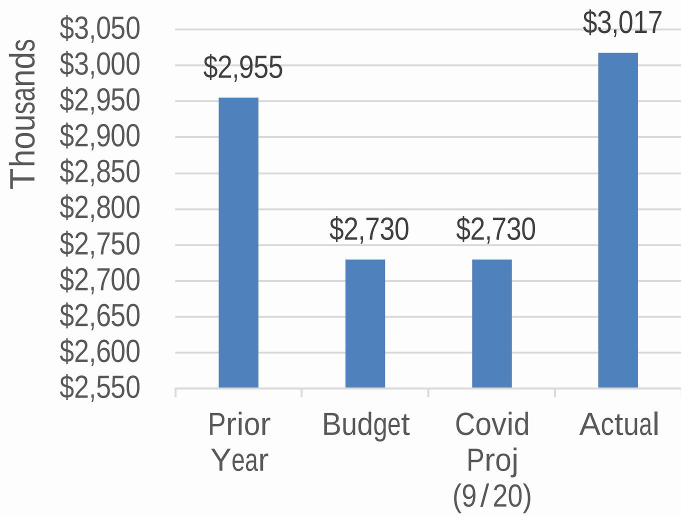
Sales Taxes – General Fund





- Sales tax and home rule sales tax did not perform to budget, but both ended the year above the September 2020 Covid-revised projection.
- Attachment A includes a comparison of sales and home rule sales taxes by type through Q3 2020. The fourth quarter data is not yet available from the Illinois Department of Revenue.

Income Tax – General Fund



- Stimulus payments and unemployment incentives provided positively impacted income tax in 2020

Other General Fund Revenue Trends

Positive

- Building permits - $245,653 over budget – Avere & Apex permits
- CARES Act Funding of $1.437 million

Negative

- Vehicle Licenses - $59,219 below budget – downward trend last three years in stickers purchased
- Business Registration - $80,360 below budget; this fee was waived this year due to COVID-19.
- Liquor licenses - $41,306 below budget – waived 25% of the fees due to COVID-19.
- Ambulance Service Fees – $25,425 below budget – did not meet revenue sharing thresholds
- Police Service Reimbursements - $21,167 below budget. Reduction in extraordinany police service reimbursements due to COVID-19; false alarm fines less than projected.
- Police/Court Fines/Adjudication - $178,093 below budget – Hearings deferred during the pandemic; tickets also down.
- Investment Income - $131,473 below budget – Interest rate drop due to COVID-19.

General Fund Expenditure Trends – From Budget

Positive

Department	Amount below Budget	Reason
Economic Development	$153,306 / 24%	Coordinator position vacant temporarily & projects put on hold for COVID
Public Works Forestry	$230,861 / 21%	Forestry reductions due to COVID

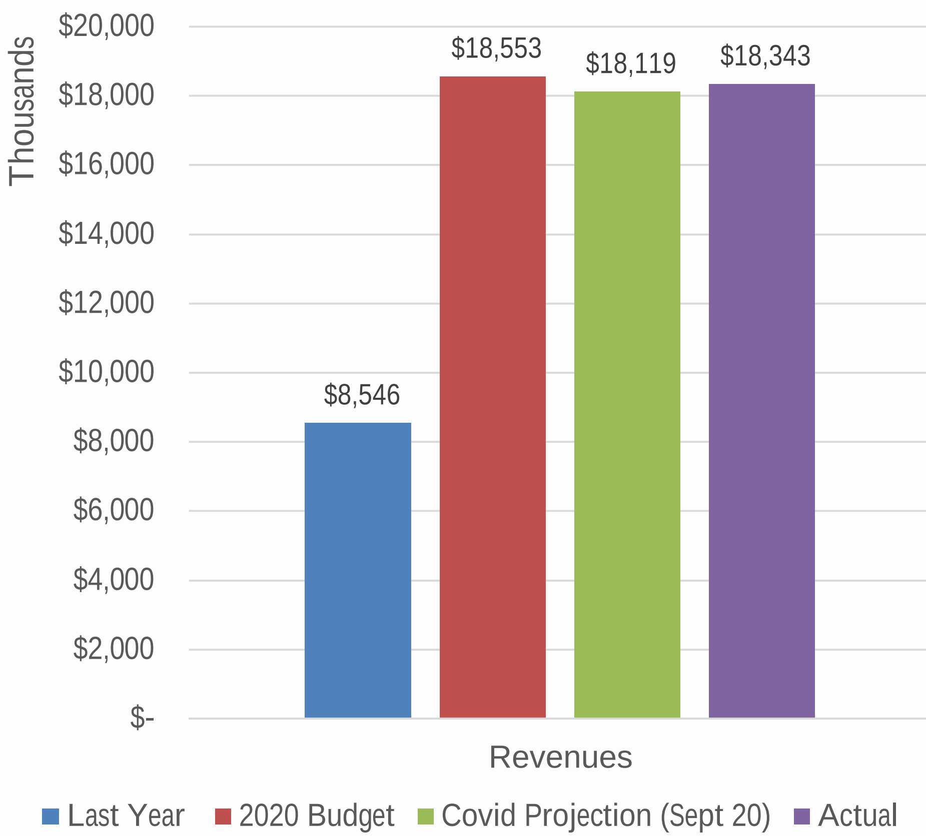
Negative

Managers Office	$322,452 / 41%	Emergency purchases due to COVID-19
IT	$233,833 / 36%	Storage Area Network purchase approved by Board
Law	$53,348 / 16%	Legal fees for developments

CAPITAL PROJECTS FUND

VILLAGE OF Glen Ellyn ILLINOIS

Capital Projects Fund Revenues



- 2020 budget and actual includes $9.6 million in bond proceeds.
- Utility taxes continued to perform below budget, coming in at 92% of budget (1.91 million budgeted versus $1.76 actual.
- Food and beverage taxes exceeded the pre-COVID budget of $1.3 million (see next slide for additional analysis)

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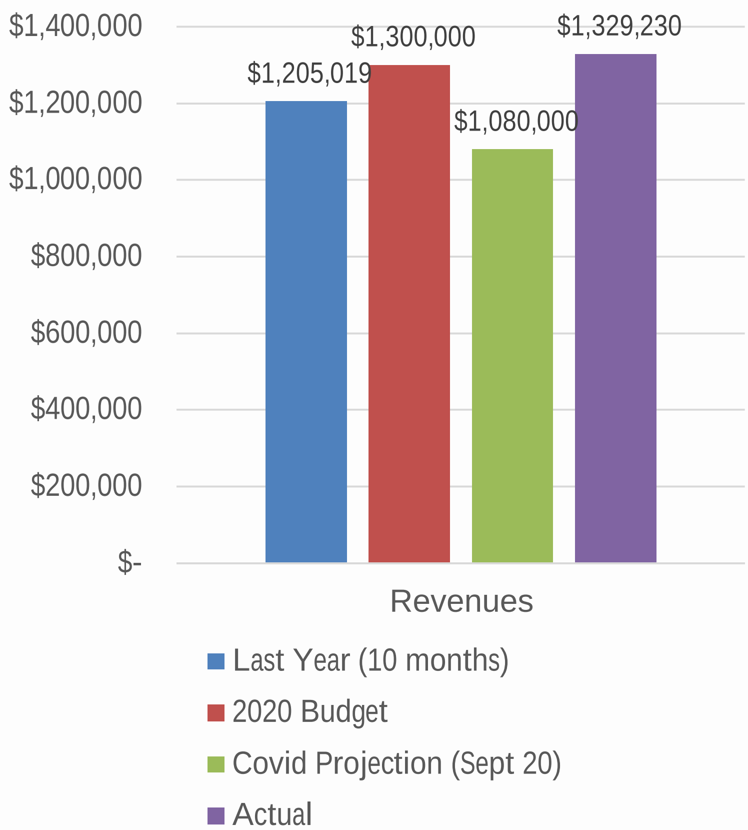
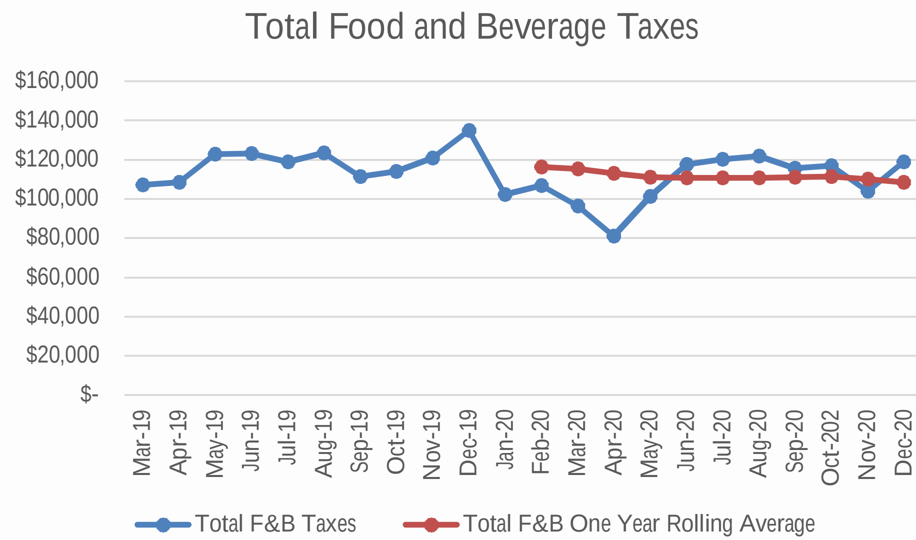
VILLAGE OF Glen Ellyn ILLINOIS

Food and Beverage Revenues

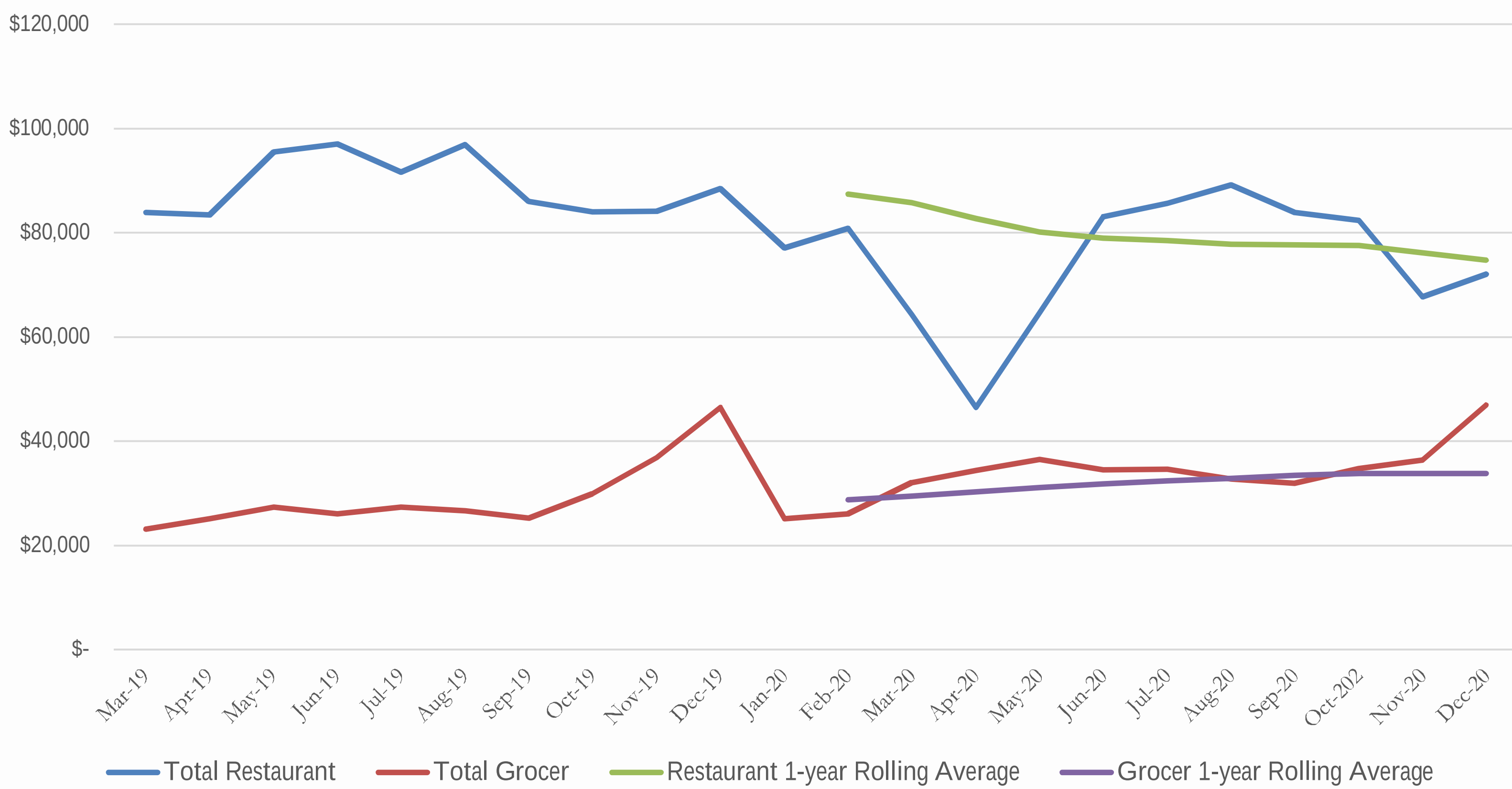




- Food & Beverage revenue exceeded our 2020 budget (on a cash basis)
- Rolling average F&B is slightly decreasing, but fairly stable

VILLAGE OF Glen Ellyn ILLINOIS

Food & Beverage Taxes by Category



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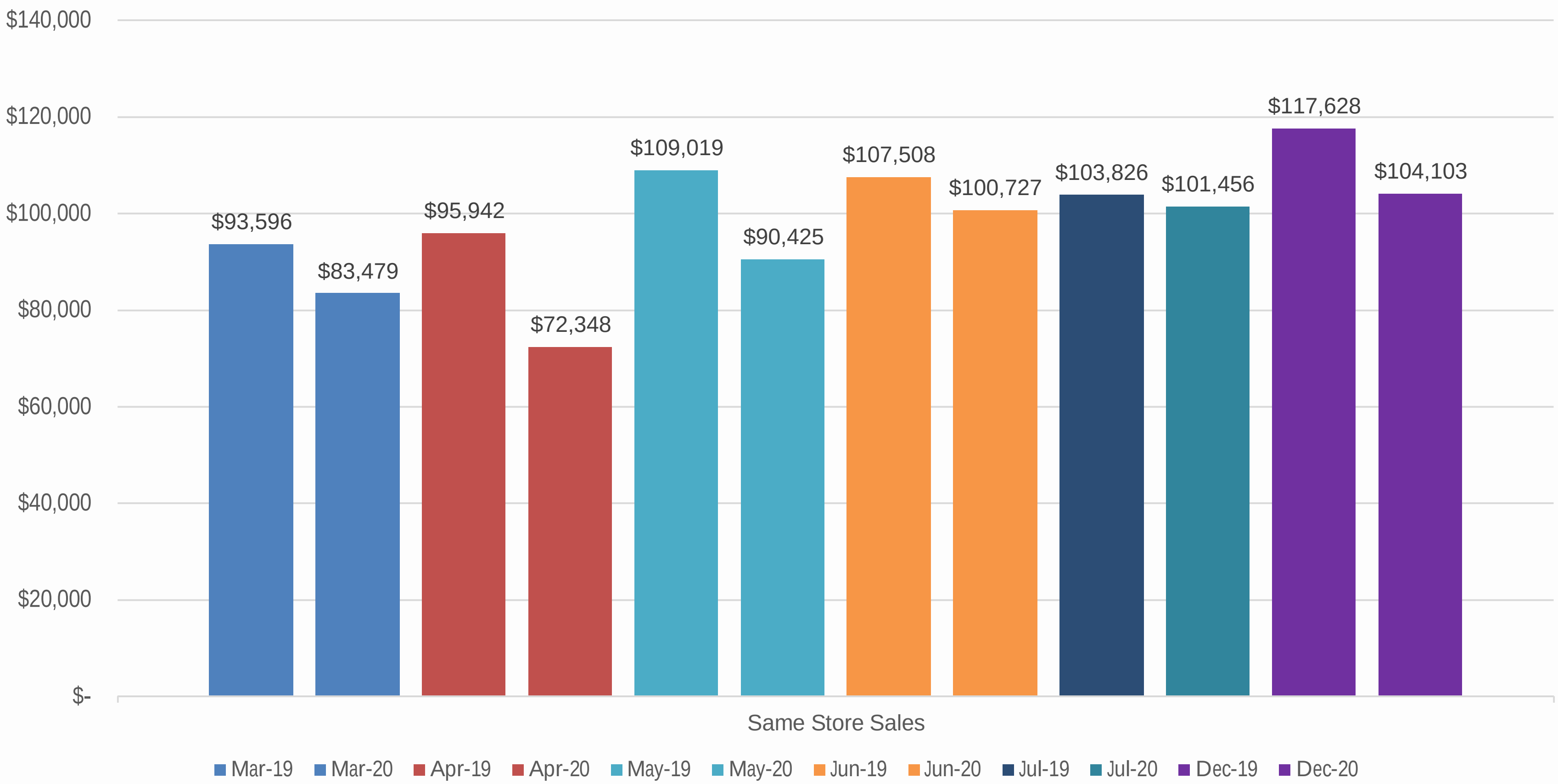
VILLAGE OF Glen Ellyn ILLINOIS

Same Store Sales Comparison – Food & Beverage Taxes



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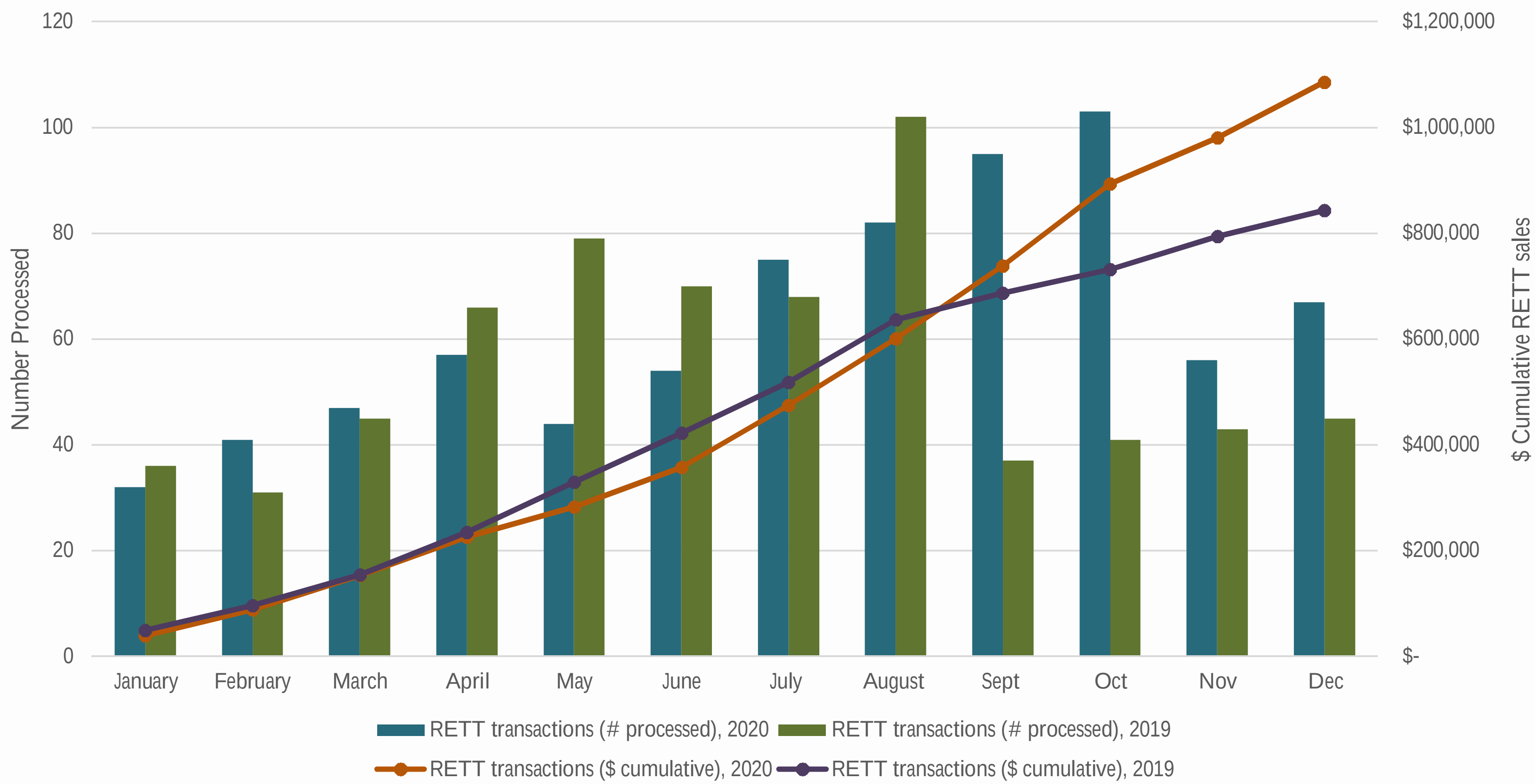
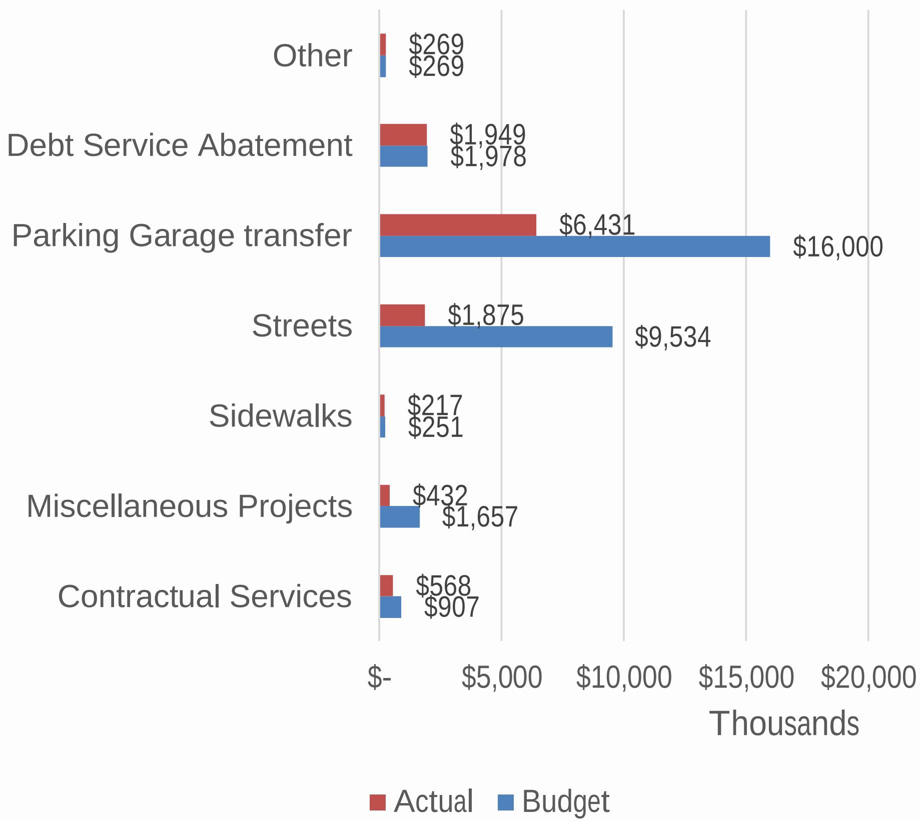
Real Estate


120
100
80
60
40
20
0
Number Processed
$1,200,000
$1,000,000
$800,000
$600,000
$400,000
$200,000
$-
$ Cumulative RETT sales
January
February
March
April
May
June
July
August
Sept
Oct
Nov
Dec
RETT transactions (# processed), 2020
RETT transactions (# processed), 2019
RETT transactions ($ cumulative), 2020
RETT transactions ($ cumulative), 2019

VILLAGE OF Glen Ellyn ILLINOIS

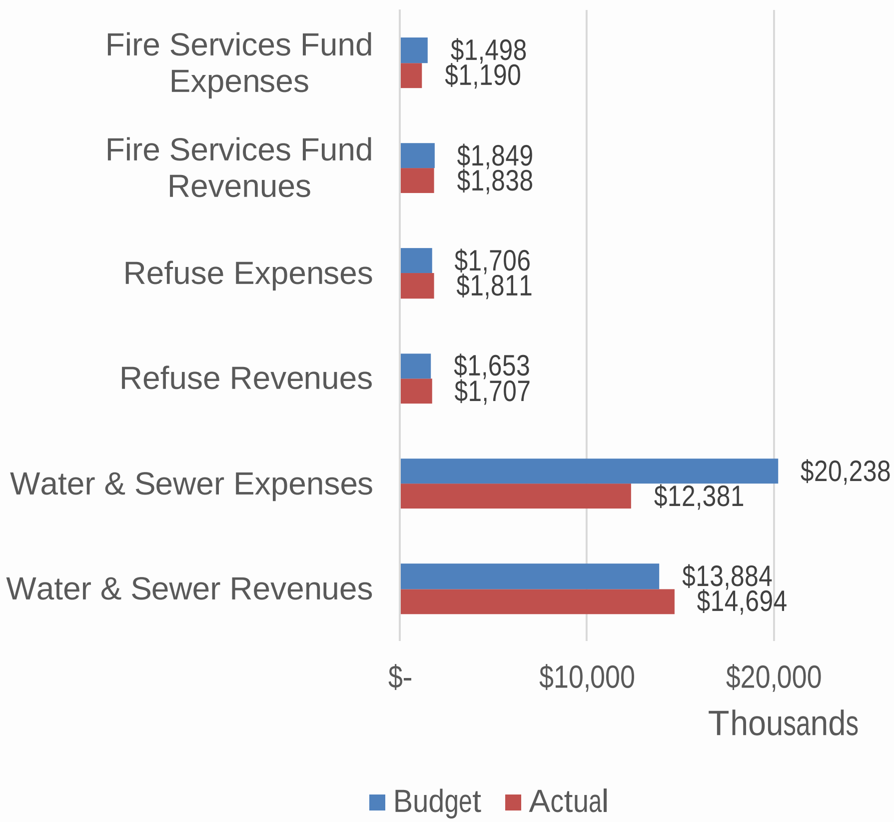
Capital Projects Fund Expenditures



- 2020 budget anticipated the parking garage would be completed all in 2020; completion is set for April 2021. $9.15 million remains to be paid on the project in 2021.
- Due to COVID-19, several street projects were deferred to the following year due to financial uncertainty.

VILLAGE SERVICES FUNDS

Village Services Funds



- Fire Service Revenues were slightly below budget due to interest rate declines.
- Fire Service Expenditures were under budget as a vehicle purchase was deferred.
- Refuse revenues were above budget both for regular refuse and composting. Customers have opted for the larger toter sizes, likely due to staying home and generating more refuse. This has also affected refuse expenses. Refuse expenses also include costs for the summer storm clean up. A budget amendment will be needed for this fund.
- Water & Sewer revenues have exceeded budget. Connection fees were higher than budgeted due to developments. Metered revenue is also over budget as everyone was home for COVID-19.
- The deferral of capital projects (primarily related to street project deferrals) reduced expenses below budget for Water & Sewer.

Other Notable Items

Other Funds

Corporate Reserve

- Sold 825 N. Main property ($571K).

Motor Fuel Tax

- Received 2nd payout for the Rebuild IL grant for capital expenses totaling ($609K). Total estimated at $1.8M over the next three years.

TIF Funds

- TIF increment increased more than budgeted. CBD TIF increment was $440K (budget $314K) and Roosevelt Road TIF increment was $139K (budget $104K)

Village Links

- See the Village Links/Reserve 22 Manager's Report and Financial Statements for FY 2020 as a separate report.

COVID-19 & Civil Unrest Costs - 2020

Item	Cost
FFCRA leave costs	$89,084
Business registration fees waived	$80,360
Parking renewal discount	$77,174
Downtown & Reserve 22 Dining	$108,447
PPE & Cleaning Supplies	$56,922
IT equipment	$65,866
Liquor license fees prorated	$41,306
Police OT costs – Civil Unrest	$79,287
Lost revenue	$680,000
Covid Awards	$103,727
Business Support	$21,562
Other	$12,408
Total	$1,505,227

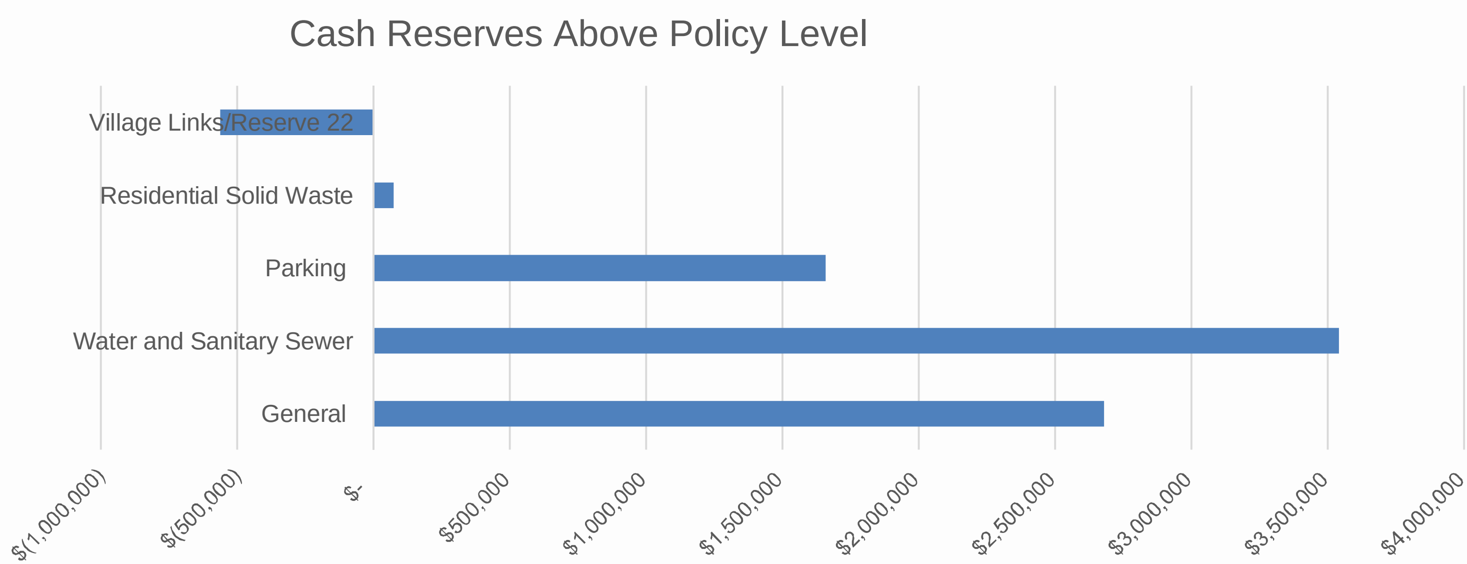
VILLAGE OF Glen Ellyn ILLINOIS

Budget Amendments

The following funds will require a budget amendment for 2020. It is possible with audit accruals, an additional amendment or revision may be required.

Fund	Amount	Reason
General Fund	$321,148	Covid-19 costs (see previous slide)
Corporate Reserve	$16,667	Roll over of Comp Plan and Costs to sell 825 N. Main. The fund also received revenues greater than budget and overall net income ended up higher than budgeted.
Forfeiture Fund	$202,318	Annually required due to federal program budget and supplanting rules
Refuse	$105,517	Greater consumer activity with 65 and 95 gallon as well as compost due to Covid-19. Also incurred clean up costs for summer storm.
Insurance	$32,483	Liability insurance deductibles & legal costs.

Cash Reserves



- September is a cash high point for the cash reserves for the General Fund as the second property tax distribution is received around September 1; April/May is the low point.
- Even though current cash levels for Water & Sewer fund are high, our capital plan forecasts using the reserves above policy limit over the five year forecast.
- Reserve 22 remains below policy limits, but has not needed to access the Line of Credit from the General Fund that was approved by the Board.

2018 BONDS

Use	Amount Drawn
Parking Garage	$7,866,979
Civic Center	$1,500,000

- The parking garage consists of utility relocation, easements and pre-construction design.
- Civic Center completed.
- Besides those listed above, other possible uses include street and streetscape, property acquisition.
- Balance in bond account as of 12/31/20 was $667,211
- The 2018 bonds were completely drawn down in January 2021.

2020 BONDS

Use	Amount Drawn
Parking Garage/CBD Streetscape	$0.00

- The parking garage consists of footings and structure.
- CBD street rehabilitation and streetscape engineering.
- Design for the train station and pedestrian underpass.
- Balance in bond account as of 12/31/20 was $9,854,345

POLICE PENSION INVESTMENT PERFORMANCE

	3mo	1 YR	3 YR	5 YR	10 YR
Fund performance, net of fees	9.4%	9.8%	6.2%	7.3%	6.2%

Long term target – 6.5%

- Marquette Associates took over management of the portfolio in January 2017. The rate of return over that time frame has been 7.6%

ATTACHMENT A – SALES AND HOME RULE SALES TAX COMPARISON BY SIC CODE

Village of Glen Ellyn

Analysis of State and Home Rule Sales Tax by Standard Industrial Classification

	State Sales Tax - Glen Ellyn Calendar 2020						
	Q1	Q2	Q3	Q4	Total	YTD Change	Percent Change
General Merchandise	$ 5,723.00	$ 5,129.00	$ 6,629.84		$ 17,481.84	$ (2,183.59)	-11.1%
Food	251,994.92	242,788.33	247,078.41		$ 741,861.66	$ 165,939.25	28.8%
Drinking and Eating Places	130,939.93	124,003.77	160,499.25		$ 415,442.95	$ (55,068.96)	-11.7%
Apparel	14,852.96	13,179.61	26,494.48		$ 54,527.05	$ (17,513.76)	-24.3%
Furniture & H.H. & Radio	14,224.91	10,045.00	17,102.44		$ 41,372.35	$ (3,553.76)	-7.9%
Lumber, Bldg, Hardware	6,793.10	13,453.42	12,046.17		$ 32,292.69	$ 702.22	2.2%
Automotive & Filling Stations	135,116.27	119,761.82	157,137.41		$ 412,015.50	$ (105,011.60)	-20.3%
Drugs & Misc. Retail	209,705.55	193,546.31	216,079.43		$ 619,331.29	$ 10,476.92	1.7%
Agriculture & All Others	66,103.43	70,227.77	80,637.00		$ 216,968.20	$ (23,419.27)	-9.7%
Manufactuers	6,651.66	6,387.16	8,048.88		$ 21,087.70	$ (3,575.10)	-14.5%
All Other*	-	-	-	-	$ -	$ -	
Total	$ 842,105.73	$ 798,522.19	$ 931,753.31	$ -	$ 2,572,381.23	$ (33,207.65)	-1.3%
Percent of total	32.7%	31.0%	36.2%	0.0%			
Non-Automotive	$ 706,989	$ 678,760	$ 774,616	$ -	$ 2,160,366	$ 71,803.95	3.4%

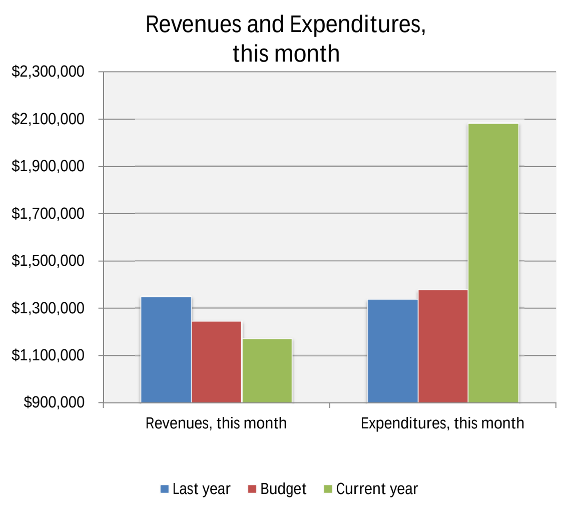
	Home Rule Sales Tax - Glen Ellyn Calendar 2020						
	Q1	Q2	Q3	Q4	Total	YTD Change	Percent Change
General Merchandise	$ 5,766.12	$ 5,053.97	$ 6,769.80		$ 17,589.89	$ (3,004.13)	-14.6%
Food	87,238.09	77,921.74	86,508.33		$ 251,668.16	$ 1,360.87	0.5%
Drinking and Eating Places	160,057.58	151,666.41	197,988.66		$ 509,712.65	$ (79,753.84)	-13.5%
Apparel	18,443.85	16,436.13	32,960.59		$ 67,840.57	$ (21,826.12)	-24.3%
Furniture & H.H. & Radio	17,704.69	12,402.00	21,270.40		$ 51,377.09	$ (4,426.86)	-7.9%
Lumber, Bldg, Hardware	8,480.02	16,697.40	15,015.78		$ 40,193.20	$ 745.92	1.9%
Automotive & Filling Stations	35,762.96	26,270.40	33,279.01		$ 95,312.37	$ (39,185.85)	-29.1%
Drugs & Misc. Retail	145,616.58	130,722.97	156,769.29		$ 433,108.84	$ 2,340.87	0.5%
Agriculture & All Others	76,753.71	83,246.55	94,984.25		$ 254,984.51	$ (23,588.14)	-8.5%
Manufactuers	7,175.31	6,037.27	8,334.29		$ 21,546.87	$ (6,058.99)	-21.9%
All Other	-	-	-		$ -	$ -	
Total	$ 562,998.91	$ 526,454.84	$ 653,880.40	$ -	$ 1,743,334.15	$ (173,396.27)	-9.0%
Percent of total	32.3%	30.2%	37.5%	0.0%			
Non-Automotive	$ 527,236	$ 500,184	$ 620,601	$ -	$ 1,648,022	$ (134,210.42)	-7.5%

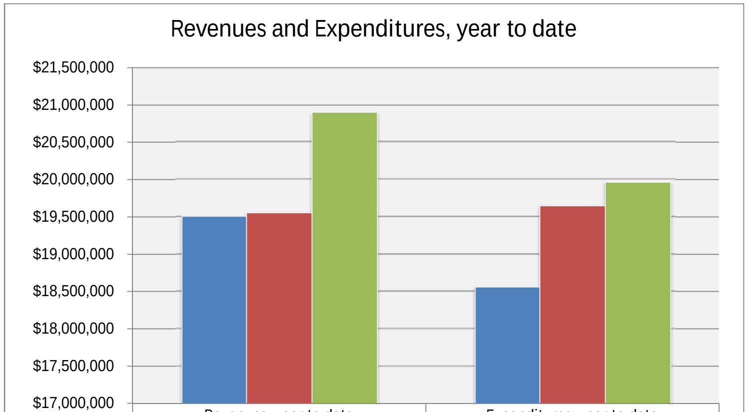
	State Sales Tax - Glen Ellyn Calendar 2019						
	Q1	Q2	Q3	Q4	Total	YTD Change	Percent Change
General Merchandise	$ 5,366.54	$ 7,384.60	$ 6,914.29	$ 9,328.90	$ 28,994.33	$ 105.05	0.4%
Food	185,503.21	195,919.85	194,499.35	244,101.39	$ 820,023.80	$ 18,892.84	2.4%
Drinking and Eating Places	142,510.05	162,999.39	165,002.47	167,365.82	$ 637,877.73	$ 66,640.20	11.7%
Apparel	19,813.37	26,237.52	25,989.92	31,810.08	$ 103,850.89	$ 1,013.93	1.0%
Furniture & H.H. & Radio	12,454.99	14,120.71	18,350.41	14,601.95	$ 59,528.06	$ (5,947.76)	-9.1%
Lumber, Bldg, Hardware	8,189.38	12,461.54	10,939.55	9,460.78	$ 41,051.25	$ 2,687.91	7.0%
Automotive & Filling Stations	158,304.41	177,143.48	181,579.21	169,220.09	$ 686,247.19	$ 44,060.41	6.9%
Drugs & Misc. Retail	194,082.08	197,012.18	217,760.11	227,323.10	$ 836,177.47	$ 30,951.58	3.8%
Agriculture & All Others	71,246.23	86,732.12	82,409.12	85,579.83	$ 325,967.30	$ (8,832.31)	-2.6%
Manufactuers	7,927.50	8,509.85	8,225.45	7,407.73	$ 32,070.53	$ (3,587.22)	-10.1%
All Other*	-	-	-	-	$ -	$ -	#DIV/0!
Total	$ 805,397.76	$ 888,521.24	$ 911,669.88	$ 966,199.67	$ 3,571,788.55	$ 145,984.63	4.3%
Percent of total	22.5%	24.9%	25.5%	27.1%			
Non-Automotive	$ 647,093	$ 711,378	$ 730,091	$ 796,980	$ 2,885,541	$ 101,924.22	3.7%

	Home Rule Sales Tax - Glen Ellyn Calendar 2019						
	Q1	Q2	Q3	Q4	Total	YTD Change	Percent Change
General Merchandise	$ 5,544.60	$ 7,825.97	$ 7,223.45	$ 9,644.64	$ 30,238.66	$ 3,674.96	13.8%
Food	75,708.30	91,475.48	83,123.51	98,188.85	$ 348,496.14	$ 28,007.67	8.7%
Drinking and Eating Places	174,759.50	200,757.20	213,949.79	205,783.46	$ 795,249.95	$ 162,484.96	25.7%
Apparel	24,669.49	32,628.71	32,368.49	39,613.92	$ 129,280.61	$ 12,788.74	11.0%
Furniture & H.H. & Radio	15,469.91	17,539.01	22,795.03	18,132.76	$ 73,936.71	$ 740.85	1.0%
Lumber, Bldg, Hardware	10,226.81	15,562.82	13,657.65	11,815.87	$ 51,263.15	$ 8,278.25	19.3%
Automotive & Filling Stations	39,406.36	51,296.21	43,795.65	40,367.80	$ 174,866.02	$ 21,354.08	13.9%
Drugs & Misc. Retail	136,440.97	134,958.60	159,368.40	166,062.05	$ 596,830.02	$ 47,631.37	8.7%
Agriculture & All Others	82,971.58	100,517.01	95,084.06	100,360.17	$ 378,932.82	$ 56,386.79	17.5%
Manufactuers	8,910.02	9,530.50	9,165.34	8,083.10	$ 35,688.96	$ (378.81)	-1.1%
All Other	-	-	-	-	$ -	$ -	#DIV/0!
Total	$ 574,107.54	$ 662,091.51	$ 680,531.37	$ 698,052.62	$ 2,614,783.04	$ 340,968.86	15.0%
Percent of total	22.0%	25.3%	26.0%	26.7%			
Non-Automotive	$ 534,701	$ 610,795	$ 636,736	$ 657,685	$ 2,439,917	$ 319,614.78	15.1%

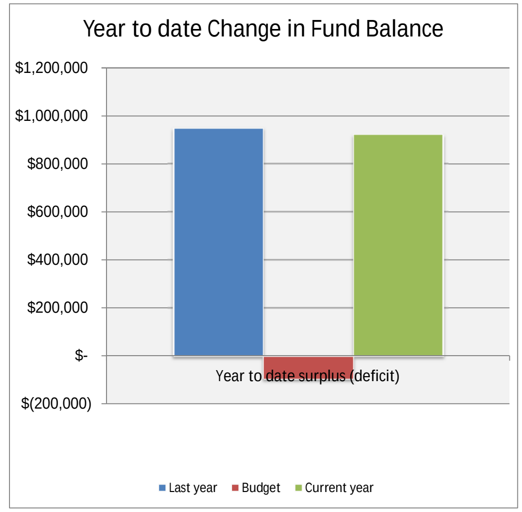
ATTACHMENT B – GENERAL FUND UPDATE – DECEMBER 31, 2020

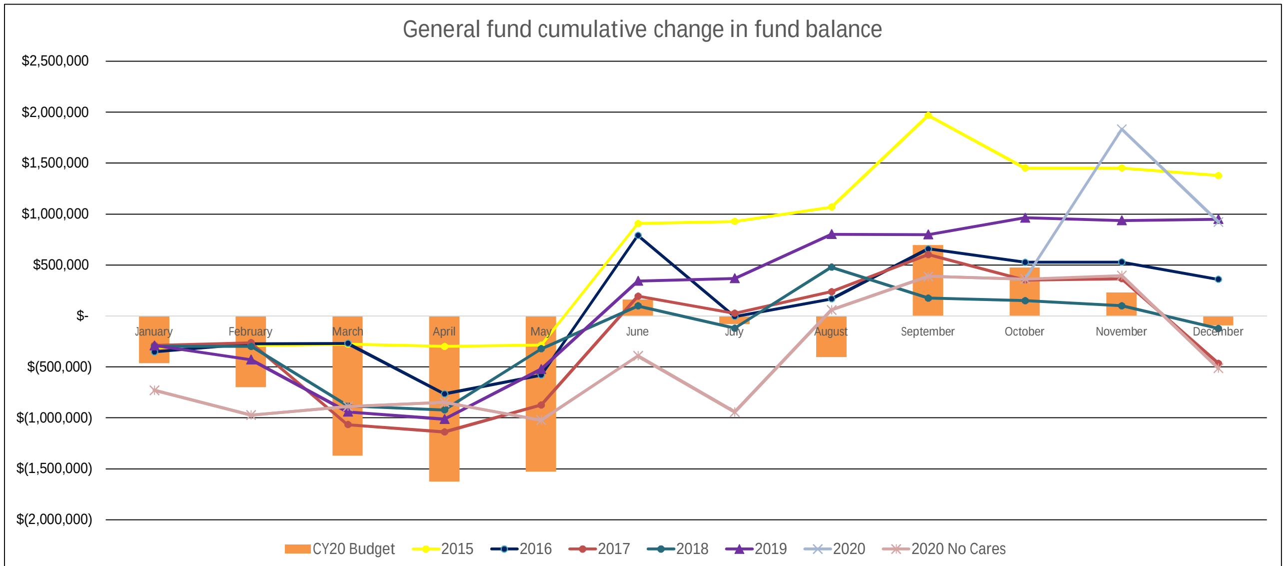
General Fund Budget Summary
For the Period Ended December 31, 2020





	Revenues, year to date	Expenditures, year to date
Last year	19,512,373	18,563,342
Budget	19,557,485	19,650,582
Current year	20,894,187	19,971,731

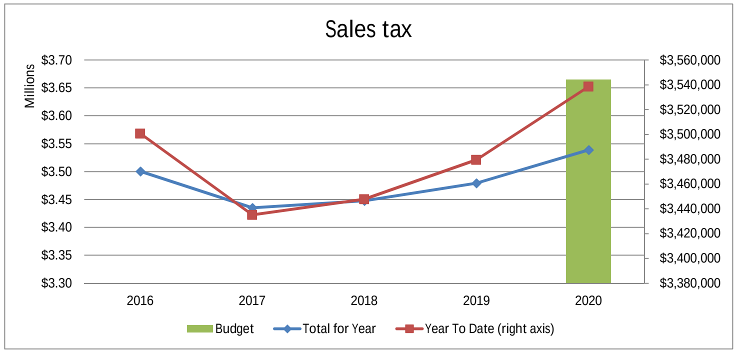


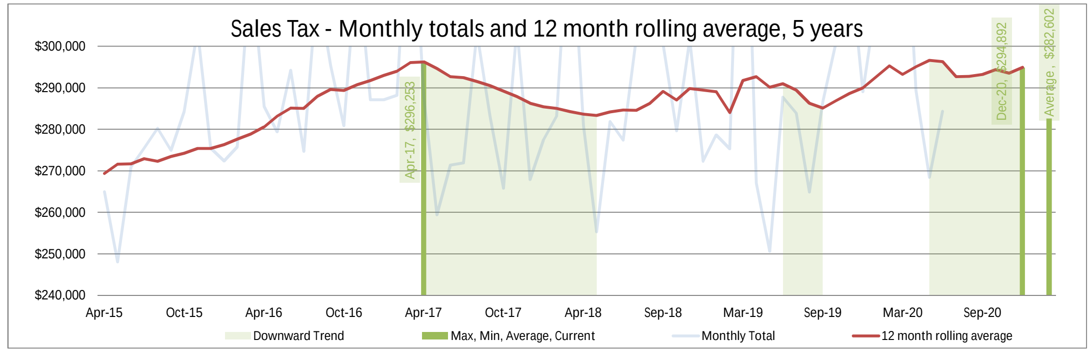


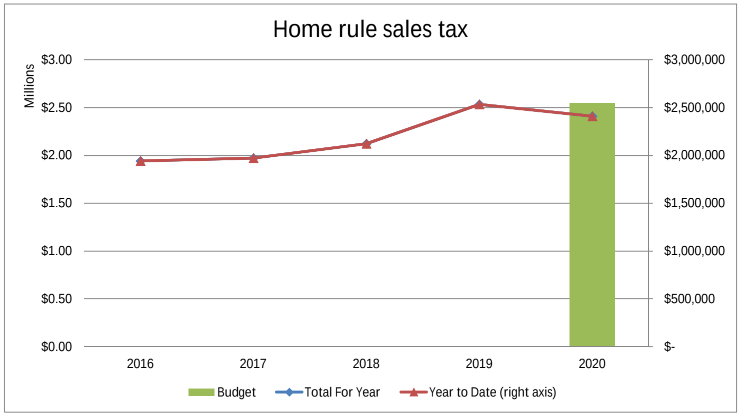
General Fund Budget Summary
For the Period Ended December 31, 2020

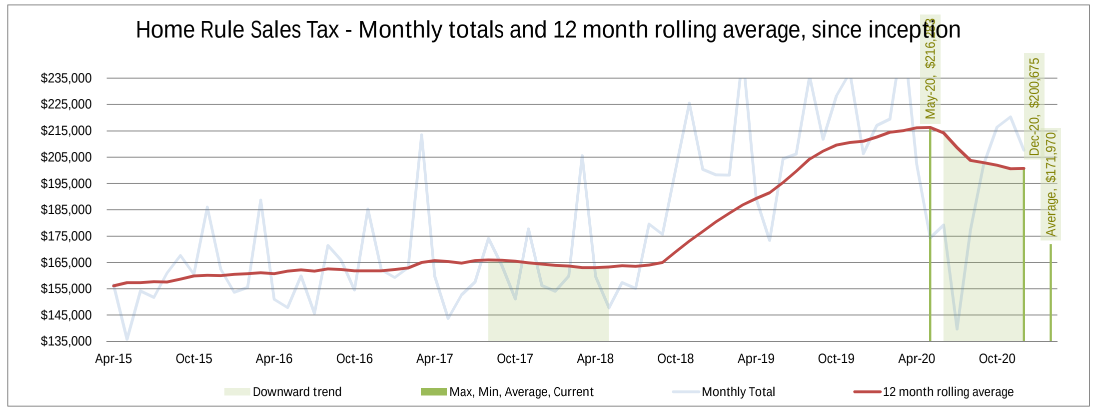
	MONTH							YTD						
	Last Year	Current Budget	Current Year	Variance from LY $	%	Variance from Budget $	%	Last Year	Current Budget	Current Year	Variance from LY $	%	Variance YTD Budget $	%
REVENUES														
TAXES														
Property Tax	28,906	30,609	24,005	(4,901)	-17%	(6,604)	-22%	3,527,479	3,595,818	3,612,799	85,320	2%	16,981	0%
Econ Dev SSA Tax	1,766	1,282	96	(1,670)	-95%	(1,186)	-93%	144,308	147,470	139,372	(4,936)	-3%	(8,098)	-6%
Sales Tax	289,015	295,346	305,867	16,852	6%	10,521	4%	3,479,505	3,665,000	3,538,701	59,196	2%	(126,299)	-4%
Home Rule Sales Tax	206,296	217,861	207,625	1,329	1%	(10,236)	-5%	2,532,984	2,550,000	2,408,098	(124,886)	-5%	(141,902)	-6%
State Income Tax	181,797	150,672	184,791	2,994	2%	34,119	23%	2,955,493	2,730,000	3,017,409	61,916	2%	287,409	10%
Other Taxes	122,604	147,776	123,049	445	0%	(24,727)	-17%	1,557,605	1,611,369	1,636,136	78,531	5%	24,767	2%
Subtotal Taxes	830,384	843,546	845,433	15,049	2%	0%	0%	14,197,374	14,299,657	14,352,515	155,141	1%	52,858	0%
LICENSES & PERMITS														
Vehicle Licenses	2,554	2,972	3,480	926	36%	508	17%	361,896	380,000	320,781	(41,115)	-11%	(59,219)	-18%
Business Registration	4,205	3,892	-	(4,205)	-100%	(3,892)	-100%	80,560	85,000	4,640	(75,920)	-94%	(80,360)	-1732%
Liquor Licenses	300	828	-	(300)	-100%	(828)	-100%	133,198	135,000	93,694	(39,504)	-30%	(41,306)	-44%
Building Permits/Reg./Fees	77,883	92,960	61,278	(16,605)	-21%	(31,682)	-34%	996,543	1,107,550	1,453,203	456,660	46%	345,653	24%
Subtotal Licenses & Permits	84,942	100,653	64,758	(20,184)	-24%	(35,895)	-55%	1,572,197	1,707,550	1,872,318	300,121	19%	164,768	9%
CHARGES & FEES														
Cable Franchise Fees	14,846	-	-	(14,846)	-100%	-	0%	580,389	575,000	578,201	(2,188)	0%	3,201	1%
Ambulance Service Fees	-	-	-	-	0%	-	0%	281	25,500	75	(206)	-73%	(25,425)	-33900%
Police Service Reimbursements	3,843	10,379	6,591	2,748	72%	(3,788)	-36%	181,111	199,500	178,333	(2,778)	-2%	(21,167)	-12%
Reimbursements - Other Agencies	11,077	10,662	11,285	208	2%	623	6%	179,374	182,428	191,298	11,924	7%	8,870	5%
Subtotal Charges & Fees	29,766	21,041	17,876	(11,890)	-40%	(3,165)	-18%	941,155	982,428	947,907	6,752	1%	(34,521)	-4%
OTHER														
Police/Court Fines/Adjudication	47,256	35,814	32,293	(14,963)	-32%	(3,521)	-10%	512,419	524,200	346,107	(166,312)	-32%	(178,093)	-51%
Investment Income	98,545	18,708	1,042	(97,503)	-99%	(17,666)	-94%	284,555	200,000	68,527	(216,028)	-76%	(131,473)	-192%
Miscellaneous Income	86,061	89,901	75,029	(11,032)	-13%	(14,872)	-17%	423,743	343,650	1,738,245	1,314,502	310%	1,394,595	80%
Transfers from Other Funds	174,332	137,500	136,785	(37,547)	-22%	(715)	-1%	1,580,930	1,500,000	1,568,568	(12,362)	-1%	68,568	4%
Subtotal Other	406,194	281,923	245,149	(161,045)	-40%	(36,774)	-13%	2,801,647	2,567,850	3,721,447	919,800	33%	1,153,597	31%
Revenue Totals	1,351,286	1,247,162	1,173,216	(178,070)	-13%	(75,834)	-6%	19,512,373	19,557,485	20,894,187	1,381,814	7%	1,336,702	6%
EXPENDITURES														
Village Board & Clerk	16,396	9,157	7,423	(8,973)	-55%	(1,734)	-19%	130,156	113,500	101,787	(28,369)	-22%	(11,713)	-10%
Village Manager's Office	61,062	61,904	187,447	126,385	207%	125,543	203%	755,755	792,645	1,115,097	359,342	48%	322,452	41%
Facilities Maintenance	57,272	67,456	99,945	42,673	75%	32,489	48%	932,311	839,385	807,248	(125,063)	-13%	(32,137)	-4%
Information Technology*	84,014	52,477	169,654	85,640	102%	117,177	223%	555,011	652,170	886,003	330,992	60%	233,833	36%
Senior Services	5,920	7,184	8,891	2,971	50%	1,707	24%	95,670	90,850	90,060	(5,610)	-6%	(790)	-1%
History Park	4,266	2,227	3,077	(1,189)	-28%	850	38%	25,782	27,180	23,199	(2,583)	-10%	(3,981)	-15%
Law	29,707	25,827	42,052	12,345	42%	16,225	63%	332,656	326,630	379,978	47,322	14%	53,348	16%
Finance - Administration	41,667	51,646	59,049	17,382	42%	7,403	14%	607,223	659,940	608,968	1,745	0%	(50,972)	-8%
Finance - Cashiers Office	22,549	26,111	33,204	10,655	47%	7,093	27%	318,077	335,275	319,356	1,279	0%	(15,919)	-5%
Planning	46,363	45,491	66,116	19,753	43%	20,625	45%	544,945	585,500	597,833	52,888	10%	12,333	2%
Building	105,063	98,911	124,215	19,152	18%	25,304	26%	1,034,140	1,247,400	1,310,882	276,742	27%	63,482	5%
Economic Development	32,137	29,707	144,922	112,785	351%	115,215	388%	355,432	642,480	489,174	133,742	38%	(153,306)	-24%
Police - Administration	94,298	99,263	123,543	29,245	31%	24,280	24%	1,419,970	1,484,703	1,436,595	16,625	1%	(48,108)	-3%
Police - Operations	349,020	394,787	531,724	182,704	52%	136,937	35%	6,071,677	6,469,361	6,758,690	687,013	11%	289,329	4%
Police - Investigations	76,898	75,012	103,223	26,325	34%	28,211	38%	1,257,798	1,281,708	1,267,704	9,906	1%	(14,004)	-1%
Fire	25,965	28,322	24,806	(1,159)	-4%	(3,516)	-12%	332,248	339,860	307,277	(24,971)	-8%	(32,583)	-10%
EMS	34,261	41,673	69,926	35,665	104%	28,253	68%	518,264	500,075	537,538	19,274	4%	37,463	7%
Public Works - Admin & Eng.**	60,049	64,026	81,690	21,641	36%	17,664	28%	782,535	817,896	812,890	30,355	4%	(5,006)	-1%
Public Works - Streets	129,530	107,433	117,689	(11,841)	-9%	10,256	10%	1,445,792	1,330,060	1,238,349	(207,443)	-14%	(91,711)	-7%
Public Works - Forestry	62,165	90,448	84,475	22,310	36%	(5,973)	-7%	1,047,900	1,113,964	883,103	(164,797)	-16%	(230,861)	-21%
Expenditure Totals	1,338,602	1,379,063	2,083,071	744,469	56%	704,008	51%	18,563,342	19,650,582	19,971,731	1,408,389	8%	321,149	2%
Net Surplus / (Deficit)	12,684	(131,901)	(909,855)	(922,539)		(777,954)		949,031	(93,097)	922,456	(26,575)		1,015,553	

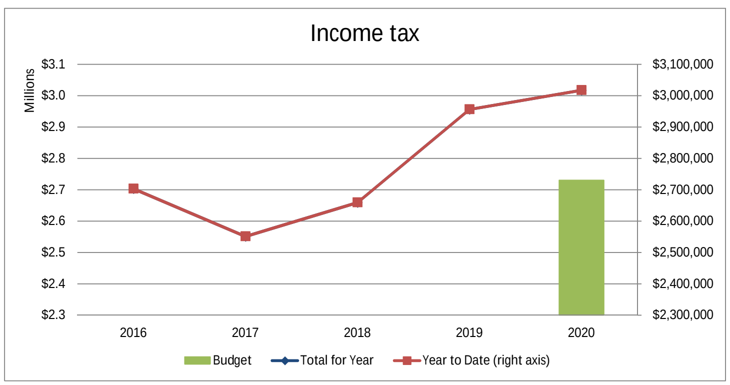
Key General Fund Revenues
For the Period Ended December 31, 2020

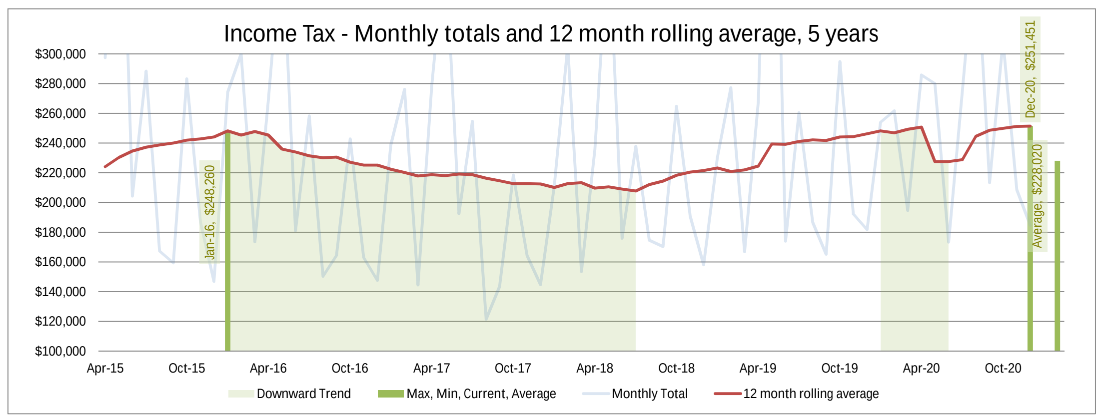












VILLAGE OF Glen Ellyn ILLINOIS

ATTACHMENT C – CASH AND INVESTMENTS REPORT – DECEMBER 31, 2020

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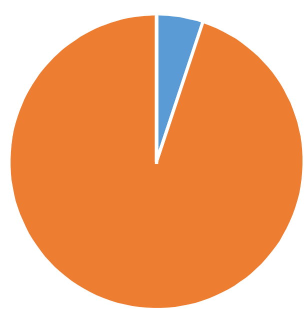
Village of Glen Ellyn
Schedule of Cash and Investment Balances
For the Month Ended December 31, 2020

Summary of Investments by Type	Par Value	Market Value	Maturity < 1 year	1-3 years
Cash/Checking	$ 4,025,634	$ 4,025,634	$ 4,025,634	$ -
Cash/Checking - Federal Drug	2,999	2,999	2,999	-
Cash/Checking - State Drug	325	325	325	-
Cash/Checking - FLEX	11,403	11,403	11,403	-
Cash/Checking - Seized Property	32,868	32,868	32,868	-
Money Market - IL Funds	21,960,294	21,960,294	21,960,294	-
Money Market - IL Funds State Drug	28,530	28,530	28,530	-
Money Market - IL Funds Fed Drug	153,142	153,142	153,142	-
Money Market - IL Funds MFT	1,992,413	1,992,413	1,992,413	-
Money Market - IMET Convenience Fund	3,753	3,753	3,753	-
PFM Illinois Trust	15,245,093	15,245,093	15,245,093	-
PMA 2018 Bond Account - Money Market	657,271	657,271	657,271	-
PMA 2020 Bond Account - Money Market	9,854,345	9,854,345	9,854,345	
PMA Portfolio - Money Market	25,794,926	25,794,926	25,794,926	-
PMA Portfolio - CD's	-	-	-	-
	$ 79,762,996	$ 79,762,996	$ 79,762,996	$ -
			100%	0%

Investments by Type



Portfolio Concentration	Percent of Portfolio	Policy Limit
Cash/Checking Total (Glen Ellyn Bank & Trust)	5.11%	25%
IL Funds Total	30.26%	75%
IMET Total	0.00%	25%
PFM Total	19.11%	25%
PMA Total	45.52%	N/A

Investment Income	FY2020	FY2019
Investment Income	$ 642,730	$ 1,588,623

Investment Performance	FY2020	FY2019
Average Yield YTD - IL Funds	0.590%	2.230%
Average Yield YTD - IMET Convenience Fund	0.559%	2.110%
Average Yield YTD - PFM	0.641%	2.254%
Average Yield YTD - PMA	1.923%	2.284%
Benchmark - Three Month T-Bill	0.090%	1.520%

Village of Glen Ellyn
Analysis of Available Cash Reserves
For the Month Ended December 31, 2020

	Fund	A Last Year Cash & Investment Balances	B Current Year Cash & Investment Balances	C Less Encumbrances	D Transfer between Funds	E Less Deposits/ Other	F Restricted by Statute	G Assigned for Capital Projects	I Assigned for Liab/Health Ins.	J Assigned for Property Tax Abatement	K Assigned for FY 2021 Deficit	L Balance Subject to Reserve Policy	M Less Minimum Reserve Policy	N Cash Above Minimum Policy	
1	General	$ 11,320,031	$ 13,626,284	$ (299,000)	$ -	$ (2,691,505)	$ -	$ -	$ -	$ (222,948)	$ (1,904,467)	$ 8,508,364	$ (5,828,000)	$ 2,680,364	1
2	Corporate Reserve	30,086	597,712	(9,768)	-	-	-	-	-	-	-	587,944	-	587,944	
3	Motor Fuel Tax	1,020,417	1,992,413	(287,115)	-	-	(1,705,298)	-	-	-	-	-	-	-	
4	Fire Services	3,275,617	3,919,211	-	-	-	-	(3,919,211)	-	-	-	-	-	-	
5	CBD TIF	499,835	865,008	(172,930)	-	-	(692,078)	-	-	-	-	-	-	-	
6	Roosevelt Road TIF	121,885	249,833	(740)	-	-	(249,093)	-	-	-	-	-	-	-	
7	Forfeiture Fund	323,924	217,864	(32,475)	-	-	(185,389)	-	-	-	-	-	-	-	
8	Debt Service	41,129	77,402	-	-	-	(77,402)	-	-	-	-	-	-	-	
9	Capital Projects	20,540,361	27,478,496	(2,636,590)	(9,148,982)	-	-	(15,692,924)	-	-	-	-	-	-	
10	Facilities Maint Reserve	497,238	765,931	(62,700)	-	-	-	(703,231)	-	-	-	-	-	-	
11	Water and Sanitary Sewer	17,647,456	19,919,220	(1,109,739)	-	(205,397)	-	(12,709,220)	-	-	-	5,894,864	(2,354,000)	3,540,864	2
12	Parking	1,707,863	1,721,860	(9,156,116)	9,148,982		-	-	-	-	-	1,714,726	(57,240)	1,657,486	2
13	Residential Solid Waste	635,741	523,520	(21,500)	-	-	-	-	-	-	-	502,020	(426,425)	75,595	2
14	Village Links/Reserve 22	532,150	718,754	(60,059)	-	(2,396)	-	-	-	-	-	656,299	(1,218,000)	(561,701)	3
15	Insurance	1,669,309	1,716,162	-	-	-	-	-	(1,716,162)	-	-	-	-	-	
16	Equipment Services	5,029,354	5,373,326	(310,689)	-	-	-	(4,389,300)	-	-	-	673,337	-	673,337	
		$ 64,892,396	$ 79,762,996	$ (14,159,421)	$ -	$ (2,899,298)	$ (2,909,260)	$ (37,413,886)	$ (1,716,162)	$ (222,948)	$ (1,904,467)	$ 18,537,554	$ (9,883,665)	$ 8,653,889	
17	Police Pension	$ 32,743,163	$ 35,601,521	$ -	$ -	$ -	$ (35,601,521)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	

Footnotes:

(a) Encumbrances represent the unexpended portion of approved contracts for goods and services as of the end of the quarter. While encumbrances are not expenditures, they do represent a reduction in the level of available spendable cash.

(b) Transfer between funds represents Capital Projects Fund and bond proceeds to be transferred to the Parking Fund for the parking garage project.

(c) Deposits/Other represents money that the Village is holding but either is due to others such as deposits or other payables.

(d) Amounts restricted by statute are required by state or federal law to only be spent on specific expenditures.

(e) Amounts that are assigned have been designated by the Village's ordinances or budget to be spent on specific purposes. Amounts per fund are as follows:

- General Fund: $222K assigned by Village Board for property tax abatement. $1.9M assigned for 2021 budget deficit. $250K has also been designated fo Vlinks Line of Credit which has not been accessed
- Fire Services: Designated by Village code for fire operations, equipment and facilities.
- Capital Projects: Designated by the 5 year Capital Improvement Plan
- Facilities Maintenance Reserve: Designated by the 5 year Plan to be used for Village facilities.
- Water & Sewer: Designated by the 5 year Capital Improvement Plan
- Equipment Services: Designated by the Equipment Replacement Plan

(f) The Village has reserve policies as follows:

- General Fund: Amount subject to reserve is 30% of operating expenditures.
- Water and Sanitary Sewer Fund: Amount subject to reserve is $2,354,000, which will be adjusted annually by CPI-U or 3%, whichever is less.
- Parking Fund: Amount subject to reserve is 25% of operating expenses.
- Residential Solid Waste Fund: Amount subject to reserve is 25% of operating expenses
- Village Links/Reserve 22 Fund: Amount subject to reserve is 25% of operating expenses.

(g) The cash above minimum policy is the amount undesignated above the minimum required level. In some cases, these funds may be restricted to the purpose for which the fund exists.

Notes on cash above/below reserve policy:

1 The Village hits a cash peak in September and a low point in April/May.

2 These are enterprise funds and are meant to be treated as separate enterprises/businesses. Generally, these funds cannot be repurposed to other funds.

3 The Village Links/Reserve 22 has reduced its cash levels due to two years of poor weather. The Village Board approved a $250K line of credit from the General Fund which may be used if needed. As of December 31, 2020, that line of credit had not been accessed.

ATTACHMENT D – ALL FUNDS SUMMARY – DECEMBER 31, 2020

VILLAGE OF GLEN ELLYN
ALL FUNDS SUMMARY
FOR THE YEAR ENDED DECEMBER 31, 2020

	Current Year Activity								Prior Year Activity				
	Revised Budget			Year to date					Year to date				
Fund	Revised Budget Revenues	Revised Budget (Expenses)	Net Income (Loss)	Year to date Revenues	Expenditures (Expenses)	Net Income (Loss)	Encumbrances	Net Income Less Encumbrances	Year to date Revenues	Expenditures (Expenses)	Net Income (Loss)	Encumbrances	Net Income Less Encumbrances
Governmental Funds													
General	$ 19,557,485	$ 19,650,582	$ (93,097)	$ 20,894,172	$ 19,971,730	$ 922,442	$ 299,000	$ 623,442	$ 19,512,377	$ 18,563,345	$ 949,032	$ 93,341	$ 855,691
Debt Service	2,476,225	2,475,976	249	2,169,797	2,113,525	56,272	-	56,272	2,140,738	2,140,938	(200)	-	(200)
Capital Projects	18,553,269	30,596,613	(12,043,344)	18,343,086	11,741,929	6,601,157	2,636,590	3,964,567	8,337,645	7,407,606	930,039	3,149,852	(2,219,813)
Corporate Reserve	600	15,000	(14,400)	584,292	16,667	567,625	9,768	557,857	12,207	663,251	(651,044)	-	(651,044)
Motor Fuel Tax	1,105,400	979,454	125,946	1,664,328	690,242	974,086	287,115	686,971	874,554	669,694	204,860	131,266	73,594
Central Business District (CBD) TIF	317,600	148,870	168,730	441,982	76,809	365,173	172,930	192,243	303,860	209,860	94,000	13,500	80,500
Roosevelt Road TIF	104,100	25,370	78,730	139,948	12,000	127,948	740	127,208	99,181	54,167	45,014	-	45,014
Fire Services	1,848,530	1,498,428	350,102	1,837,652	1,189,993	647,659	-	647,659	2,015,875	770,419	1,245,456	80,000	1,165,456
Forfeiture Fund	6,000	-	6,000	96,361	202,318	(105,957)	32,475	(138,432)	346,009	546,801	(200,792)	-	(200,792)
Facilities Maint Reserve	385,000	618,500	(233,500)	381,080	135,113	245,967	62,700	183,267	3,533,183	4,422,021	(888,838)	187,000	(1,075,838)
TOTAL GOVERNMENTAL FUNDS	$ 44,354,209	$ 56,008,793	$ (11,654,584)	$ 46,552,698	$ 36,150,326	$ 10,402,372	$ 3,501,318	$ 6,901,054	$ 37,175,629	$ 35,448,102	$ 1,727,527	$ 3,654,959	$ (1,927,432)
Enterprise Funds													
Water and Sanitary Sewer	$ 13,883,953	$ 20,238,383	$ (6,354,430)	$ 14,693,929	$ 12,380,874	$ 2,313,055	$ 1,109,739	$ 1,203,316	$ 14,201,187	$ 12,106,382	$ 2,094,805	$ 987,958	$ 1,106,847
Village Links/Reserve 22	5,730,700	5,720,748	9,952	5,171,751	5,057,380	114,371	60,059	54,312	5,326,661	5,670,998	$ (344,337)	-	(344,337)
Parking	16,456,323	16,268,738	187,585	6,662,605	6,667,984	(5,379)	9,156,116	(9,161,495)	1,448,631	1,360,648	$ 87,983	29,778	58,205
Residential Solid Waste	1,653,200	1,705,700	(52,500)	1,706,855	1,811,217	(104,362)	21,500	(125,862)	1,644,111	1,557,863	86,248	-	86,248
TOTAL ENTERPRISE FUNDS	$ 37,724,176	$ 43,933,569	$ (6,209,393)	$ 28,235,140	$ 25,917,455	$ 2,317,685	$ 10,347,414	$ (8,029,729)	$ 22,620,590	$ 20,695,891	$ 1,924,699	$ 1,017,736	$ 906,963
VILLAGE OPERATIONS TOTAL	$ 82,078,385	$ 99,942,362	$ (17,863,977)	$ 74,787,838	$ 62,067,781	$ 12,720,057	$ 13,848,732	$ (1,128,675)	$ 59,796,219	$ 56,143,993	$ 3,652,226	$ 4,672,695	$ (1,020,469)
Internal Service Funds													
Insurance	$ 3,447,785	$ 3,442,070	$ 5,715	$ 3,521,405	$ 3,474,553	$ 46,852	$ -	$ 46,852	$ 3,296,909	$ 3,336,717	$ (39,808)	$ -	$ (39,808)
Equipment Services	1,635,200	1,625,847	9,353	1,735,944	1,392,088	343,856	310,689	33,167	1,683,922	1,626,245	57,677	148,167	(90,490)
ST Internal Service Funds	$ 5,082,985	$ 5,067,917	$ 15,068	$ 5,257,349	$ 4,866,641	$ 390,708	$ 310,689	$ 80,019	$ 4,980,831	$ 4,962,962	$ 17,869	$ 148,167	$ (130,298)
Trust Fund													
Police Pension	$ 4,322,000	$ 2,679,275	$ 1,642,725	$ 5,539,368	$ 2,678,748	$ 2,860,620	$ -	$ 2,860,620	$ 6,787,731	$ 2,822,200	$ 3,965,531	$ -	$ 3,965,531
VILLAGE TOTAL	$ 91,483,370	$ 107,689,554	$ (16,206,184)	$ 85,584,555	$ 69,613,170	$ 15,971,385	$ 14,159,421	$ 1,811,964	$ 71,564,781	$ 63,929,155	$ 7,635,626	$ 4,820,862	$ 2,814,764

Glen Ellyn Finance Commission
535 Duane Street
Glen Ellyn, IL 60137

Meeting 2/12/2021 7:00 AM
Department: Finance
Department Head:
Category: Policy
Prepared By:

AGENDA ITEM (ID # 2021-898)

DOC ID: 2021-898

Village Financial Policy Update

Statement of the Issue:
Attached is the packet information from the January meeting on financial policies. We will continue to review the current policies at the February meeting.

Analysis:

Budget Impact:

Action Requested:

Attachments:

1. Extract from January FC Packet

Glen Ellyn Finance Commission
535 Duane Street
Glen Ellyn, IL 60137

Meeting 1/15/2021 7:00 AM
Department: Finance
Department Head: Christina Coyle
Category: Policy
Prepared By: Christina Coyle

AGENDA ITEM (ID # 2021-817)

DOC ID: 2021-817

Financial Policy Review

Statement of the Issue:
During the 2021 budget discussions, it was determined that the Village should review its financial policies and make modifications where necessary. Any financial policy would first be reviewed by the Finance Commission before it is reviewed by the Village Board.

Analysis:
The Finance Commission has reviewed and approved several financial policies over the past five years. Those policies are:

1. Purchasing Policy - 2019 update
2. Investment Policy - 2018 update
3. Fund Balance/Reserve Policy - 2018 update
4. Pension Funding Policy - 2017 update

These four policies are attached. As the first step in this process, staff is requesting that the Finance Commission review these recently updated policies and make a determination if any further review is deemed necessary or if the Commission can affirm the current policy. At the January meeting, staff is requesting feedback from the Commission on these more recently adopted policies.

Going forward, staff will review those policies that have not been updated recently. Those include:
1. Debt Policy
2. Budget Policy
3. Revenue and Expenditure Policy
4. Accounting, Auditing and Financial Reporting

Staff will move forward in updating these policies and bring new policies to the Finance Commission for their review at future meetings.

Lastly, the Village may want to consider some additional financial policies, including:
1. Capital Improvement Policy

2. Long-term Financial Planning Policy
3. Property Tax Policy

Budget Impact:

N/A

Action Requested:

Please review the four policies already completed and provide feedback if we need to revisit any portion of those policies.

Attachments:

1. Purchasing Policy - FINAL - Updated 2019-09-23
2. Investment Policy - 2018 Update - FINAL - 2018-05
3. EXHIBIT A - FUND BALANCE AND NET POSITION RESERVE POLICY - 2018-08
4. Pension Funding Policy Updated 2017-02-27 CLEAN

ADMINISTRATIVE ORDER NO. #3

Subject: Village Purchasing Policies and Procedures
Original order approved December 7, 2011, revised September 16, 2013, November 14, 2016, and September 23, 2019

Applicability
This policy shall apply to the procurement and purchase of goods, supplies, equipment, and services by the Village.

Purpose
The purpose of this policy is to assist in obtaining supplies, equipment and services as economically and efficiently as possible. It is intended to:

1. Simplify and clarify existing purchasing practices and policies;

2. Provide guidance for compliance with applicable purchasing rules;

3. Ensure the fair and equitable treatment of all persons who deal with purchasing activities;

4. Promote increased economy in purchasing activities;

5. Foster broad-based competition within the free enterprise system; and

6. Provide safeguards for the maintenance of a procurement system of quality and integrity.

Policy

A. ETHICAL CONDUCT

1. Elected officials and employees shall adhere to the Village's Ethics Policy when making all purchasing decisions.

2. Elected officials and employees may not participate directly or indirectly in a purchase when the elected official or employee or any member of his immediate family will benefit. Any attempt by an employee to realize personal gain through public employment by conduct inconsistent with these polices is subject to discipline and/or dismissal.

3. No elected official or employee, either on that person's behalf or on behalf of any other person, shall have any financial or personal interest in any business or transaction with any Board, Commission, Committee or other public body of the Village unless that official or employee makes full public disclosure of the nature and full extent of such interest and recuses him or herself from participating in and acting upon the resolution of the business or transaction.

4. Employees shall adhere to this policy consistent with the philosophy above to ensure cost savings and efficiency. When competitive bidding, employees shall attempt to solicit as many bids as reasonably possible. Employees shall not subdivide any contract or purchase with the intent to circumvent the bidding requirements or approval limits established within this policy.

5. If any portion of this policy is found to be in conflict with any federal, state or local law, the federal, state or local law shall apply. However, if this policy is more restrictive than the federal, state or local law, the policy shall apply.

B. AUTHORITY

1. Up to $5,000: Department Directors may approve purchases up to $5,000. It is the Department Director's responsibility to ensure budgeted funds are available and competitive pricing is obtained prior to purchase. A Department Director may delegate any level of purchasing authority under $5,000 to other department employees with approval by the Village Manager and Finance Director.

2. Up to $35,000: The Village Manager may approve purchases up to $35,000. It is the Village Manager's responsibility to ensure budgeted funds are available and competitive pricing is obtained prior to purchase.

3. Greater than $35,000: Any single purchase or contract with a single vendor over $35,000 requires Village Board approval. Glen Ellyn Village Code (1-10-1) requires that all contracts for labor, services or work, or for the purchase of personal property, materials, equipment or supplies involving amounts estimated to be in excess of $35,000 shall be let only by competitive bidding after advertisement for bids to the lowest responsible bidder submitting a bid in conformance with the advertisement. Bi-annually, the Village Manager and Finance Director will review cumulative spending with the Village's vendors to identify if the scope of products and/or services provided by said vendor to determine if the aggregate purchases should be considered for approval by the Village Board. The Village Manager and Finance Director will base his or her decisions on this administrative order.

4. Payments greater than $35,000 not requiring current purchase order or explicit Village Board approval: Required or routine payments will be made through the normal check issuance procedures, without the need for prior purchase order or explicit Village Board authorization, under the following circumstances:

a. Government or utility payments. The Village is required to make payments to regulatory agencies or other governments with authority over the Village or Village activity. Examples include, but are not limited to: the State of Illinois, Federal Government, County of DuPage, each in their official or oversight capacity, the Illinois Department of Employment Security (unemployment insurance), the Illinois Municipal Retirement Fund, the Illinois Department of Revenue (sales tax remittances), and utility companies. These payments are not limited to the amount budgeted, but amounts spent over the budget amount will be reported to the Village Board in a timely manner as appropriate.

b. Village Contracts. The Village Board periodically approves contracts or service agreements that span multiple years, which later require periodic and ongoing payments that exceed $35,000 individually or in aggregate. Examples include, but are not limited to, DuComm, DuPage Water Commission, Glenbard Wastewater Authority, GIS Consortium legal services, insurance providers, debt service principal and interest, and waste haulers. Payments for these Village Contracts are not limited to the amount budgeted, but amounts spent over the budget amount will be reported to the Village Board in a timely manner as appropriate.

c. Village support of other organizations. Payments are made to various service providers, such as the Glen Ellyn Volunteer Fire Company, and the Downtown Alliance of Glen Ellyn. For such arrangements, payments for service shall be limited to the original Village Board approval and/or the Village budget for such services.

d. Subdividing or Split Purchases. Purchases shall not be split or subdivided to avoid a level of review or approval or to avoid competitive selection.

5. Change Orders: The Village Manager is authorized to approve any change order to a Village contract which is less than $35,000. Any change order equal to, or in excess of, $35,000 must be submitted to the Village Board as an agenda item for the Board's consideration. The Village Manager is also authorized to execute change orders above $35,000 in instances where the change order falls within a contract contingency authorized by the Village Board.

6. Quotes: Employees are responsible for obtaining quotes for purchases as follows:

Amount	Quotes Required	Description
$1,000-$2,499	Informal Quotes	Employees are encouraged to seek one or more quotes when possible to ensure that competitive prices are obtained. Informal quotes include taking telephone prices, prices through catalogs/online, etc.
$2,500-$4,999	Combination of Formal/Informal Quotes	At least two quotes must be obtained. Documentation must be submitted to the Finance Department, but can include taking telephone prices, prices through catalogs/online, requests for proposals, and documented quotes from vendors. If less than two quotes were obtained, written justification must be submitted to the Finance Department.
$5,000-$34,999	Formal Quotes	At least three formal quotes must be obtained or sufficient justification to warrant the purchase from a specific vendor. Formal quotes should include documented quotations including sealed bids, requests for proposals, or any other appropriate form of written quotation. These quotations must be submitted to the Finance Department. If less than three quotes were obtained, written justification must be submitted to the Finance Department.

a. Local Preference: Every effort should be made to solicit a quote from a business located in the Glen Ellyn corporate boundaries. In evaluating quotes, costs such as delivery or freight should be considered to arrive at the lowest possible cost.
b. Recurring purchases: If a purchase of goods or services is recurring and/or ongoing, a quote may be obtained once every three years, so long as the cost remains competitive and there is no significant (i.e. 10%) change to the scope of goods/services.

6. Transportation and Delivery Charges: The Department Director shall make every effort to determine any transportation or delivery charges prior to proceeding with a purchase. Transportation charges must be included when determining cost of a purchase.

7. Maximum Practicable Competition: All specifications for purchases shall be drafted so as to promote overall economy for the purposes and encourage competition in satisfying the Village's needs, and shall not be unduly restrictive.

8. Budget: Careful consideration of the budget must be undertaken when purchasing. It is the Department Manager’s responsibility to ensure they are within their budget constraints. If an item would cause the fund to exceed budget, then it should be taken to the Village Board along with a budget amendment.

9. Contracts: All contracts must be reviewed and approved by the Village Attorney prior to execution. Contracts under $5,000 may be signed by a Department Head. Contracts $5,000 to under $35,000 may be signed by the Village Manager. Contracts greater than $35,000 must be approved by the Village Board and signed by the Village Manager.

10. Disposal of Village property: The Village Manager may authorize disposal of any Village property valued up to $35,000 in a manner deemed most beneficial to the Village. All items above $35,000 must be authorized for disposal by the Village Board.

C. COMPETITIVE SEALED BIDDING

An openly publicized competitive process for the procurement of goods, supplies, equipment, services, and construction, is the most effective means of determining the lowest cost from a responsible source and should be utilized whenever possible.

1. Exceptions to Competitive Bidding: A purchase or contract over $35,000 that is by its nature not adapted to award by competitive bidding may be approved by a $2/3^{rd}$ vote of the Village Board.

   Examples of exceptions to competitive bidding are listed below.

   a. Professional services requiring individual skill or expertise shall be governed by the policy on professional services in Section D. Such services include, but are not limited to, engineers, financial advisors, search firms, accountants, architects, inspectors, attorneys, and professional consultants.

   b. Emergency purchases are purchases obtained in circumstances which include threats to public health or safety, where immediate repairs to Village property are required to protect or prevent against further loss or damage, or where immediate action is needed to prevent or minimize serious disruption to Village services. Emergency purchases shall be authorized if timing is critical. The Village Manager shall report to the Village Board regarding emergency purchases as soon as practicable.

   c. State or federal contracts are exempted from the competitive bidding process. The Village may take advantage of the favorable prices obtained under a State contract whenever practical to do so.

d. Cooperative purchases, defined as more than one unit of government purchasing goods and services together by competitive bid.

e. Single Source purchases, defined as material or services that are available from only one vendor but are deemed necessary to Village operations may be exempted from bidding requirements.

f. Standardization purchases, defined as technical nature of certain items or services may result in the standardization of a particular supplier's specifications being necessary or desirable to Village operations. Competitive bidding may be waived if the Village requires compatibility with existing software, machinery or other existing equipment.

g. Certain items are purchased by the Village Links/Reserve 22 for resale. These items are generally offered for resale in the Pro Shop or food/hospitality products. Merchandise items are chosen for their marketability and public demand and cannot be purchased through the formal bidding process. Food and hospitality items may be purchased based on immediate need or demand, product quality, availability schedule, or other factors deemed necessary to properly run the food and hospitality functions of the Department. The management of the Village Links/Reserve 22 will make every effort to obtain these items at the best possible prices.

2. Procedures for Competitive Bidding

a. Invitations for Bids: An Invitation for Bids shall be issued and shall include a purchase description, and all necessary contractual terms, specifications, and conditions applicable to the purchase.
b. Bids for Installation of Equipment: For all bids for the installation of products and equipment, consideration shall be given to requesting bids for the product or equipment separate from bids for the labor involved in installing the equipment in order to reduce the overall costs.
c. Review by Village Attorney: When practicable, all invitations for bids shall be reviewed and approved by the Village Attorney prior to being issued.
d. Public Notice: Adequate public notice of the Invitation for Bids shall be given at a reasonable time prior to the date set for the opening of bids. It is the policy of the Village to seek as broad an advertisement for bids as is practical under the circumstances. As a minimum, advertisement for bids shall be as follows:

a. Notice inviting bids shall be published once in at least one newspaper of general circulation in the village and at least ten (10) days prior to the last day set for the receipt of bid proposals.

b. The newspaper notice required herein shall include at least a general description of the work to be performed or the articles to be purchased, shall state where bid proposals forms and detailed specifications may be secured, and shall state the time and place for opening bids.

c. Bids and proposals shall, to the extent possible, be solicited from all responsible prospective suppliers who have requested to be notified of purchases of the type being proposed or who are known to the village to do work or provide supplies of the type being sought, by sending those responsible prospective suppliers a copy of the notice to acquaint them with the proposed purchase or sale.

d. Bid announcements shall be advertised on the Village website.

e. Requirement for Bid Security: Bid Security will be required for all competitive sealed bidding for construction contracts. Bid security shall be a bond provided by a surety company authorized to do business in the State of Illinois, or a certified check, bank draft, or cashier check, or other form satisfactory to the Village.

f. Amount of Bid Security: Bid security amount is to be determined by the requisitioning department and shall be in an amount no less than 5% of the bid and no more than 10% of the bid.

g. Bid Opening: Bids shall be opened publicly by the Finance Director or the Finance Director's designee and in the presence of one or more witnesses at the time and place designated in the Invitation for Bids. The amount of each bid, together with the name of each bidder, shall be recorded, and the record of each bid shall be open to public inspection.

h. Bid Evaluation and Acceptance: Bids shall be unconditionally accepted without alteration or correction, except as addressed in this policy statement. Bids shall be evaluated based on the requirements described in the Invitation for Bids, which may include criteria to determine acceptability such as inspection, testing, quality, workmanship, delivery and suitability for a particular purpose. The Invitation for Bids shall set forth the evaluation criteria to be used. No criteria may be used in bid evaluation that is not set out in the Invitation for Bids. At no time should any information be made available to any prospective bidder which is not available to all prospective bidders.

i. Correction or Withdrawal of Bids: After a bid opening, no changes in bid prices or other provisions of bids prejudicial to the interest of the Village or fair competition shall be permitted. Decisions to permit correction or withdrawal of bids, or to cancel awards or contracts based on bid mistakes prior to approval by the Village Board should be based upon the following criteria:

a. A bidder will not be permitted to correct a bid mistake after bid opening that would cause the bidder to have the low bid, unless the mistake is clearly evident from examining the bid document, and is supported by proof that has evidentiary value--for example, extension of unit prices or errors in addition.

b. A low bidder will not be permitted to correct a bid for errors in judgment.

c. In lieu of bid correction, the Village may permit a low bidder alleging a material mistake of fact to withdraw its bid when there is reasonable proof that a mistake was made and the intended bid cannot be ascertained with reasonable certainty.

d. After bid opening, an otherwise low bidder will not be permitted to delete exceptions to the bid conditions which affect price or substantive obligations.

e. If the Village suspects a mistake has been made by a bidder, it may request confirmation of a bid.

j. Award: Contracts shall be awarded to the lowest responsible bidder. In determining "lowest responsible bidder", in addition to the price, the Village may consider the following factors:

a. The ability, capacity and skill of the bidder to perform the contract or provide the service required;

b. Whether the bidder can perform the contract or provide the service promptly, or within the time specified, without delay or interference;

c. The character, integrity, reputation, judgment, experience and efficiency of the bidder;

d. The quality of performance of previous contracts or services;

e. The previous and existing compliance by the bidder with laws and ordinances relating to the contract or service;

f. The sufficiency of the financial resources and the ability of the bidder to perform the contract or provide the service;

g. The quality, availability and adaptability of the supplies or contractual services to the particular use required by the village;

h. The ability of the bidder to provide future maintenance and service for the use of the contract; and

i. The number and scope of conditions attached to the bid, if any.

k. Notice of Award: After approval by the Village Board, the award shall be processed with reasonable promptness by written notice to the successful bidder.

l. Non-monetary Change Orders: The Village Manager may execute change orders to extend the length of a construction contract by up to 30 days or other terms and conditions of a contract deemed necessary or in the best interest of the Village.

D. PROFESSIONAL SERVICES

1. Qualification Based Selection (QBS) Procedures shall be utilized to procure all federally funded professional services, or as otherwise deemed applicable by the Village Manager. The Village's QBS Procedures shall follow the Federal QBS Requirements in IDOT's Bureau of Local Roads and Streets (BLRS) Manual. The Village's QBS Procedures, included within Appendix A of this Administrative Order, and shall be maintained and updated administratively as dictated by changes in the IDOT BLRS Manual.

2. For all locally funded professional services contracts/agreements related to Architectural, Engineering, and Land Surveying Services shall be governed by the requirements of the Local Government Professional Services Selection Act (50 ILCS 510/1 et seq.). Proposals shall be requested and evaluated based upon the requirements set forth in a request for proposals document, which may include firm information, experience with similar projects, qualifications of personnel, ability to meet project deadlines, completeness of project approach, additional services/tasks, and project costs. Cost may be considered, but may not alone determine the provider of the professional services. Competitive proposals are required where the total contract is $35,000 or greater. Where the cost is less than $35,000, the respective Department Head and the Village Manager shall determine whether such contract will be awarded on the basis of obtaining at least three quotes or on the basis of competitive request for proposals. To aid staff in maintaining a list of qualified firms from which proposals may be requested, the Village shall publish a legal notice in the Daily Herald on a 3-year basis to request statements of interest/qualifications.

   For professional services *other* than architectural, engineering, and land surveying services, where the cost is less than $35,000, the respective Department Head and the Village Manager shall determine whether such contract will be awarded on the basis of obtaining at least three quotes or on the basis of competitive request for proposals. For those where the cost is $35,000 or greater, the contract shall be awarded based upon a competitive request for proposal, unless it is determined that an exception listed in Section C(1) applies. The Village Attorney shall determine if an exception is applicable.

E. RECEIPT

The person signing and approving the invoice for payment must determine that goods or services have been received in good order. By approving the invoice for payment with their signature, the individual is verifying proper receipt of goods or services has occurred.

F. SALES TAX EXEMPTION

The Village is a sales tax exempt organization in the State of Illinois. When making purchases for the Village, all reasonable attempts should be made to make purchases exempt from sales tax, which may require presenting the Village's sales tax exempt certificate and completing forms or other documentation. Village policy is that we do not pay sales tax or reimburse employees for sales tax paid out of pocket. In those unusual situations when sales tax payments are reasonably unavoidable, Department Managers can authorize payment or reimbursement of a nominal amount sales tax.

G. PAYMENT

1. Checks: Invoices for payment by check shall be submitted to the Finance Department. Invoices must be coded with the appropriate budget account and signed by the Department Director or valid designee. The invoice must also clearly state the purpose of the purchase. Purchases of food or meals must include a list of the individuals or groups receiving the food or meal. If purchase exceeds $5,000, the Village Manager must also sign the invoice, except utilities, postage, developer donations, health insurance and routine refunds. All invoices must describe the Village business purpose for which the goods or services were purchased. Lien wavers from all contractors and subcontractors must be included with invoices for construction contracts and submitted to the Village Attorney before any payment will be authorized.

   All invoices will be reviewed by the Accounts Payable Coordinator for proper approval and coding and entered into the accounting system. The Assistant Finance Director will review and approve the invoices and reports for proper approvals and accuracy prior to printing checks.

   Checks will be printed every Friday. All invoices to be included in a Friday check run must be submitted to the Finance Department by 5PM the Wednesday before the check run. If the schedule is adjusted, Finance will alert departments as early as practical. Checks will not be sent out until all required signatures and documentation are received by the Finance Department. The Finance Department will distribute checks via U.S. mail. If a vendor wishes to pick up a check, the individual will need to provide identification sufficient to show their affiliation with the vendor, and will be required to sign a log provided by the Finance Department.

2. Purchasing Cards: Purchasing cards are issued to improve efficiency and make additional vendors available to provide goods for the Village through internet sales.

   a. Issuance of Purchasing Cards: Employees may be issued a purchasing card upon request by the Department Director and approval by Finance Director and the Village Manager. Each card has a monthly purchase limit based upon the purchasing requirements of the employee. Employees must sign an agreement that they will use the card only for Village related purchases.

   b. Use of Purchasing Cards: Use of a purchasing card does not change the approval structure established in Section B of this policy.

      Each employee provided a Purchasing Card is responsible for the security of the card and should not permit its use for means other than those permitted by this policy. If an employee's card is used for egregious or repeated unauthorized purposes or uses, monthly reporting is not made in a timely manner, or it is used outside of the permissions of this policy, the employee's purchasing card may be immediately suspended or revoked, temporarily or permanently. If such action is taken, the employee's supervisor will be advised of the action and reasons for such action.

      As with all purchases made on the Village's behalf, goods purchased with a purchasing card are exempt from sales tax. This is indicated on the front of all cards and should be pointed out to the vendor to prevent sales tax from being charged on any purchases made with the card. Depending on the vendor, card holders may still need to present the tax exempt letter or complete other documentation in order to receive the exemption.

      The Village's purchasing card shall be used for Village purchases only. Absent approval from the Village Manager or Finance Director, the purchasing cards shall not be used for purchases for other people or organizations, even if the Village is reimbursed for the purchase.

   c. Submission of Purchasing Card Expense Reports: Each month, the Accounts Payable Coordinator will receive a summary of all employee charges. Individual statements will be sent to each card holder for coding and approval. Card holders must review their monthly statement and return it to the Finance Department with their signature and an itemized invoice or receipt for each purchase. Department heads must review and approve the purchasing card statements of their employees. Such information shall be submitted to the Finance Department no later than 3 business days prior to the due date on the statement, unless other arrangements are agreed upon, in advance, with the Finance Department. Each month, the Finance Department will advise card holders of the due date via email, providing at least one week notice. All receipts or invoices must describe the Village business purpose for which the goods or services were purchased. All purchases of food or meals must list the individuals or groups that benefited from the meal.

The Accounts Payable Coordinator will review all card purchases for proper approval, coding and documentation and enter the charges into the accounting system. The Assistant Finance Director will review the invoices and accounting system reports for proper approvals and accuracy. All monthly purchasing card statements will be reviewed and signed off by the Department Director, Finance Director and the Village Manager.

3. Open Accounts: To allow for the efficient procurement of routine supplies, the Village has established a limited number of open accounts at local vendors. Only employees authorized by their Department Director may utilize an open account. When available, purchasing cards should be utilized rather than charging an item to an open account. The Department Director is responsible for ensuring all purchases made on an open account are utilized only for Village business purposes.

   Use of an open account does not exempt an employee from obtaining quotes for items over $1,000. If an item is over $1,000, quotes must still be obtained as required in Section B (4).

   Employees must submit receipts for all purchases made on an open account to the Finance Department. Receipts must describe the Village business purpose for which the items were purchased and include the signature of the employee approving the purchase.

4. Petty Cash: Petty cash has been established to expedite miscellaneous purchases and paying of small bills which need not be handled through check payment. These funds are to be used by all departments for facilitating purchases and are not to be used for the purpose of circumventing normal purchasing procedures.

   Petty cash requests shall be limited to $50, unless approved by the Finance Director. Any amount above $50 must be reimbursed via a check request submitted to the Finance Department.

   Each petty cash location shall have a designated custodian who is responsible for disbursing and maintaining the petty cash funds.

   The petty cash custodian shall ensure that all petty cash disbursements are properly approved and that a record of each disbursement includes the following information:

   a. Description of purchase.
   b. Budget account.
   c. Signature of employee approving disbursement.
   d. Signature of petty cash custodian.
   e. Signature of petty cash recipient.
   f. Original itemized receipt.

As petty cash is depleted, the custodian shall submit a request to replenish petty cash to the Finance Department. The request shall include all the required documentation for disbursements made since the previous request. The AP Fiscal Clerk will review all purchases for proper approval, coding and documentation and enter the charges into the accounting system. The Assistant Finance Director will review the invoices and accounting system reports for proper approvals and accuracy and a check will then be issued to the petty cash custodian. The Finance Department may conduct periodic cash counts and/or audits of petty cash.

5. Review of Vouchers:
    1. Accounts Payable Coordinator: The Accounts Payable Coordinator will review invoices submitted for payment to ensure proper documentation, amount, account coding, and approval.
    2. Assistant Finance Director: The Assistant Finance Director will perform a detailed review of the vouchers after the Accounts Payable Coordinator to ensure proper documentation, amount, account coding, and approval.
    3. Finance Director: The Finance Director will receive from the Accounts Payable Coordinator a list of the vouchers for review. The Finance Director shall review the list and pose questions and request documentation as he or she deems necessary.
    4. Village Attorney: The Village Attorney shall review the vouchers in advance of the board meeting to review items of a legal nature.
    5. Village Manager: The Accounts Payable Coordinator will provide the Village Manger with a listing of paid invoices for inclusion on a Village Board Agenda. The Village Manager shall review said listing.

6. Village Board Approval of Vouchers: All payments will be approved by the Village Board. The Accounts Payable Coordinator will provide the Village Manager's office with a listing of paid invoices for inclusion on a Village Board meeting agenda. The invoice list will also be provided to all Trustees and a Trustee will be designated to review the invoices prior to Village Board payment approval. To ensure prompt payment, checks will be released prior to the Village Board meeting if the purchase has been properly approved and all required signatures and documentation have been received by the Finance Department.

H. MANAGEMENT CONTROLS

1. Purchase Orders: Purchase orders will be created for amounts greater than $35,000, which require board approval prior to purchasing. Purchase orders may be issued for lower dollar amounts if requested by a department. The Accounts Payable Coordinator will create the purchase orders in the accounting system following board approval of a purchase. The purchase order is then sent to the Finance Director for review. A copy of the original purchase order is forwarded to the department making the purchase. The purchase order number must be included on all payment requests.

2. Inspection and Testing: The inspection and testing of delivered materials or equipment should occur at the time of delivery. Department Directors are responsible for ensuring that the quantity and quality of the delivered goods are as ordered and that all purchases made within their department are received and utilized solely for Village business. In the case of items for inventory or resale, Department Directors are responsible for maintaining an ongoing inventory record of such items. The Finance Department may review inventory records on a periodic basis and as part of the annual audit process.

3. Internal Audits: The Finance Department will conduct periodic audits of purchases. It shall be the responsibility of each Department Director to provide the Finance Department with the necessary information to verify any purchases chosen for an audit.

4. External Audits: The Village will engage an external public accounting firm to perform an annual audit of the financial statements. Such an audit will include an assessment of internal controls related to purchasing.

5. Treasurer's Report: The Village will produce an annual Treasurer's Report in accordance with State statutes, which includes all payments to vendors for the past year. The report will be reviewed to assess potential areas to increase purchasing efficiencies.

6. Public Disclosures: The Village will produce and publish other reports and disclosures related to payments and disbursements, which may be published on the Village website, hard copy available for public inspection or in another manner as required or allowed by law.

7. Additional Policies: Village Management will periodically review and revise additional policies related to purchasing including, but not limited to, uniforms, travel, and cell phones. Such policies may be implemented as administrative orders.

Mark Franz, Village Manager	Revision Date

Appendix A

Village of Glen Ellyn QBS Procedures

Background

The Village of Glen Ellyn receives federal funds, which may be used to fund engineering and design related consultant services. For federally funded engineering assignments, the Village's written policies and procedures as described hereinafter for Qualification Based Selection (QBS) Procedures will be utilized to procure engineering and design related services.

Overview of Village QBS Procedures

The Village's QBS Procedure is generally summarized as follows:

1) The scope of the proposed engineering assignment is defined in a request for qualifications/proposals document.
2) The proposed engineering assignment is advertised (via Public Notice in a newspaper, website, magazines, etc.) with a request for qualifications/proposals.
3) The received proposals are evaluated by a selection committee to short-list at least three firms that are capable of completing the assignment within the specified parameters.
4) A minimum of three firms are selected for interviews and presentations by the firms. Based on the evaluations, discussions and presentations, the short-listed firms are ranked on the merits of their qualifications to provide the services for the project.

It is emphasized that during steps 1-4, cost is not part of the evaluation process.

5) The most qualified firm is then contacted and an attempt is made to negotiate an agreement at a fair and reasonable means of compensation based on the Municipality's estimated value of the services being rendered. This process involves developing a specific scope of services with the project schedule, staffing and hours, engineering effort, responsibility/liability, and other critical parameters clearly identified and agreed to as part of the negotiation of the agreement. The independent estimate is to be prepared by the municipality prior to negotiating the agreement.

Specific Village QBS Procedures

The Village's QBS procedures meet the requirements of 23 CFR 172 and the Brooks Act. As it relates to the 13 specific procedural requirements in Section 5-5 of the BLRS Manual, the Village's QBS Procedures are as follows:

1. Initial Administration – The Village of Glen Ellyn QBS policy and procedures assigns responsibilities to the Village Manager, Village Attorney, Finance Director, Public Works Director, and Professional Engineer within the Village of Glen Ellyn organization for the procurement, management, and administration for consultant services.

2. Written Policies and Procedures – The Village of Glen Ellyn believes its adopted QBS written policies and procedures substantially follows Section 5-5 of the BLRS Manual and specifically Section 5-5.06(e), therefore; approval from IDOT/FHWA is not required.

Appendix A

Village of Glen Ellyn QBS Procedures

3. Project Description – The Village of Glen Ellyn will include the following five items when developing the project description in its request for qualifications/proposals and may include additional items when unique circumstances exist.

    - Describe in general terms the need, purpose, and objective of the project;
    - Identify the various project components;
    - Establish the desired timetable for the effort;
    - Identify any specific challenges, problems, and concerns;
    - Determine the total project budget.

4. Public Notice – The Village of Glen Ellyn will publish an ad/legal notice in the Daily Herald soliciting qualifications/proposals. The legal notice shall be published at least 14 calendar days prior to the last date of acceptance of qualifications/proposals. Interviews of short-listed firms will be required and so noted in the Public Notice.

5. Conflict of Interest – The Village of Glen Ellyn requires consultants to submit with their qualifications/proposals a disclosure statement through the use of the IDOT BDE DISC 2 Template as the conflict of interest form.

6. Suspension and Debarment – The Village of Glen Ellyn procedures require verification of suspension and debarment actions to ensure the eligibility of firms short listed and selected for projects. The Village shall utilize the SAM Exclusions, IDOT CPO's website and the three other state CPO's websites to verify suspensions and debarments.

7. Evaluation Factors – The Village of Glen Ellyn allows the Professional Engineer to set the evaluation factors for each project, but must include a minimum of 4 qualification based criterion including Technical Approach (10-30%), Firm Experience (10-30%), Specialized Expertise (10-30%), Staff Capabilities (Prime/Sub)(10-30%), Work Load Capacity (10-30%), Past Performance (10-30%), and other qualification based criterion included in Figure 5-5B of the BLRS Manual and as set by the Professional Engineer. The criterion and weighting form shall be included within each request for qualifications/proposals as to aid firms in understanding how they will be evaluated. The criterion weighting factors shall not include any consideration of costs.

8. Selection – The Village of Glen Ellyn requires a minimum (3) person selection committee. Typically, the selection committee members include the Village Manager, Public Works Director, Professional Engineer, and/or other staff as deemed necessary by the Village Manager. Members of the selection committee may delegate this responsibility to other staff members.

    The selection committee members must certify that they do not have a conflict of interest. Following consultation by the Professional Engineer, the selection committee members are chosen by the Village Manager for each project. The Village of Glen Ellyn requires each member of the selection committee to provide an independent score for each proposal using the criterion, weighting factor, and evaluation form provided by the Professional Engineer in the Request for Qualifications/Proposals document, prior to the selection committee meeting. The selection committee members' scores are averaged for a committee score which is used to establish a short list of three firms. If there are other firms within 10% of the top three firms' scores, the Village Manager may choose to expand the short list to include more than 3 firms. The short listed firms are then interviewed, including a presentation by the firms. The committee score is adjusted by the committee based on a group discussion and information gained from presentations and interviews to develop a final ranking of the short listed firms. The product of these efforts will yield identification of the most qualified firm for the assignment.

9. Independent Estimate – The Village of Glen Ellyn will prepare an independent in-house estimate for the project prior to contract negotiation. The estimate is used in the negotiation.

10. Contract Negotiation – The Village of Glen Ellyn requires a minimum (3) person team to negotiate with firms. The team typically consists of the Village Manager, Village Attorney, and Professional Engineer, and/or other staff as deemed necessary by the Village Manager. Members of the negotiation team may delegate this responsibility to other staff members. The Village will attempt to negotiate an agreement with the most qualified firm. Should

11. Acceptable Costs – The Village of Glen Ellyn requires the Village Manager, or delegate, to review the contract costs and the indirect cost rates to assure they are compliant with Federal cost principles prior to submission to IDOT.

12. Invoice Processing – The Village of Glen Ellyn requires the Finance Director, or delegate, to review and approve all invoices prior to payment and submission to IDOT for reimbursement.

13. Project Administration – The Village of Glen Ellyn requires the Professional Engineer to monitor work on the project in accordance with the contract and to file reports with the Village Manager. The Village of Glen Ellyn procedures require an evaluation of the consultant's work at the end of each project. These reports are maintained in the Village of Glen Ellyn's project records. The Village of Glen Ellyn follows IDOT's requirements and the required submission of BLRS Form 05613 to the IDOT district at contract close-out along with the final invoice.

VILLAGE OF GLEN ELLYN

INVESTMENT POLICY

Revised 6-28-04
Updated 11-12-2013
Updated 8-24-2015
Updated 5-29-2018

1.0 **<u>Policy</u>:**

It is the policy of the Village of Glen Ellyn to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Village and conforming to all state statutes governing the investment of public funds.

2.0 **<u>Scope</u>:**

This investment policy applies to all financial assets of the Village of Glen Ellyn except for the Glen Ellyn Police Pension Fund which is subject to the direction of the Police Pension Board of Trustees. These funds are accounted for in the Village of Glen Ellyn's Comprehensive Annual Financial Report and include:

2.1 **Funds:**

The following funds are covered by this investment policy, plus any new funds that are created by the Village Board, unless specifically exempted by the Village Board or other authority.

- General Fund
- Corporate Reserve Fund
- Motor Fuel Tax Fund
- Central Business District TIF Fund
- Roosevelt Road TIF Fund
- Forfeiture Fund
- Fire Services Fund
- Debt Service Fund
- Capital Projects Fund
- Facilities Maintenance Reserve Fund
- Water and Sanitary Sewer Fund
- Parking Fund
- Residential Solid Waste Fund
- Village Links/Reserve 22 Fund
- Insurance Fund

- Equipment Services Fund

3.0 **Prudence:**

Investments shall be made with judgment and care - under circumstances then prevailing - which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital, as well as the probable income to be derived.

3.1 The standard of prudence to be used by investment officials shall be the "**prudent person**" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

4.0 **Objective:**

The primary objectives, in priority order, of the Village of Glen Ellyn investment activities shall be:

4.1 **Safety:**

Safety of principal is the foremost objective of the investment program. Investments of the Village of Glen Ellyn shall be undertaken in a manner that seeks to ensure the preservation of capital in the portfolio.

A. **Credit Risk:**

Credit risk is the risk of loss due to the failure of the security issuer or backer. Credit risk may be mitigated by:

- Limiting investments to the safest types of securities
- Pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisors with which an entity will do business, and
- Diversifying the investment portfolio so that potential losses on individual securities will be minimized.

B. **Interest Rate Risk:**

Interest rate risk is the risk that the market value of securities in the portfolio will fall due to changes in general interest rates. Interest rate risk may be mitigated by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and
- By investing operating funds primarily in shorter-term securities.

4.2 **Liquidity:**

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity).

4.3 **Return on Investments:**

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of least importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities should not be sold prior to maturity with the following exceptions:

1) a declining credit security could be sold early to minimize loss of principal; or

2) liquidity needs of the portfolio require that the security be sold.

4.5 **Investment Strategy/Philosophy:**

The Village's investment philosophy is passive. That is, notwithstanding the provisions of paragraph 4.3, once an investment instrument is purchased, it will generally be held until its maturity ("buy and hold"). Given this philosophy, the Village will endeavor to earn a rate of return which is commensurate with similar investments in the marketplace at the time the investment is purchased. It is not a function or objective of the Village's investment policy to speculate as to the possible direction of future interest rates or to actively buy and sell securities in response to market conditions or events.

5.0 **Delegation of Authority:**

Authority to manage the Village of Glen Ellyn's investment program is derived from the following:

The establishment of investment policies is the responsibility of the Village Board. Management and administrative responsibility for the investment program is hereby delegated to the Finance Director who, under the direction of the Village Manager, shall establish written procedures for the operation of the investment program consistent with this investment policy. Procedures should include references to: internal controls, compensating controls, safekeeping, delivery vs. payment, investment accounting, repurchase agreements, wire transfer agreements, collateral/depository agreements and banking service contracts where applicable. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the approved written procedures. The Finance Director shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate staff. The Finance Director, with the approval of the Village Manager and in consultation with the Finance Commission Investment Subcommittee (Section 13 and 17), may from time to time amend the written procedures in a manner not inconsistent with this policy, with state statutes, or other governing laws or rules.

The responsibility for investment activities of the Police Pension Fund rests with the Board of Trustees of the Police Pension Fund.

The Village Treasurer, appointed by the Village President with concurrence of Village Trustees, advises the Village Board on investment policy and is, by Illinois statute, an ex-officio member of the Police Pension Fund. By Village ordinance, the Finance Director is the Village Treasurer.

6.0 **<u>Ethics and Conflicts of Interest</u>:**

Officers and employees involved in the investment process shall abide by the terms established in the Village Ethics Ordinance (Title 1, Chapter 12 of the Village of Glen Ellyn Code of Ordinances), particularly, but not limited to, section 1-12-5, Conflicts of Interest. Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officers shall provide appropriate notification (as described in 1-12-5 (c) Notification) of “Financial Interests” or “Non Financial Interests” as defined in the Ethics Ordinance. They shall further provide appropriate notification of any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual/firm with whom business is conducted on behalf of the Village of Glen Ellyn.

7.0 **<u>Authorized Financial Dealers and Institutions</u>:**

The Finance Director will maintain a list of financial institutions authorized to provide investment services. In addition, a list will also be maintained of approved security broker/dealers selected by credit worthiness. These may include “primary” dealers or regional dealers that qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule). No public deposit shall be made except on qualified public depository as established by state statutes.

The Village Board authorizes the Finance Director to invest up to FDIC limits in any federally insured financial institution, subject to appropriate diversification (see section 11 of this policy). Fund splitting programs wherein investments in CDs, money market accounts, or other allowable investments are held by various participating banks as part of a larger umbrella corporation are allowed so long as FDIC insurance protection secures the full value of the Village’s investment.

All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the Finance Director with the following:

- audited financial statements
- proof of Financial Industry Regulatory Authority (FINRA) certification
- proof of state registration
- certification of having received and read the Village’s investment policy

- depository contracts

8.0 **<u>Authorized and Suitable Investments</u>:**

The Village may invest in any type of security authorized by the State of Illinois Public Funds Investment Act (30 ILCS 235/) regarding the investment of public funds. Approved investments include:

- Bonds, notes, certificates of indebtedness, treasury bills or other securities now or hereafter issued, which are guaranteed by the full faith and credit of the United States of America as to principal and interest.
- Bonds, notes, debentures, or other similar obligations of the United States of America or its agencies.
- Interest bearing savings accounts, interest bearing certificates of deposit or interest bearing time deposits or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act and which are insured by the Federal Deposit Insurance Corporation.
- Illinois Public Treasurer's Investment Pool (Illinois Funds)
- Illinois Municipal Investment Fund (IMET)
- Other local government investment pool, organized in accordance with state statute
- Short-term obligations of corporations (commercial paper) organized in the United States with assets exceeding $500 million and rated at the time of purchase at one of the three highest classifications established by at least two standard rating services. Investments must mature within 270 days from the date of purchase. Such purchase may not exceed 10% of the corporation's outstanding obligations and no more than 10% of the Village's funds may be invested in commercial paper.
- Short-term discount obligations of the Federal National Mortgage Association or in shares or other forms of securities legally by savings and loan associations incorporated under the laws of this state or any other state or under the laws of the United States. Investments may be made only in those savings and loan associations of which the shares, or investment certificates are insured by the Federal Deposit Insurance Corporation.
- Interest bearing bonds of any county, township, city, village, incorporated town, municipal corporation, or school district, of the State of Illinois, of any other state, or of any political subdivision or agency of the State of Illinois or of any other state, whether the interest earned thereon is taxable or tax-exempt under federal law. The bonds shall be registered in the name of the Village or held under a custodial agreement at a bank. The bonds shall be rated at the time of purchase within the 4 highest general classifications established by a rating service of nationally recognized expertise in rating bonds of states and their political subdivisions.

See section 11.1 Rebalancing for information on a regular review of the Village's investments.

9.0 **<u>Collateralization</u>:**

It is the policy of the Village of Glen Ellyn and in accordance with the GFOA's Recommended Practices on the Collateralization of Public Deposits (attachment 1), the Village requires that funds on deposit in excess of FDIC limits be secured by some form of collateral. The Village will accept any of the following assets as collateral:

- Government Securities
- Obligations of Federal Agencies
- Obligations of Federal Instrumentalities
- Obligations of the State of Illinois

The Village reserves the right to accept/reject any form of the above named securities.

The Village also requires that all depositories that hold Village deposits in excess of the FDIC limit must utilize and execute a collateral agreement which is of a form approved by the Village.

The amount of collateral provided will not be less than 110% of the fair market value of the net amount of public funds secured. The ratio of fair market value of collateral to the amount of funds secured will be reviewed monthly, and additional collateral will be required when the ratio declines below the level required and collateral will be released if the fair market value exceeds the required level. Pledged collateral will be held in safekeeping, by an independent third party depository, or the Federal Reserve Bank of Chicago, designated by the Village of Glen Ellyn and evidenced by a safekeeping agreement. Collateral agreements will preclude the release of the pledged assets without an authorized signature from the Village of Glen Ellyn. The Village of Glen Ellyn realizes that there is a cost factor involved with collateralization and the Village will pay any reasonable and customary fees related to collateralization.

10.0 **<u>Safekeeping and Custody</u>:**

All security transactions, including collateral for repurchase agreements, entered into by the Village of Glen Ellyn shall be conducted on a delivery-verses-payment (DVP) basis. Securities will be held by a third party custodian designated by the Finance Director and evidenced by safekeeping receipts.

11.0 **<u>Diversification and Rebalancing</u>:**

In order to reduce the risk of default, the investment portfolio of the Village of Glen Ellyn shall not exceed the following diversification limits unless specifically authorized by the Village Board:

- No financial institution shall hold more than 25% of the Village’s investment portfolio, exclusive of U.S. Treasury securities in safekeeping and public investment pools. This does not include custodial accounts, where a financial institution will hold individual securities that are in the Village’s name. Public investment pools, such as the Illinois Metropolitan Investment Fund and the Illinois Trust, may comprise up to 25% each of the Village’s investment portfolio. The Illinois Treasurer’s Investment Pool (the Illinois Funds), may comprise up to 75% of the Village’s investment portfolio.
- Monies deposited at a financial institution shall not exceed 15% of the capital stock and surplus of that institution.
- Commercial paper shall not exceed 10% of the Village’s investment portfolio.

11.1 **Rebalancing:**

On a quarterly basis, the investment portfolio shall be evaluated to determine if the investment mix should be rebalanced to achieve appropriate diversification. If the Village becomes aware of issues or concerns with a particular investment, the Village will take steps to address them in a timely manner, including ending the relationship or rebalancing the portfolio, or other action as appropriate.

At least annually, the Village will verify that each investment remains consistent with the Village's investment objectives. If one or more investments do not, or have changed its risk perspective, duration, or other factor that is not favorable to the Village or its portfolio, the Village will consider replacement of said investment, or rebalancing so the Village's overall portfolio remains consistent with this policy.

When the portfolio is rebalanced, efforts should be made to minimize negative effects that may occur from selling assets prior to maturity.

11.2 **Target diversification:**

The Finance Commission Investment Subcommittee will develop a target diversification. Changes to the target diversification may occur with the quarterly review of the investment portfolio, or more often if necessary. In an emergency situation, where the Village Staff believes there is significant risk by one financial institution or type of security, with both Village Manager and Finance Director approval, the Village may exceed these diversification limits, so long as the legal limits outlined by 30 ILCS 235 are not exceeded. In such an event, both the Village Board and Finance Commission shall be promptly notified of the event.

11.3 **Criteria for ending an investment relationship:**

The Village will objectively evaluate the performance of all investments within the portfolio. Each investment will be evaluated relative to its benchmark and peer investments in the order of the Village's investment objectives (section 4 of this policy) to determine if an investment should be retained or sold. Other considerations may include, but are not limited to, costs (or benefits) to liquidate versus hold, suitable replacement investment alternatives, portfolio diversification or rebalancing, change in credit rating or other credit risk factor, change in one or more risk factor, change in the investment's strategy or methodology, change in legal status or environment, customer service issues, among others.

12.0 **Maximum Maturities:**

To the extent possible, the Village of Glen Ellyn will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the Village will not directly invest in securities maturing more than five years from the date of purchase.

Reserve funds may be invested in securities exceeding five years if the maturity of such investments is made to coincide as nearly as practicable with the expected use of the funds. Any investment purchased with a maturity longer than five years must be supported with written documentation explaining the reason for the purchase and must be specifically approved by the Village Board.

13.0 **Internal Controls:**

The Finance Director, with the approval of the Village Manager, is responsible for establishing and maintaining an internal control structure designed to protect the assets of the Village of Glen Ellyn from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of the control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits require estimates and judgments by management.

Accordingly, the Finance Director shall establish a process for annual independent review by an external auditor to assure compliance with policies and procedures. The best controls prevent frauds from taking place. When that is not possible, compensating controls will be implemented to detect fraud. Internal controls and compensating controls will be documented as part of the written procedures (Section 5.0).

Internal controls, including, but not limited to, the following subject matters will be in place:

- Segregation of duties and clear delegation of authority,
- Multiple signers required for wire transfers,
- Bank reconciliations performed and reviewed on a monthly basis,
- Monitoring bank and investment activity by multiple individuals,
- Monthly balance sheet reports provided to and reviewed by department managers,
- Monitoring of collateral agreements and custodial safekeeping,
- Establishing new accounts, new wire transfers/ACH, and new investment relationships.

14.0 **Performance Standards:**

The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates. Portfolio performance should be compared to appropriate benchmarks on a regular basis.

14.1 **Market Yield (Benchmark):**

The Village's investment strategy is passive. Given this strategy, the basis used by the Finance Director to determine relative performance with comparable market yields shall be the three-month U.S. Treasury Bill. An additional benchmark of the average Illinois Funds rate will be utilized to track investment performance against the Village's liquid/short-term investment earnings.

15.0 **Reporting:**

The Finance Director shall prepare quarterly investment reports to the Village Manager, Village Board and Finance Commission that provide a clear picture of the status of the current investment portfolio. This management summary will be prepared in a manner which will allow the entity to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report will include the following:

- A listing of individual securities held at the end of the reporting period,
- Average weighted yield to maturity of portfolio on Village investments as compared to applicable benchmarks,
- Listing of investments by maturity date,
- The percentage of the total portfolio which each type of investment represents,
- The percentage of the total portfolio which each institution is holding,
- The percentage of the total portfolio broken down by defined maturity periods, and
- Principal and type of investment by fund.

Each month, the Finance Director will provide a report to the Village Manager, Village Board, and Finance Commission covering more basic investment reporting including asset value, investment rate of return, and investment income.

15.1 **Marking to Market:**

A statement of the market value of the portfolio shall be issued at least quarterly. Review should be consistent with the GFOA Recommended Practice on Mark-to-Market Practices for State and Local Government Investment Portfolios and Investment Pools (attachment 2).

16.0 **<u>Investment Policy Adoption</u>:**

The Village of Glen Ellyn's investment policy shall be adopted by resolution of the Village Board of Trustees. This policy shall be reviewed on an annual basis by the Finance Commission Investment Subcommittee and any modifications made thereto must be approved by the Village Board of Trustees.

17.0 **<u>Finance Commission Investment Subcommittee</u>:**

The Finance Commission Chair, with the advice and consent of the Village President, shall appoint two Finance Commission members to a Finance Commission Investment Subcommittee. This subcommittee will review and provide recommendations regarding the Village's investment portfolio, policies, practices, and reporting.

Appendix

Calendar of activity

Monthly

- Abbreviated investment reporting (section 15.0)
- Review collateral (9.0)

Quarterly

- Investment report (15.0)
- Marking to market (15.1)
- Review portfolio for rebalancing (11.1)
- Review target diversification (11.2)

Annually

- Detailed review of investments for continued compliance (11.1)
- Finance Commission Investment Subcommittee review investment policy (16.0)

Attachment 1

GFOA Best Practice
Collateralizing Public Deposits (1984, 1987, 1993, 2000, 2007, 2010) (TIM)

Background. The safety of public funds should be the foremost objective in public fund management. Collateralization of public deposits through the pledging of appropriate securities or other instruments (i.e. surety bonds or letters of credit) by depositories is an important safeguard for such deposits. The amount of pledged collateral is determined by a governmental entity's deposit level and the policy or legal required collateral margin. Some states have established programs for the pooling of collateral for deposit of public funds.

Federal law imposes certain limitations on collateral agreements between financial institutions and public entities in order to secure governmental entity deposits. Under certain circumstances, as are discussed in recommendations below, the Federal Deposit Insurance Corporation (FDIC) may void an otherwise perfected security interest and leave the governmental depositor. with only the right to share with other creditors in the pro rata distribution of the assets of a failed institution for the amount of deposits that exceed the FDIC coverage. Separate governmental "corporations" such as economic development corporations or water supply corporations, etc., do not fulfill the FDIC's definition of "public unit"[1] and therefore even accurately completed collateral definition may not be honored by the FDIC on a bankruptcy.

Recommendation. The Government Finance Officers Association (GFOA) recommends the use of a written agreement with pledging requirements as protection for state or local government's deposits. GFOA encourages governmental entities to establish adequate and efficient administrative systems to monitor such pledged collateral, including state or locally administered collateral pledging or collateral pools. To accomplish these goals, GFOA recommends the following:

1. Governmental entities should implement programs of prudent risk control. Such programs could include a formal depository risk policy, credit analysis, and use of fully secured investments. In the absence of a state program for pooling collateral, public entities should establish and implement collateralization procedures, including procedures to monitor their collateral positions. Monitoring informs a public entity of undercollateralization, which may threaten the safety of an entity's deposits, and overcollateralization, which may increase the cost of banking services. Governmental entities however can not and should not accept the liability for maintaining collateral levels which liability must fall to the financial institution.

2. Governmental entities/depositors should take all possible actions to comply with state and federal requirements in order to ensure that their security interests in collateral pledged to secure deposits are enforceable against the receiver of a failed financial institution. Federal law provides that a depositor's security agreement, which tends to diminish or defeat the interest of the FDIC in an asset acquired by it as receiver of an insured depository, shall not be valid against the FDIC unless the agreement:

- is in writing;
- was approved by the board of directors of the depository or its loan committee and[2]
- has been, continuously, from the time of its execution, an official record of the depository institution.[3]

3. Governmental entities should have all pledged collateral held at an independent third-party institution outside the holding company of their bank, and evidenced by a written agreement in an effort to satisfy the Uniform Commercial Code (UCC) requirement for control. The UCC states that the depositor does not have a perfected interest in a security unless the depositor controls it. Control means that swaps, sales, and transfers cannot occur without the depositor's written approval.

- The value of the pledged collateral should be marked to market monthly, or more frequently depending on the volatility of the collateral pledged. Some state statutes do dictate a minimum margin level for collateral based on deposit levels (e.g., Georgia and Minnesota statutes require 110 percent). If not, the margin levels should be at least 102 percent, depending on the liquidity and volatility of the collateral pledged. State statutes also govern whether minimum margin levels apply to principal only or to accrued interest as well. On a sale, accrued interest would be received. Governmental entities should review applicable state statutes and confirm compliance.
- Substitutions of collateral should meet the requirements of the collateral agreement, be approved, by the entity in writing prior to release, and the collateral should not be released until the replacement collateral has been received.
- The public entity should require reporting directly from the custodian. The custodian should warrant and be signatory to the agreement
- Reporting by the third party institution should at a minimum be monthly.

4. The pledge of collateral should comply with the investment policy or state statute, whichever is more restrictive. Governmental entities should know and understand securities pledged as collateral.

5. Governmental entities that use surety bonds in lieu of collateral should limit the insurers to those of the highest credit quality as determined by a nationally recognized insurance rating agency. A thorough review of the terms of the bond is required.

6. The governmental entity should thoroughly review the terms and conditions of any letters of credit, including those issued by a federal agency or government sponsored enterprise.

7. The governmental entity should establish and follow procedures for on-going review of collateral.

Note: As a result of the court case North Arkansas Medical Center v. Barrett, 963 F.2d 780 (8th Cir. 1992), the FDIC issued a policy statement in March 1993 indicating that it would not seek to void a security interest of a federal, state, or local public unit solely because the security agreement did not comply with the contemporaneous execution requirement set forth in Section 13(e) of the Federal Deposit Insurance Act 12 U.S.C.1823(e). The policy statement was officially enacted by Section 317 of the Riegle Community Development and Regulatory Improvement Act of 1994 (Public Law 103-325).

References:

- GFOA Sample Security Agreement (long and short versions), www.gfoa.org, 2009.
- GFOA Sample Custodial Trust Agreement, www.gfoa.org, 2006.
- An Introduction to Collateralizing Public Deposits for State and Local Governments, Second Edition, M. Corinne Larson, GFOA, 2006.

- *Investing Public Funds, Second Edition*, Girard Miller with M. Corinne Larson and W. Paul Zorn, GFOA, 1998.
- FDIC Act (12 U.S.C. 1811 et seq. and 12 C.F.R. Part 330.330.15 Public Unit Accounts (www.FDIC.gov)

Approved by the GFOA's Executive Board, October 23, 2007.

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[1]For deposit insurance purposes, the term "public unit" includes a state, county, municipality, or "political subdivision" thereof. Governments should review Section 330.15 of the FDIC's regulations (12 C.F.R. 330.15) to identify if they fall within the FDIC's definition of 'public unit' and to determine whether they are public entity qualifying for collateral protection under the definition. This information can be found at http://www.fdic.gov/deposit/deposits/FactSheet.html

[2]The FDIC does not require every transaction to be reviewed by the board of directors. The board may fulfill this function by setting parameters and authorizing a particular officer to carry out its wishes. The officer would be performing ministerial acts on behalf of the board. (FDIC Interpretive Letters)

[3]Corporate resolutions that list specific officers who are authorized by the board of directors to execute agreements securing public deposits will meet this requirement.

Attachment 2

BEST PRACTICE

Mark-to-Market Reporting Practices for State and Local Government Investment Portfolios (1995, 2000, 2003, 2005, and 2008) (TIM)

Background. Market risk is significant in public investment portfolios. Due to price volatility, valuing investments at their current price is necessary to provide a realistic measure of a portfolio's true liquidation value. Over time, reporting standards for state and local government investment portfolios have been enhanced so that investors, governing bodies, and the public remain informed of the current market value of the portfolio. Regular disclosure of the value of a governmental entity's investments is an important step to furthering taxpayer and market confidence in state and local government investment practices. The Governmental Accounting Standards Board (GASB) has also recognized the need to report investments at fair value at fiscal year end. Government officials should be aware of state, local, accounting, and rating agency requirements regarding mark to-market practices.

Recommendation. The Government Finance Officers Association (GFOA) recommends that state and local government officials responsible for investment portfolio reporting determine the market value of all securities in the portfolio on at least a quarterly basis. These values should be obtained from a reputable and independent source and disclosed to the governing body or other oversight body at least quarterly in a written report. The independent source of pricing should not be one of the parties to the transaction being valued and could include:

1. a broker or other financial institution who was not a counterparty to the transaction,
2. the custodial bank if the bank was not a counterparty to the transaction,
3. publicly available publications such as the Wall Street Journal, or
4. other pricing services for which a separate fee would be paid.

It is recommended that the written report include the market value, book value, and unrealized gain or loss of the securities in the portfolio.

If there is a significant event in the local or national economy that might affect the value of the portfolio, then a mid-term valuation of the portfolio should be conducted. Governments that employ a more active portfolio management style should consider more frequent marking to market and reporting.

References

- *GASB Statement 31 and Implementation Guide, Accounting and Financial Reporting for Certain Investment and for External Investment Pools*, March, 1997.
- *Investing Public Funds, Second Edition*, Girard Miller with M. Corinne Larson and W. Paul Zorn, GFOA, 1998.
- *Investment Procedures and Internal Controls Guideline*, GFOA, May 2003.
- *Elected Official's Guide Investing, Second Edition*, Sofia Anastopoulos, GFOA, 2007.

Approved by the GFOA's Executive Board, February 22, 2008.

EXHIBIT A: FUND BALANCE AND NET POSITION POLICY

1. Statement of Purpose:

It is the Village's philosophy to support long-term financial strategies, where fiscal sustainability is its first priority, while also building funds for future growth. It is essential to maintain adequate levels of funds balance/net position to mitigate current and future risks. Fund balance/net position levels are also crucial consideration in long-term financial planning. Credit rating agencies carefully monitor levels of fund balance/net position to evaluate the Village's continued creditworthiness.

Fund Balance (governmental funds) or Net Position (proprietary funds) provides for the operational stability of the Village of Glen Ellyn and provides the capacity to:

a) offset significant economic downturns or revenue shortfalls,
b) provide sufficient cash flow for daily financial needs,
c) maintain or improve the village's bond ratings, and
d) provide funds for unforeseen expenditures related to emergencies or opportunities.

2. Definitions

a. Fund Balance – The difference between assets, deferred outflows, liabilities, and deferred inflows in a governmental fund.
b. Nonspendable Fund Balance – the portion of a Governmental Fund's fund balances that are not available to be spent, either short term or long term, in either form (e.g. prepaid assets) or through legal restrictions.
c. Restricted Fund Balance – the portion of a governmental fund's fund balances that are subject to external enforceable legal restrictions as to what the fund balance can be spent on.
d. Committed Fund Balance – the portion of a governmental fund's fund balances with self-imposed constraints or limitations that have been placed by formal action at the highest level of decision making.
e. Assigned Fund Balance – the portion of a governmental fund's fund balances to denote an intended use of resources.
f. Unassigned Fund Balance – available spendable financial resources in a governmental fund that are not the object of tentative management plan (i.e. assignments).
g. Net Position – The difference between assets, deferred outflows and liabilities and deferred inflows in a proprietary fund, trust fund, or entity wide financial statements.

3. Desired Reserve Policies:

General Fund: Cash reserves of the General Fund should be maintained at thirty percent (30%) of the current year's budgeted operating expenditures (excluding debt and capital outlay expenditures). At any point should the unreserved balance reach above 40% at the low point of the year (April or May), an item shall be brought to the Village Board for action on the excess balance.

Water & Sanitary Sewer Fund: The Village will maintain $2,000,000 in cash reserves in the Water and Sanitary Sewer Fund for FY2011/12, increased annually by the 12-month change in the CPI-U (December before the beginning of the fiscal year) or 3%, whichever is less. [For FY18, the amount of required cash reserves will be $2,261,000.] Amounts held in the fund above the reserve policy limit are assigned for water and sewer capital projects.

Village Links/Reserve 22 Fund: The Village will maintain adequate cash reserves in the Village Links/Reserve 22 Fund, in an amount equal to or greater than 25% of the current year fund operating expense budget (excluding debt and capital).

Residential Solid Waste Fund: The Village will maintain adequate cash reserves in the Residential Solid Waste Fund, in an amount equal to or greater than 25% of the current year fund operating expense budget (excluding debt and capital).

Parking Fund: The Village will maintain adequate cash reserves in the Parking Fund, in an amount equal to or greater than 25% of the current year fund operating expense budget (excluding debt and capital).

4. Attaining and Maintaining Desired Reserve Levels:

Should the reserves in one or more funds fall below the benchmark established by this policy, the Village Manager will notify the Village Board in a timely manner and will develop and present to the Village Board as part of the annual budget a plan to return fund balance to the benchmark level within three (3) fiscal years.

5. Use of Fund Balance or Net Position:

The Village will spend the most restricted dollars before less restricted, in the following order:

1. Restricted
2. Committed
3. Assigned
4. Unassigned.

The Finance Director will determine if a portion of fund balance should be assigned and will document said assignment by a memorandum to the Village Manager and appropriate disclosure in the audited financial statements.

Note: In non-governmental funds, management may decide to "assign" funds for a specific purpose. This will be done as an internal budgeting procedure rather than as a formal accounting entry. Creating a governmental fund automatically assigns fund balance in that fund to the purpose of the fund.

Fund balance or net position should only be used or depleted in the following situations:

1. Revenue shortfalls result in an operating deficit.
2. Unforeseen material expenditures arise which cannot be avoided or delayed.
3. Excess fund balance exists and the village intentionally draws down on the balance to come into compliance with this policy.

VILLAGE OF GLEN ELLYN

POLICE PENSION FUNDING POLICY

Updated by the Village Board on 02-27-2017

1.0 Applicability

This policy applies to the calculation of the Village of Glen Ellyn's "annual required contribution" (ARC) to the Glen Ellyn Police Pension Fund, a police pension trust fund organized under Article III of the Illinois Pension Code.

2.0 Background

The financial objective of a defined benefit pension plan is to fund the long-term cost of benefits provided to the plan participants. In order to assure that the plan is financially sustainable, the plan should accumulate adequate resources in a systematic and disciplined manner over the active service life of benefitting employees. This funding policy outlines the method the Village will utilize to determine its actuarially determined contribution to the Glen Ellyn Police Pension Fund to fund the long-term cost of benefits to the plan participants and annuitants.

The Village believes that this funding policy meets the guidelines for state and local governments set by the Pension Funding Task Force convened by the Center for State and Local Government Excellence. The guidelines set by this task force outline the following objectives for pension funding policy:

- **Actuarially Determined Contributions.** A pension funding plan should be based upon an actuarially determined annual required contribution (ARC) that incorporates both the cost of benefits in the current year and the amortization of the plan's unfunded actuarial accrued liability.
- **Funding Discipline**. A commitment to make timely, actuarially determined contributions to the retirement system is needed to ensure that sufficient assets are available for all current and future retirees.
- **Intergenerational equity**. Annual contributions should be reasonably related to the expected and actual cost of each year of service so that the cost of employee benefits is paid by the generation of taxpayers who receives services from those employees.
- **Contributions as a stable percentage of payroll**. Contributions should be managed so that employer costs remain consistent as a percentage of payroll over time.
- **Accountability and transparency**. Clear reporting of pension funding should include an assessment of whether, how, and when the plan sponsor will ensure sufficient assets are available for all current and future retirees.

3.0 Policy

3.1 Village Annual Required Contribution (ARC)

The Village will determine its ARC to the Glen Ellyn Police Pension Fund using the following principles:

a. The ARC will be calculated by an enrolled actuary.
b. The ARC will include the normal cost for current service and amortization to collect or refund any under- or over-funded amount.
c. The normal cost will be calculated using the entry age normal level of percentage of payroll actuarial cost method using the following assumptions:
    i. The investment rate of return assumption will be 6.50% for the Calendar Year 2017 budget year.
    ii. The salary increase assumption will be 5.00% per year.
    iii. Non-economic assumptions, such as rates of separation, disability, retirement, mortality, etc., shall be determined by Village management in consultation with the actuary to reflect current experience.
d. The difference between the accrued liability and actuarial value of assets will be amortized to achieve 100% funding in 2040 (a 30 year closed period that began in 2011) based upon a level percentage of payroll.
e. Actuarial assets will be determined using market valuation.

The Village will make its actuarially determined contribution to the Glen Ellyn Police Pension Fund in two equal installments in or around June and September of each year.

3.2 Transparency and Reporting

Funding of the Glen Ellyn Police Pension Fund should be transparent to vested parties including plan participants, annuitants, the Glen Ellyn Police Pension Fund Board of Trustees, the Village Board, and Glen Ellyn residents. In order to achieve this transparency, the following information shall be distributed:

a. A copy of the annual actuarial valuation for the Glen Ellyn Police Pension Fund shall be made available to the Village Board and the Glen Ellyn Police Pension Fund Board of Trustees.
b. The Village's Comprehensive Annual Financial Report shall be published on its website. This report includes information on the Village's annual contribution to the Glen Ellyn Police Pension Fund, and funded status of the Glen Ellyn Police Pension Fund.
c. Each year, the Village Board shall approve the Village's annual contribution to the Glen Ellyn Police Pension Fund.
d. The Village's annual operating budget shall include the Village's contribution to the Glen Ellyn Police Pension Fund as well as a budget for the Glen Ellyn Police Pension Fund. The budget for the Glen Ellyn Police Pension Fund is controlled by the Glen Ellyn Police

Pension Fund Board of Trustees, in accordance with state law. The budget document shall be published on the Village website and made available for public inspection at the Civic Center and Glen Ellyn Public Library.

3.3 Review of Funding Policy

Funding a defined benefit pension plan requires a long-term horizon. Assumptions and inputs into the policy should focus on long-term trends, not year-to-year shifts in the economic or non-economic environments. Generally, assumptions or inputs should be evaluated and changed if long-term economic or noneconomic inputs have fundamentally changed or are no longer reasonable. As such, the Village will review this policy at least every five years to determine if changes to this policy are needed to ensure adequate resources are being accumulated in the Glen Ellyn Police Pension Fund. The Village reserves the right to make changes to this policy at any time if it is deemed appropriate.

Glen Ellyn Finance Commission
535 Duane Street
Glen Ellyn, IL 60137

Meeting 2/12/2021 7:00 AM
Department: Finance
Department Head:
Category: Other
Prepared By:

AGENDA ITEM (ID # 2021-892)

DOC ID: 2021-892

Economic Development Update

Statement of the Issue:

Analysis:

Budget Impact:

Action Requested:

Attachments:

Glen Ellyn Finance Commission
535 Duane Street
Glen Ellyn, IL 60137

Meeting 2/12/2021 7:00 AM
Department: Finance
Department Head:
Category: Reminder
Prepared By:

AGENDA ITEM (ID # 2021-893)

DOC ID: 2021-893

Next Meeting: Friday, March 12, 7:00 AM

Statement of the Issue:

Analysis:

Budget Impact:

Action Requested:

Attachments: