

CORPORATE RESERVE FUND

1. **Loan Repayment – DMMC: (\$4,000)** Projected FY10/11 revenue represents the 9th of 20 annual principal repayments on the Village’s FY00/01 \$125,000 loan to the DuPage Mayors and Managers Conference. Annual repayments are due to the Village on May 1st of each year and include interest at the Illinois Funds average monthly rate.

2. **Loan Repayment – Park District: (\$100,000)** In FY00/01, the Village extended a \$1,000,000, 10 year, interest-free loan to the Glen Ellyn Park District to assist in the demolition of the Maryknoll buildings. Ordinance 5124 adopted January 13, 2003 modified the previous loan payment schedule of one \$100,000 payment due each December from 2001 to 2010. The following table represents the revised loan payment schedule:

| Payment <u>No.</u> | <u>Fiscal</u> <u>Year</u> | <u>Due</u> <u>Date</u> | <u>Payment</u> <u>Amount</u> | |
|-----------------------|------------------------------|---------------------------|---------------------------------|--------|
| 1 | FY01/02 | Dec, 2001 | \$100,000 | (paid) |
| 2 | FY02/03 | Dec, 2002 | 100,000 | (paid) |
| | FY03/04 | | 0 | |
| | FY04/05 | | 0 | |
| | FY05/06 | | 0 | |
| 3 | FY06/07 | Dec, 2006 | 100,000 | (paid) |
| 4 | FY07/08 | Dec, 2007 | 100,000 | (paid) |
| 5 | FY08/09 | Dec, 2008 | 100,000 | (paid) |
| 6 | FY09/10 | Dec, 2009 | 100,000 | (paid) |
| 7 | FY10/11 | Dec, 2010 | 100,000 | |
| 8 | FY11/12 | Dec, 2011 | 100,000 | |
| 9 | FY12/13 | Dec, 2012 | 100,000 | |
| 10 | FY13/14 | Dec, 2013 | 100,000 | |
| | Total | | \$1,000,000 | |

3. **Interest Income: (\$5,000)** Beginning in FY10/11, a change in policy is proposed with respect to the treatment of interest earned on Corporate Reserve Fund balances. Beginning in FY91/92, the Village Board made a policy decision to transfer interest earnings of Corporate Reserve Fund balances to the General Fund as a means of capping growth in reserve fund balances. Now that much of the Village’s reserve funds have been depleted, we recommend rescinding the prior policy directive so that we can begin the process of slowly reestablishing reserves over time. This will be considered along with the update of a number of other financial policies during FY10/11.

4. **Glen Ellyn Historical Society (800 N. Main): (\$0)** - In November of 2002, the Village purchased the property located at 800 N. Main Street at a cost of \$1,050,000 for the use of the Glen Ellyn Historical Society. The Historical Society paid to the Village \$325,000 of the purchase price and entered into an agreement to reimburse the remaining \$725,000 as "rent" to the Village each year over a 5 year period with interest at the average Illinois Funds rate. It was further agreed that rental income received by the Village from other tenants in the building would be credited against the annual payment required by the Historical Society.

As of December, 2007, the Historical Society has completed their repayment obligation on the purchase of this property.

5. **Rental Income – 800 N. Main St. (\$0)** - Rental income generated from tenants occupying the 800 N. Main St. property is to be applied against repayments due from the Historical Society. At present, there are no commercial tenants occupying the 800 N. Main Street property.
6. **Glen Ellyn Historical Society (810-816 N. Main): (\$60,000)** In December, 2005, the Village Board approved the purchase of 810-816 N. Main Street, located north of the 800 N. Main History Center property, at a cost of \$1,200,000. Acquisition of this property, which occurred in March, 2006, furthers the long-term goal of the Glen Ellyn Historical Society and the Village 2001 Comprehensive Plan by expanding the existing Stacy's Museum site into a larger History Center and park on the west side of Main Street.

All purchase costs paid by the Village will be reimbursed by the Historical Society through an annual repayment schedule. As with the 800 N. Main property, reimbursements due the Village will be reduced by rental income generated by existing tenants on the property. A payment of \$60,000 from the Historical Society is projected for FY10/11 after applying estimated rental income.

7. **Rental Income – 810-816 N. Main: (\$40,000)** Approximately \$40,000 will be generated annually from residential and commercial leases at this property. This will be applied against the outstanding balance due from the Historical Society for the purchase of the 810-816 and 820 N. Main Street properties.
8. **Rental Income – 553 Geneva Road: (\$0)** This property, which is adjacent to Stacy's Tavern Museum, was purchased in FY06/07 for \$300,000 using proceeds received from the Historical Society through an anonymous donor. It was previously leased to produce rental income but has been determined to be untenable in its current condition, with the costs of rehabilitation outweighing potential future rental income. The structure on this property has no defined future benefit to the proposed History Park.

9. **Glen Ellyn Historical Society (820 N. Main): (\$40,000)** The Village acquired this property, located at the southwest corner of Geneva Road and Main Street, through the use of its eminent domain powers. The Village took possession of the property in January, 2008 at a final net cost of \$463,100. A grant received by the State of Illinois in the amount of \$100,000 was applied against the purchase price.

The Historical Society will reimburse the Village the net purchase price, plus the costs of acquisition over a multi-year schedule with the first repayment scheduled for FY10/11.

10. **IFT - Transfer From General Fund – Fire: (\$46,000)** In FY08/09, Corporate Reserve Fund balances were transferred to the Equipment Services Fund to finance the purchase of two new ambulance units resulting from a change in the manner in which the Village has provided this service. This is the first of five planned reimbursements from the General Fund Fire Department budget to repay the original base cost of the units back to the Corporate Reserve Fund. Additional contributions will be made from the General Fund Fire Department budget to the Equipment Services Fund for the eventual replacement of the current units purchased in 2009.

11. **IMRF Early Retirement Incentive Program Repayment: (FY08/09 Actual - \$392,520)** During FY08/09, the Village paid the final installment of its obligation under an early retirement incentive program offered in 2006 through the Illinois Municipal Retirement Fund (IMRF). This program was offered as a means of further reducing staffing costs through the elimination of positions in the Public Works Department and by rehiring replacement staff at lower pay rates.

The Corporate Reserve Fund paid the General Fund portion of the total \$747,000 remaining liability with additional contributions provided from enterprise funds (Water and Sanitary Sewer and Recreation Funds) and the Glen Ellyn Public Library and Glenbard Wastewater Authority which jointly participate in IMRF with the Village. The early payment of this liability provided an estimated net present value savings to the Village of approximately \$200,000 as opposed to financing this liability over a 10 year period through increased IMRF contribution rates.

12. **Pickwick Place Sales Tax Rebate: (FY08/09 Actual - \$11,046)** This payment completed the Village's obligation under a sales tax rebate agreement with the property owners of the Pickwick Place shopping center.

13. **Real Estate Purchases: (FY07/08 Actual - \$466,647)** Most of this line item

represents the cost of purchasing the property at 820 N. Main Street for future use of the Historical Society in development of the planned History Park.

14. **Transfer to Capital Projects Fund: (FY07/08 Actual - \$2,500,000)** A transfer was made to the Capital Projects Fund to bridge a funding gap in the FY07/08 Capital Improvement Plan. These funds were originally transferred into the Corporate Reserve Fund from prior year General Fund surplus amounts. As these funds originated from general operating revenues, their transfer and allocation to the Capital Projects Fund to complete public infrastructure improvements is an appropriate use.