

**Village of Glen Ellyn  
Budget  
FY2013/14**

Adopted April 22, 2013

**Elected Officials**

Mark Pfefferman, Village President

Trustees

Peter E. Cooper     Peter F. Ladesic  
Carl L. Henninger     Diane McGinley  
Phillip Hartweg     Robert Friedberg

Patti Underhill, Acting Village Clerk

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Staci Hulseberg, Director of Planning and Development  
Philip Norton, Police Chief  
Matt Pekarek, Director of Recreation  
Kevin Wachtel, Finance Director  
Christina Coyle, Assistant Finance Director

*Cover photo taken by Olyvia Chinchilla as part of the Village's Fall, 2012, photography contest*



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
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**Village of Glen Ellyn  
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For the Fiscal Year Beginning

**May 1, 2012**

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The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the Village of Glen Ellyn, Illinois for the Annual Budget beginning May 1, 2012. In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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April 30, 2013

Honorable President Pfefferman and Village Board of Trustees  
Village of Glen Ellyn

**Subject: Budget Transmittal for Fiscal Year 2013/14**

### **Introduction**

Transmitted with this letter is the adopted budget of the Village of Glen Ellyn for fiscal year 2013/14, which runs from May 1, 2013 through April 30, 2014. This document presents a comprehensive look at major financial and non-financial goals and priorities for the Village both from a near-term as well as a long-range perspective. This document, in many ways, acts as the corporate plan for the Village over the next year.

This financial road map for the coming fiscal year is the culmination of months of planning and prioritizing, which began last fall. During this process, we spent considerable time shaping and refining the budget plan to meet the community's demand for high quality services while delivering these services in an efficient and economical manner. Prior to final adoption on April 22, 2013, the budget was the subject of several public meetings including a formal public hearing conducted on April 8, 2013.

### **Budget Policies, Priorities and Issues**

The budget process begins with a fundamental review of budget policies. The midpoint of the budget year is typically when the Village Board and management discuss and reaffirm the financial policies and priorities of the Board as we approach the budget process, which begins in earnest in December. Village Board directed management to proceed with the budget process under the following guidelines:

- **Balanced budget** – The General Fund must be balanced, whereas other funds might be out-of-balance based on capital investment and timing of projects, provided we follow the long-range capital plans.
- **Cash reserve levels for all funds** – Maintain the same cash reserve policy. The General Fund policy is 26% of operating expenditures for FY13/14, increasing by one percentage point per year up to 35%. Water and Sewer fund cash reserve policy will increase to \$2.095M with a 1.7% CPI increase. For certain other funds, the policy calls for cash reserves of at least 25% of operating costs.

- Home rule sales tax annual review – The annual review will continue, but spending categories have been eliminated.
- CIP funding philosophy – property tax levy – Continue funding capital projects with reallocated property tax levy.
- Special service areas for economic development – Rate will remain the same at 12.5 cents per \$100 of EAV.
- Community grant funding level – Keep funding level at \$30,000, but devote \$5,000 to the 4<sup>th</sup> of July Committee, leaving for a new community grant total of \$25,000.
- Pension actuary assumptions – After careful deliberation and input from the Finance Commission and Police Pension Board, the Village Board set the assumption for long term investment returns at 7.25% (down from 7.5%) and salary increases at 5.0% (down from 6.0%).
- Comprehensive capital improvement plan (CIP) – The Village developed a 10-year project and funding plan (some projects are unscheduled and unfunded.) The next five years are presented in this budget document.
- Facilities plan – We have incorporated a 20-year Facilities Plan as part of the 10-year capital plan, and management recommended funding from the General Fund at \$75,000 in FY13/14. The Village Board asked to increase funding, so the budgeted contribution for FY13/14 will be \$100,000.
- Water and sewer rates – In response to increased rates from the City of Chicago and DuPage Water Commission, the Village formulated a multi-year plan to cover the increased costs, maintain our facilities and infrastructure and build cash reserves to an appropriate level. Our rate plan calls for 9.5% total rate increases in 2013, 2014 and 2015, at which time the rates will be well positioned for future costs, but will not be higher than necessary.

The principal issues facing Glen Ellyn in the development of the FY13/14 budget were:

1. Continued stagnation in a number of key revenues including sales taxes, home rule sale taxes, utility taxes, and investment income. Although the economy apparently has hit the low point, these revenues continue to lag their peaks from 2007 to 2009. State income tax and franchise fees performed better than expected, which offset these stagnant revenues sources.
2. Planning for current and future year unfunded expense mandates, particularly escalating pension funding costs in response to unprecedented investment losses in prior years. While investment returns of these pension systems have rebounded to some degree in the last two years, this continues to be an area of long-term concern. Even with the Village making all required contributions, total pension costs and

unfunded liabilities have grown in recent years. Without changes, costs and liabilities are projected to grow. We are working with other communities to find long term affordable funding solutions without impacting Village services.

3. Continuing a focus on the efficient delivery of core Village services to the community in light of revenue constraints.
4. Identification of new revenues, as appropriate, to ensure maintenance of core Village services and appropriate cash reserve levels. Just over a year ago, the Village Board reviewed cash reserve goals and adjusted policies such as the Water and Sewer Fund reserve fund, which was set at \$2M, indexed to the lesser of inflation or 3%.
5. The creation of a 10-year capital plan that was accepted by the Village Board in November 2012. This document plans for the timely replacement and rehabilitation of the Village's expansive network of infrastructure assets including facilities, streets, non-roadway assets such as sidewalk, stormwater improvements, parking, and water/sewer needs. A 20-year facility plan was updated and incorporated into this 10-year capital plan.
6. A four-year Police Union Contract was finalized which will stabilize personnel costs for the next few years. This, along with our second year of below market insurance cost increases, has allowed us to beat the five year forecast projections.

### **Funds and Fund Structure**

The accounts of the Village are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that make up its assets, liabilities, fund equity, revenues and expenditures/expenses. Resources are allocated to and accounted for in individual funds based on the purposes for which they are to be spent and the means by which spending activities are controlled. The FY13/14 budget is composed of 14 individual funds, each of which can be classified into one of four categories: governmental funds, enterprise funds, internal service funds, and fiduciary funds. All Village funds are subject to appropriation and all budgeted funds are included in the audited financial statements.

1. **Governmental Funds** are generally used to account for functions that are principally supported by taxes and intergovernmental revenues. We typically associate these functions with the core services provided to the general public at large including items such as public safety, roadway and storm sewer maintenance and replacement (and other public works related services), and general administration (including administration, finance, building and zoning). The FY13/14 budget includes 7 governmental funds:

- General Fund
- Corporate Reserve Fund
- Motor Fuel Tax Fund
- Central Business District Tax Increment Financing Fund
- Debt Service Fund
- Capital Projects Fund
- Facilities Maintenance Reserve Fund

2. **Enterprise Funds** are used to report functions, which are intended to recover most or all of its costs through the imposition of user fees and charges. These funds are accounted for in a manner much similar to private-sector businesses. The FY13/14 budget includes 4 enterprise funds:

- Water and Sewer Fund
- Parking Fund
- Residential Solid Waste Fund
- Recreation Fund

3. **Internal Service Funds** are an accounting mechanism designed to accumulate and allocate costs internally among other Village funds and other government customers. Revenues of internal service funds consist primarily of transfers in from other funds to accumulate financial resources to pay for items which benefit those funds. For example, the Village maintains an Insurance Fund to pay the costs of its employee health benefits plan and to provide liability and workers compensation insurance coverage. Each department/fund pays into the Insurance Fund, as an internal transfer, an amount calculated to provide coverage for its employees and its general insurance risk and experience. The FY13/14 budget includes 2 internal service funds:

- Insurance Fund
- Equipment Services Fund

4. **Fiduciary Funds** are used to account for resources accumulated for the benefit of parties outside of the primary Village government. The Village maintains one fiduciary fund, the Police Pension Fund. The structure and rules of the Police Pension Fund is established by state statute, and the fund is overseen by the Police Pension Board of Trustees to collect and invest resources to pay the retirement benefits of Glen Ellyn police officers. These resources are accumulated through salary deductions made by police officers, investment income generated from the Police Pension Fund's portfolio of investments, and an annual contribution made by the Village based on an actuarial study. These assets are held in trust for the sole benefit of retired Glen Ellyn police officers and are not available for use by the Village.

- Police Pension Fund

## **Budget Summary**

- **Total adopted budget** (net of interfund transfers) is \$48.1 million, about \$5.6 million less than the FY12/13 revised budget (a 10.4% decrease).
- The FY13/14 proposed budget projects an overall net deficit of about \$1.6 million overall. This is due to a planned use of savings to fund \$13.4 million in our capital programs.
- **Village operations** make up 76% of the total budget for FY13/14. Operating costs typically are associated with the provision of day-to-day basic Village services. This includes all staffing costs, various contract and consulting services, the purchase of a number of materials and commodities, and expenditures related to the maintenance of Village owned assets and rights of way. Some examples of Village operating expenditures/expenses include:
  - Police and fire protection
  - Purchase of Lake Michigan water
  - Economic development
  - Volunteer Fire Company support
  - Golf course maintenance
  - Street sweeping
  - Tree planting, maintenance, removal
  - Parking facilities
  - Employment benefits
  - Police and fire dispatch services
  - Treatment of sanitary sewage by the Glenbard Wastewater Authority
  - Weekly garbage pick-up
  - General, liability, property and workers compensation insurance
  - Snow and ice control
  - Water and sewer system maintenance
  - Pavement patching, line striping, and roadway signage
  - Ambulance service
  - Retirement benefits administration (Police Pension Fund)
- **The total authorized staff level** for the Village will be 101 full time employees which has decreased slightly in FY13/14 (from 102 in FY12/13.) The removal of four long-term vacant Police Officer positions from the tabulation was offset by one new Police Officer position (funded by forfeiture funds), the addition of a Culinary Manager at the Village Links, and a new Water Plant Operator in Public Works. This follows staff reductions, both voluntary and involuntary, over the past four years in which the Village's full time equivalent (FTE) employees have fallen from about 184 to 159.
- **Personnel costs**, including retirement and health benefit contributions, make up 27% of total budgeted expenditures/expenses for FY13/14.
- **Pension costs** for FY13/14 are budgeted to increase by 6.0% Village-wide, including a 12.5% increase in Social Security / Medicare, an 8.2% increase in IMRF, and a 1.1% increase in Police Pension contributions. Over time, more financial resources will be

diverted away from other services so that we can meet our required pension obligations. The Village is statutorily required to participate in (and make actuarially determined contributions to) the Glen Ellyn Police Pension Fund for sworn police officers, and the Illinois Municipal Retirement Fund for all other employees working more than 1,000 hours per year. The Village moderated the actuarial assumptions used to calculate the FY13/14 employer contributions to the Police Pension Fund as previously discussed.

- **Total capital investment** for FY13/14 is lower than the FY12/13 revised budget due primarily to two large projects. The renovation of the Village Links clubhouse and driving range and reconstruction of Hawthorne Road began in 2012. This year, we are planning to spend \$13.4M in capital, including \$5.1M on the street program, and another \$5.0M on water and sewer infrastructure.

### **General Fund**

The General Fund includes the day-to-day expenditures of operating the Village of Glen Ellyn and therefore is the primary discussion topic during budget reviews. As with other municipalities, the General Fund is dominated by the largest departments of Police and Public Works as well as providing services to the Volunteer Fire Company including ambulance services (when totaled, these three departments make up 73% of General Fund expenditures). The expenditures in our General Fund are dominated by salaries, pensions, and benefits (63%).

The Village of Glen Ellyn has a diverse revenue stream; however, much of the revenue base is derived from sales and home rule sales taxes, income tax, and property taxes (64%). The Village continues to proactively seek economic development opportunities to increase sales tax revenues and sees some improvements with the overall economy that could positively impact future budgets. However, the State of Illinois continues to mismanage its finances and this has a potential to impact local governments. Management will continue to monitor this situation closely and take action through the DuPage Mayors and Managers Conference (DMMC) and Illinois Municipal League (IML) as necessary.

Listed below are the most significant elements impacting the Village’s General Fund budget for our FY13/14.

- The General Fund pays most of the day-to-day operating costs of the Village and makes up 30% of the total expenditure budget.
- The adopted General Fund budget includes a \$6,425 surplus with \$16,894,100 in revenues and \$16,887,675 in expenditures. Below is a comparison of the revised FY12/13 budget compared to the adopted FY13/14 budget.

	<b>FY2012/13 Budget</b>	<b>FY2013/14 Budget</b>	<b>Difference</b>	<b>Percent Change</b>
<b>Revenues*</b>	\$16,401	\$16,894	\$493	3.0%
<b>Expenditures*</b>	\$16,380	\$16,888	\$508	3.1%
<b>Net*</b>	\$21	\$6	(\$15)	

*\*In thousands*

- The General Fund budget required a number of cuts in order to bring it into balance with projected revenues. At the time we developed our first revenue estimates and received our initial budget submissions from department directors, the preliminary General Fund budget was out of balance by approximately \$385,000. By working with departments to decrease budgets and reviewing revenues, this budget gap was eliminated.
- Personnel costs included in the draft budget include a 1% General Wage Adjustment (GWA) and a 2% merit increase for those employees not already at the top of the range. In addition, the Village had a very good year in terms of health insurance and we are able to budget renewal rates of 2.1% for PPO and 2.9% for HMO for the 2013/14 year. The Village joined an insurance pool four years ago and over time, we have seen some positive trends in terms of costs.
- To meet the goal set by the Village Board last fall, this budget does transfer \$100,000 to the Facilities Maintenance Reserve Fund for FY13/14. This fund pays for significant rehabilitations of municipally owned buildings and components. After three years without contributions, this will be the second year that we are able to transfer additional funds to this important cause.

### **Capital Projects Fund**

- The Capital Projects Fund is now receiving \$2.7 million in property tax revenue previously utilized for debt service payments and now used to support our capital program. This is following the Capital Improvements Commission's 2008 recommendation and Village Board approved decision to transition to a pay-as-you-go program over the next several years as our remaining infrastructure debt is paid off.
- Other key revenues in this Fund, primarily utility taxes, are showing little sign of growth and will likely continue to remain stable at best. Real estate transfer taxes are rebounding, with a 47% increase in budgeted revenue.
- The FY13/14 budget includes a comprehensive 10-year capital improvement plan that will enable us to better plan and fund important infrastructure and facility improvements. The 13/14 FY budget includes a number of critical improvement projects and the five-year CIP summarizes what projects are scheduled and funded over the next few years. Some projects are planned, but not funded including the Duane/Lorraine Parking Lot, downtown viaduct and pedestrian tunnel projects, and major facility improvements identified in the space needs analysis.

### **Water and Sanitary Sewer Fund**

- With the exception of the dry weather in 2012, water consumption continues to decline; costs are projected to increase for both purchasing water from the DuPage Water Commission and for wastewater treatment by the Glenbard Wastewater Authority. Following sizeable rate increases from the City of Chicago, the DuPage Water Commission raised its rate on water by 30%. On January 1, 2014 and 2015, the Village's cost for water will increase 18%, and 17% respectively. This brings the total increase for the Village's cost of water from 2011 to 2015 to 115%.
- The Water/Sewer Fund continues to include capital replacement of infrastructure assets. This capital investment is closely correlated to the level of street infrastructure improvements funded through the Capital Projects Fund.
- Effective January 1, 2014, total water and sewer consumption rates are scheduled to increase by a total of 9.5%. In recent years, the water and sewer rates have been adjusted in response to the significant water cost increases from the DuPage Water Commission, while restoring cash reserves. The multi-year rate plan includes a moderated, yet healthy cash reserve, and positions the fund well to adequately maintain our infrastructure, with appropriate rates to avoid large spikes in the future.

### **Residential Solid Waste Fund**

The Village Board approved a new Residential Solid Waste Program with Republic Services (Allied Waste). The contract went into effect on August 1, 2012. In addition to these continued services, the contract also offers a new leaf sticker for \$1.50 providing a reduced rate each October and November. As part of the new contract, refuse rates were adjusted starting in August 2012. Rates for these services include a base rate for refuse and recycling removal, and supplemental costs for other program services such as branch and brush, clean sweep and administration. The supplemental fees beginning with the August bill also included a new allocation for the replacement of refuse and recycling totes, a revised administrative cost, and a recycling *credit*. As an incentive to continue to recycle, the Village will now be providing a monthly credit to each account based on recycling revenues received by the Village in the previous year. From August 2012 through July 2013, this credit is \$2.15 per month. This credit will be adjusted on an annual basis depending on the level of recycling and revenues received by the Village.

### **Recreation Fund**

Construction is nearly completed to expand the Village Links Golf Course clubhouse. Improvements will include a new bar, dining room, banquet room, patio overlooking the 18th green and new restrooms. The driving range will be enlarged and two replacement practice putting greens will be added. Completion of these improvements is expected in June/July 2013. This exciting Links project will open the door to increased banquet and outing activities, provide a more upscale ambience for golfers and visitors alike and will further raise the profile of Glen Ellyn in the Chicago area golfing community.

The Recreation Fund has been modified to account for the completion of the new facility and operational changes necessary for the hospitality enhancements. A new Culinary Manager position was created and additional staffing has been incorporated into this year's budget increasing overall expenditures. Revenues are expected to increase substantially due to the facility improvements. Given the ongoing construction and its impact on the bottom line, the budget reflects a projected overall net \$181,000 shortfall for this year. This is better than the original estimate \$372,000 shortfall in CY 2013 included in the 10 year plan. In many ways this is a transition year for the new facility and the real test will come in FY14/15 when the facility will have its first year in full operation.

## **Strategic Planning**

The Village of Glen Ellyn Village Leadership worked through a strategic planning process in the fall of 2011. The plan consisted of three separate take home exercises, two leadership retreats, and much follow-up to complete a preliminary strategic plan. The goal of this process was to develop a series of strategic issues and corresponding goals and objectives that the Village Board and staff can refer to when determining an appropriate course of action for the Village over the next few years.

In undertaking this planning effort, the Village Board committed itself to an assessment of the strategic issues that affect the progress of the village. A strategic plan provides a vision and mission for the community, identifies the strategic issues that impact the achievement of that vision, and then sets goals and objectives for addressing those issues. The following strategic issues were identified as follows:

**STRATEGIC ISSUE #1: How do we commit to a Village-wide philosophy of quality customer service?**

**STRATEGIC ISSUE #2: How do we maintain and improve our infrastructure?**

**STRATEGIC ISSUE #3: How do we enhance partnerships with intergovernmental groups?**

**STRATEGIC ISSUE #4: How do we recruit and retain quality businesses?**

**STRATEGIC ISSUE #5: How do we best implement the goals of the approved downtown plan?**

**STRATEGIC ISSUE #6: How do we capitalize on our greatest resource, employees?**

**STRATEGIC ISSUE #7: How are we going to provide services in a new revenue environment?**

The corresponding goals are attached, along with a dashboard summary of accomplishments over the last two years. We continue to work on these goals and will conduct a Village Board retreat/strategic planning session with the newly elected Village Board in the first quarter of FY13/14 to develop goals for the next two years.

## **Economic Factors and Looking Ahead**

Over the past 5 years, the local, national and world economies have suffered dramatically. There are indicators that the local economy is rebounding with accelerating home sales (still well below peak levels) and stable non-vehicle sales tax and home rule sales tax revenues. In 2009, the Village established a Finance Commission, made up of resident experts in various fields relating to business and government finance. The Finance Commission has spearheaded efforts to compare Glen Ellyn to area peer communities (Financial Scorecard) and has developed a five year forecast (updated in November, 2012, using FY2012/13 projected financial data, included in the appendix of this document.) These planning and comparison tools have helped guide local policy decisions and have highlighted the need for a significant emphasis on economic development to shore up our revenue base.

The Village has responded in many ways, including traditional approaches to lower staffing levels and use available new revenue sources (such as the home rule sales tax) to maintain appropriate levels of service. While some economic indicators are not as strong as we would hope, there are signs of an economic recovery. In Illinois, the state-wide income tax revenues appear to be on the rebound. We have seen an increase in real estate transfer tax revenue, but housing prices remain lower than their peak in 2008.

The Village has increased its focus on economic development. A new tax increment financing district has been established in the central business district and the potential for another TIF District on Roosevelt Road is being considered. We have hired an economic development coordinator, and are aggressively pursuing redevelopment projects along Roosevelt Road, our critical commercial corridor. In addition, the downtown continues to be one of Glen Ellyn's best assets and the downtown continues to be rejuvenated with new retail and restaurant uses and a decrease in overall vacancies by 8% over last year.

The five year forecast provided projections for all government funds to assess the impact of tax supported funds as a whole. Tax supported operations (excluding capital and debt) are projected to see total deficits over 5 years of about \$3.8 million. Our updated capital improvement plan has aligned our long term spending with projected available revenues. Our key long term concerns remain that our key operating cost drivers, particularly personnel and employee benefits, are growing at a faster rate than our total revenues.

These five year projections are concerning, but we have proved to be agile enough to avoid any long term deficits in the past. In fact, preliminary results of FY12/13 show a surplus of more than \$1M in the General Fund. A thorough five-year forecast exercise ensures that the Village is looking long term and provides advance warning of financial concerns arise and adapt to these conditions.

## **Conclusion**

There are signs of the economy rebounding, but these signs are tempered by continued high unemployment and stagnant retail market. Furthermore, the State of Illinois is confronting one of the largest budget deficits of any state in the country. Given these factors, balancing the level of services and appropriate funding is always difficult but was even more difficult in recent years. The Village takes a collaborative approach to budget development. Management begins with a thorough analysis of revenues which provides the foundation for discussions on what expenses the Village can undertake. The Village continues to have the lowest number of full time employees of any community in DuPage County and strives to find ways to control costs without negatively impacting the overall quality of services.

Recession concerns aside, Glen Ellyn enjoys some special advantages. We have a very talented and resourceful community with substantial assets. Glen Ellyn is geographically located with access to robust transportation opportunities: the interstate expressway system, Chicago

airports, and train access. The tax base is diversified with no one major industry or employer dominating the Village's tax base. Our goal is to help maintain the community's advantages while protecting its public assets. Even with a solid base and wonderful achievements of the past, we must confront new challenges. The staff has been and will continue to diligently pursue the most economical uses of the Village's valuable but limited resources.

The development of the fiscal year 2013-14 budget could not take place without the commitment and cooperation of many Village employees. Many management employees actively participate in developing and reviewing budget information which leads to an award-winning budget document for each of the past several years. Many thanks go out to these employees for their cooperation and sincere diligence in looking at ways to reduce expenditures, and at the same time provide the highest quality of services to the residents and businesses of Glen Ellyn.

I would also like to thank the Village Board for their responsible and progressive manner in which it conducts the fiscal affairs of the Village. Difficult budget decisions are made each year during the budget process, but those decisions are critical in that they provide a game plan for what level of municipal service the Village can provide. The understanding, cooperation and resourcefulness of everyone helped to strengthen this year's budget process. We look forward to working with the Village Board in implementing the initiatives outlined in this budget.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mark Franz", written in a cursive style.

Mark Franz  
Village Manager

# GLEN ELLYN- 4TH QUARTER

## DASHBOARD OF VILLAGE GOALS

(Completed or On Target)

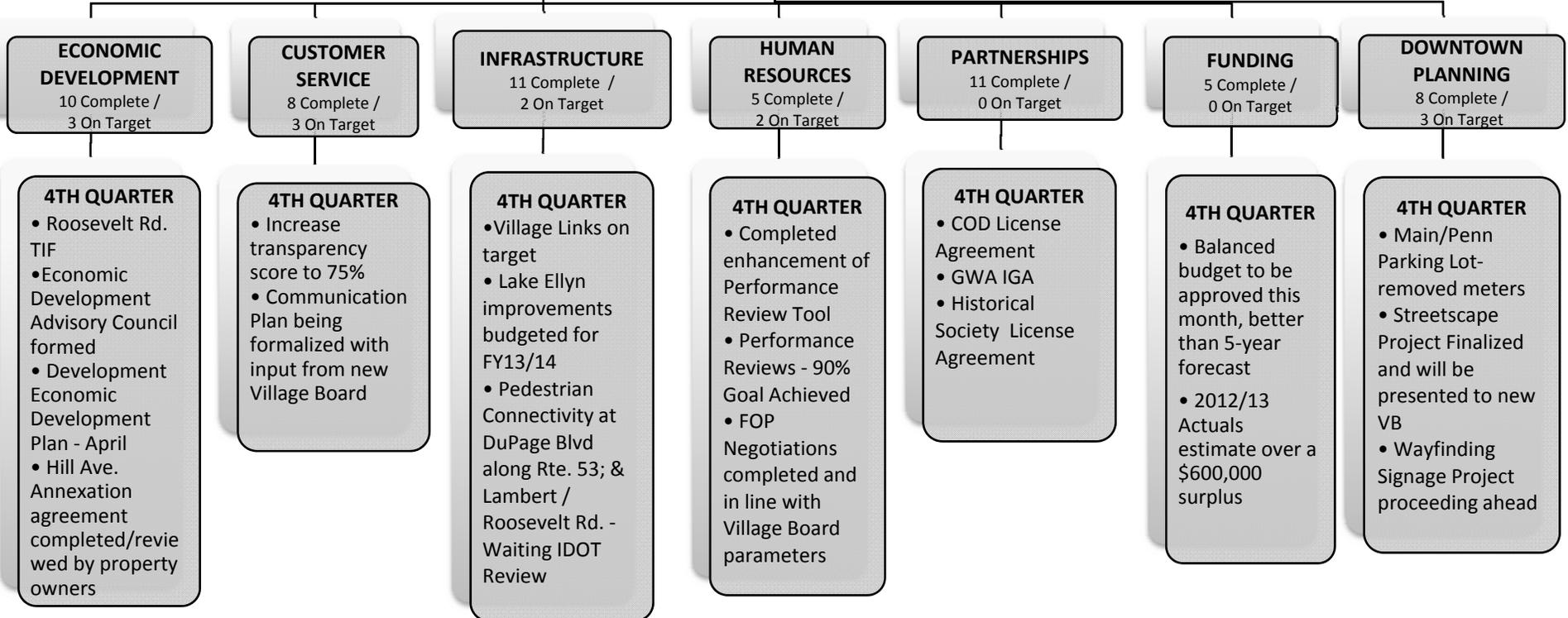
- Discussed at Monthly Management Meetings
- Discussed at Quarterly Supervisor Meetings
- Included in Senior Management Performance Reviews

**Total CIP Projects = 42**

34 Completed or in process (80.5%)  
 6 Delayed, but in process (14.5%)  
 2 non completed and in question (5%)

**Total Goals = 73**

58 Completed (79%)  
 13 On Target (18%)  
 2 Not Completed (3%)



## VILLAGE MISSION VISION GOALS

**Key**

On Schedule / Completed

Not Started / Concerned About Progress

Off Track

Outside of GE Management Control

### Economic Development

Goals	Type	Started	On track	Complete	Comments	Dept.
Evaluate possibility of Roosevelt Road TIF by conducting feasibility report and workshop with Village Board by November 1, 2012	S			X	Reviewing proposals from consultants; proceed with eligibility study	Admin (VM/K. Schrader)
Develop RFP for 825 N. Main and implement redevelopment plan by April 1, 2013	I		May/June	On Target	RFP completed, hired consultant, reviewed analysis, negotiating with developer, developer struggling with financing (Waiting on Developer)	Plan/Devel
Execute plan for redevelopment of one parcel in Roosevelt Road commercial district by April 1, 2013	I			X	Oberweis project approved. Completed.	Plan/Devel
• Develop an Economic Development Plan by April 1, 2013	H		May	On Target	Developing a strategic plan based on Downtown Plan, Comp Plan, and EDC strategic planning (ED Council to review in April)	ED
• Target areas for economic development	I		Ongoing	X	Developed opportunity sites through commercial districts; targeting grocery store in downtown, working with list of desired retailers for downtown developer(s) and Roosevelt Glen developer	ED
• A marketing plan for economic development	I		Ongoing	X	Marketing plan being developed with Alliance and downtown, pending funding question; joined CVB with community partners; monitor these initiatives and enhance in the future	ED
• A policy for growth and redevelopment to attract developers in a strategic way	I		Ongoing	X	Using downtown plan, Village comprehensive plan and TIF districts to attract developers to most critical sites including Fresh Market, Roosevelt Glen, 825 Main, and downtown sites	ED
Economic Development Incentive Guidelines including those for TIF and general development	I			X	Completed	ED
Develop a plan to streamline development approvals and reviews, permits, and business opening process in the Village by May 1, 2013	H			X	Start 9/15/12; The Committee will be meeting in April to finalize recommendations	Plan/Devel
Establish related volunteer committee by October 1, 2012	I			X	Task Force was created and has provided some early direction, need to set up next meeting	

## VILLAGE MISSION VISION GOALS

**Key**

On Schedule / Completed   
 Not Started / Concerned About Progress

Off Track   
 Outside of GE Management Control

**Supplemental Goals**

Establish economic development advisory counsel by November 1, 2012	I			X	Council has met	ED
Village Links generates an annual operating profit large enough to cover all debt service and \$100,000 in capital expenditures starting this fiscal year by May 1, 2013 and thereafter.	I		Ongoing	X	Met this goal in CY12; compared budget with 10-year forecast and on target to beat the 10-year forecast	Village Links
Secure three commercial property annexation agreements by May 1, 2013	H		May	On target	SD89 Building, Theater Guild, = complete; Finalized Hill Ave. Business Park and sent to owners on April 10; waiting for response	Plan/Devel

**TOTAL COMPLETE/ON TARGET=TOTAL: 10/3=13**

**Types of Goals:**

- S: Strategic/Planning
- H: Historic-Initiated, but Not Completed
- I: Impact-Tactical, High Impact, Low Complexity Goals

## VILLAGE MISSION VISION GOALS

**Key**

On Schedule / Completed
Not Started / Concerned About Progress

Off Track
Outside of GE Management Control

### Customer Service

Goals	Type	Started	On track	Complete	Comments	Dept.
Increase community safety by completing ordinances to enhance enforcement efforts in necessary areas by January 1, 2013.	S		June	On target	Drafting a hotel ordinance that would allow management to inspect more rigorously; delayed an extra month due to business owner review.	Plan/Devel
Pilot Village inquiry tracking system in Public Works by January 1, 2013 and track results	I			X	Cartegraph was installed in PW, Munis Self Service being developed, tracking progress	IT
Develop system where by all customers are contacted by the village within two business days with an acknowledgment of their request (automatic response email or return phone call) and possible resolution date by October 1, 2012.	I			X	Department Heads & customer service training addressed this service request system implemented in PW	Admin (K Schrader)
Implement quarterly financial projection/forecast for end of fiscal year by November 1, 2012	I			X	Will add a similar feature for other funds for next quarter	Finance
Increase the Village's Illinois Policy Institute transparency score to a minimum of 75 by January 1, 2013	I			X	Self-Assessment 75% -- Complete	Admin (K Schrader) / Finance
<b>Supplemental Goals</b>						
Promote and present Village goals publicly by September 1, 2012	S			X	Website - Complete	Admin
Increase the customer convenience and interactivity and functionality of the Village website by April 1, 2013. (Taret date was adjusted in December)	I		7/1/13	On target	On Target-Working with consultant on template (2-month process) then implement info into design by 7/1/13	Admin (K Schrader)
Implement positive customer service training for all village employees by May 1, 2013	I			X	Principles of Service policy to be completed by December 1. Customer Service training was completed.	Admin (D Izzo)
Resolve Board Meeting video issues by December 1, 2012	H			X	Completed	Admin (K Schrader)
Create communication plan including best use of Village communication resources (GETV, website, print material, eNews, social media, radio station) by February 1, 2013	H		April	On target	Social Media admin order drafted; next step is order for Emergency Comm.	Admin (K Schrader)
Complete Emergency Operations Plan and conduct a bi-annual simulation exercise by May 1, 2013	H			X	Complete in November 2012	Admin (VM) and PD

**TOTAL COMPLETE/ON TARGET=TOTAL: 8/3=11**

## VILLAGE MISSION VISION GOALS

**Key**

On Schedule / Completed  
 Not Started / Concerned About Progress

Off Track  
 Outside of GE Management Control

### Infrastructure

Goals	Type	Started	On track	Complete	Comments	Dept.
<b>Major Project:</b> Consolidate the Village's long-term capital plans/major maintenance items into a single 20-year schedule including repair, replacement and future development projects and estimated costs by November 1, 2012. <u>(Include GEVFC and Village Links.)</u>	S			X	Completed	Admin (VM)
<b>Major Project:</b> Complete extensive Village Links renovation by Spring, 2013 by meeting set milestones as published.	H		5/31/13	On target	(Budget will be met, opening date somewhat tenuous.) Approved by Village Board, tracking value engineering and overall costs, as well as closely overseeing construction project	Rec
<b>Major Project:</b> With Park District, complete analysis, plan and begin implementation of Lake Ellyn and Riford channel improvements to significantly <u>reduce flooding in that area by January 1, 2013</u>	H			X	Plan was finalized, discussed w/VB & Park District in January, budgeted for 13/14	PW
<b>Be good stewards of Village-owned property</b> Complete Civic Center space needs study and incorporate recommended actions in the CIP by November 1, 2012	S			X	Ongoing - Close to Target	Admin (VM) and PD
Engineer solutions to pedestrian connectivity issues between DuPage Blvd and Nicoll Way along Route 53 & Lambert by May 1, 2013.	S			X	Engineering complete, IDOT reviewing, budgeting improvements in FY13/14 budget	PW
Reopen the Village Arboretum and repair Panfish Park by December 1, 2012 <u>(complete punch list)</u>	I			X	Completed	PW/Rec
Complete native plantings in Manor Woods per annual schedule (200 plants) by September 1, 2012	I			X	Completed - Ongoing	Rec
<u>Open Village Bike Route by April 1, 2013</u>	I			X	Making signs (60)	PW
<u>Test Village Attraction Signage at north and south gateways and along Roosevelt Road by December 1, 2012</u>	I			X	Completed	PW
<u>Enhance Village sidewalk policy by September 1, 2012</u>	I			X	Completed	PW
Develop and promote a community cost-share program for tree public tree replacement by October 1, 2012	I			X	Completed	PW
<b>Supplemental Goals</b> Invest in sanitary sewer improvements to reduce inflow and infiltration throughout the Village including sewer lining and other areas of identified <u>concern by April 1, 2013.</u>	S		Ongoing	X	Completed & ongoing as part of CIP	PW
Complete Sign Code by March 1, 2013	H		June	On Target	Reviewed and being updated to present to ARC; invite Historical Commission, legal review is ongoing	Plan/Devel

**TOTAL COMPLETE/ON TARGET=TOTAL: 11/2=13**

## VILLAGE MISSION VISION GOALS

**Key**

On Schedule / Completed
Not Started / Concerned About Progress

Off Track
Outside of GE Management Control

### Human Resources

Goals	Type	Started	On track	Complete	Comments	Dept.
Implement changes recommended by Salary Survey by July 30, 2012	S			X	Completed	Admin (VM)
<b>Major Project:</b> Begin negotiating a Fraternal Order of Police contract with agreed upon parameters set by the Village Board by December 1, 2012	S			X	Establishing parameters with VB in November, negotiations are ongoing	Admin (VM)
Ensure 95% of Village Employee Performance Evaluations are completed within two weeks of anniversary date by April 1, 2013	I		Ongoing	On target	Estimated at 90%, 5% away from the goal, will also be evaluating shift to Jan.1 Evaluation Period	Admin (VM)
Improve the timing and efficiency of Village Management presentations at public meetings as measured by Village Manager and Board feedback by April 1, 2013	I		Ongoing	X	Need to be concise, overly prepared, and ready to answer questions. Need to work with the VB to get questions/concerns before meeting if possible.	Admin (VM)
<b>Supplemental Goals</b>						
Complete the enhancement of Village employee performance evaluation instrument by January 1, 2013	I		4/15/13	On target	Decided to use existing process and modify format, delayed based on feedback by VB to modify evaluation schedule.	Admin (VM)
Move Village Manager performance evaluation and incentive calculation to April 2012 to align with fiscal year	I			X	Completed	Admin (VM)
Move Village Commission terms to expire at the end of May to align with fiscal year and elected official terms	I			X	Completed	Admin (VM)

**TOTAL COMPLETE/ON TARGET=TOTAL: 5/2=7**

## VILLAGE MISSION VISION GOALS

**Key**

On Schedule / Completed

Not Started / Concerned About Progress

Off Track

Outside of GE Management Control

### Partnerships

Goals	Type	Started	On track	Complete	Comments	Dept.
Complete intergovernmental agreement with DuPage County and College of DuPage by June 1, 2012	S			X	Completed	Plan/Devel
<b>Ensure long-term viability of the Glen Ellyn Volunteer Fire Company by:</b>						
Implementing Fire Special Service Areas	I			X	Completed	Finance
Fully prosecuting alleged theft (ongoing)	I			X	Completed	Admin (VM) and VFC
Making public career benefit by August 1, 2012	I			X	Completed	Admin (VM) and VFC
Evaluate joining the Fire Alliance and make recommendation by December 1, 2012	I			X	Temporarily on hold; due to new Fire Chief, this is formally on hold, but have continued to enhance communications, training, and general cooperation w/adjacent communities	Admin (VM) and VFC
Completing an intergovernmental agreement with the Fire Company which outlines specific responsibilities of the Village and the GEVFC by April 1, 2013	I				Reviewed agreement, GEFVC has not responded	Admin (VM) and VFC
Redefine partnership goal regarding purchasing and/or expense elimination through collaboration, insourcing or outsourcing by January 1, 2013	I		Ongoing	X	Management is fully behind initiative, collaborating with other communities to joint purchasing and RFP projects	Admin (VM) and Finance
Complete intergovernmental agreement (boundary) with Lombard by June 1, 2012	I			X	Completed; Also will complete the Lisle Boudary agreement in April 2013	Plan/Devel
Resolve outstanding items, including lift station and billing, with College of DuPage by January 1, 2013	I			X	Lift station work is complete, other issues are not likely to be resolved. Billing and project issues are resolved. Lift station license agreement approved, need to finalize	Admin (VM)
Complete intergovernmental agreement with the Glen Ellyn Historical Society for History Park maintenance and operations by October 1, 2012	H		4/8/13	X	This project has been delayed due to HS having a change in leadership	Admin (VM)
Complete an agreement with Chamber of Commerce for use of 810 N. Main by June 1, 2012	I			X	Agreement approved, work to begin this fall on building	Admin (VM)
Complete Glenbard Wastewater Authority agreement regarding cost share and proposed IGA amendments by April 1, 2013	H		4/15/13	X	Continue to work with GWA Management and Lombard on these issues (Lombard has requested that this matter be held)	Admin (VM)

**TOTAL COMPLETE/ON TARGET=TOTAL: 11/0=12**

## VILLAGE MISSION VISION GOALS

**Key**

On Schedule / Completed   
 Not Started / Concerned About Progress

Off Track   
 Outside of GE Management Control

### Funding

Goals	Type	Started	On track	Complete	Comments	Dept.
<b>Help to resolve long term funding challenges</b>						
Hold annual pre-budget workshops by November 1, 2012 with agenda discussed at April 2012 workshop including Five-year Forecast and Capital Improvements Plan	I			X	Completed	VM and Finance
Achieve annual incremental tax (sales and/or property) revenue over organic growth projected in five year forecast by May 1, 2013	I				Did not meet sales/property tax goal, but did exceed revenue projections of 5-year plan with income tax & franchise fee increases	VM and Finance
Complete necessary steps to implement Electrical Aggregation by May 1, 2013	I			X	Referendum approved, Plan of Governance was approved	Admin (VM)
Partner with Glenbard Wastewater Authority and others as applicable on all related bids to seek cost and time efficiencies for fiscal year 2013	I		Ongoing	X	Discussed progress at November workshop, these initiatives will continue	PW and Finance
Keep Administrative Expenses in Solid Waste Fund to \$1.25 or less per customer per month for fiscal year 2013 by implementing eBill and/or other cost-saving measures	I			X	Including software purchase and training for electronic billing, online payments, and other customer service enhancements (Likely \$1.35)	Finance

**Supplemental Goals**

Secure at least three grants for fiscal year 2013	I		Ongoing	X	Complete: Road projects, sidewalk at the Links, reforestation	Admin (VM)
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**TOTAL COMPLETE/ON TARGET=TOTAL: 5/0=6**

## VILLAGE MISSION VISION GOALS

**Key**

On Schedule / Completed
Not Started / Concerned About Progress

Off Track
Outside of GE Management Control

### Downtown Plan

Goals	Type	Started	On track	Complete	Comments	Dept.
<b>As a result of the downtown traffic study</b>						
Add diagonal parking spaces to the 500 block of Duane Street by July 1, 2012	I			X	Completed	Public Works
Eliminate customer confusion over use of the Main/Pennsylvania lot by November 1, 2012	I			X	Working on a plan, meeting with the Alliance in January/OUTLINE	PD
Explore options to add parking spaces to the commercial block of Main, Crescent, Forest and Pennsylvania and make recommendations by April 1, 2013	I		4/22/13	On target	Need to add street parking to parking map, and evaluate other options as part of streetscape study?	PD/PW
Purchase Duane Street parcel and design and budget for new parking lot by May 1, 2013	S			X	Engineering proposals being reviewed and will be included in 13/14 budget	Public Works
Conduct downtown streetscape and parking analysis with grant money and review results by February 1, 2013	I		5/1/13	On target	Steering Committee 4/10/13 Draft to Board 5/10/13 Workshop 5/20/13	Plan/Devel
Assist Alliance in establishing new branding program with kiosk and banners in downtown by July 1, 2012	I			X	Completed	Plan/Devel
Designate downtown as a historical district by April 1, 2013	H		9/1/13	On target	Hired consultant and proceeding ahead, but needed to modify date to September 2013; workshop on 4/22/13	Admin
Replace appropriate benches, sidewalks and fencing by December 1, 2012	H			X	Completed	PW

**Supplemental Goals**

Evaluate funding options and work with Metra/Union Pacific to advance the development of a pedestrian tunnel by February 1, 2013	S			X	This will be a long process, budget feasibility study in 13/14FY	Admin (VM) and PW
Complete punchlist of downtown "mini-refresh" including plantings and evaluation of Prairie Path vegetation by December 1, 2012	I			X	Final Item: Install fence by train station in spring	Public Works
Complete a Village wayfinding RFP, including downtown, by April 1, 2013	H			X	Approved, plan to be finalized by 7/1/13	Plan/Devel

**TOTAL COMPLETE/ON TARGET=TOTAL: 8/3=11**

# Village of Glen Ellyn

## Financial Policies

The annual budget is built upon a series of basic financial policies and guiding principles as established by the Village Board and Management. Although these policies are fundamental in nature, they have contributed significantly to the historical financial strength of the Village and demonstrate the Village's ongoing commitment to being a responsible steward of the public's finances.

These policies have served the Village well, not just in good economic times, but particularly in periods of sustained economic downturn and uncertainty. Adherence to these principles help to maintain a position that ensures the Village is able to deliver uninterrupted basic government services on both a near-term and long-term basis. Further, well established and thoughtful policy development contribute toward ensuring services are delivered in a cost-effective manner, maintaining a well-diversified community and economic base, and distributing the cost of government fairly across those it serves.

### A. General

The Village of Glen Ellyn embraces a tradition of sound financial management in the conduct of its financial affairs. The annual Village budget is founded on a set of fundamental policies and principles which contribute toward maintaining an organization with a strong financial condition and a proactive approach to serving the needs of its residents.

### B. Budget

1. A balanced budget shall be defined (at each individual fund level) as a budget where projected revenues are equal to budgeted expenditures within the current fiscal period. The adopted budget, on an individual fund basis, may or may not be balanced, depending on the availability and appropriateness of utilizing cash reserves. Use of cash reserves are generally determined to be acceptable for one-time or capital expenditures after minimum reserve levels are observed.
2. The Village shall publish an annual budget which serves as a communications tool which demonstrates the government's accountability for the sources and uses of public funds. Expansive narrative discussion should be included to communicate the organization's policies and objectives as well as detailed descriptions of revenue and expenditure line items. The budget should also serve as an operations guide to assist personnel in the responsible management and application of Village resources.
3. The Village desires to annually participate in the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Awards Program.

# Village of Glen Ellyn

## Financial Policies

4. The Village shall approach the annual budget process in a spirit of openness which encourages public information and participation. To that end, the annual budget shall be provided in its entirety on the Village's web-site, and the Village will annually exceed statutory requirements for public discussion and deliberation on the budget.
5. Interim financial reports shall be distributed and reviewed with the Village Board on at least a quarterly basis which track actual experience against budgeted revenues and expenditures in the current fiscal period.

### C. Revenue

1. The Village endeavors to maintain a diverse and stable revenue base to protect operations from short-term fluctuations in any one revenue source. The mix of various revenues employed will include both elastic and inelastic revenue sources to minimize to the extent possible the effects of economic downturn.
2. The Village will employ, where appropriate, various available economic development incentive tools, which will add to long-term revenue stability and growth.
3. The Village will monitor changes in key revenues on, at a minimum, a quarterly basis, and report on significant changes in collections or emerging trends.
4. The Village will oppose State and/or Federal legislation that would result in unfunded expense mandates to units of local government without providing for compensating authority to increase available revenues to offset such mandates.
5. Village enterprise funds (e.g. Water and Sanitary Sewer, Recreation, Parking, Residential Solid Waste) shall have fees set in such a manner which fully support all direct and indirect (depreciation of capital) costs associated with providing the service.
6. The Village will avoid the use of one-time or otherwise intermittent revenues to support continuing operating expenses.
7. The Village will explore to the extent practicable the award of various local, State and/or Federal grants to support one-time capital or non-recurring expenditures. Consideration of grant opportunities shall include an evaluation of required local matching funds and possible on-going operating costs associated with accepting grant funding.

# Village of Glen Ellyn

## Financial Policies

### D. Expenditure

1. The Village shall maintain a level of expenditures which will provide for the public well being and the safety of the residents of the community.
2. The Village shall pay for current operating expenses from available operating revenues where possible.
3. The Village should avoid budget practices which balance current costs at the expense or detriment of future years, such as deferring or postponing necessary expenses.
4. The Village should avoid the implementation of new programs or services without the identification of a dedicated revenue stream to pay for them.
5. The Village annual budget shall provide a systematic approach for the replacement of municipal equipment and facilities which includes funding replacement of these assets over their anticipated useful life.
6. The Village shall provide for the responsible and timely funding of required employee pension plans.
7. The Village shall prepare a long-term financial forecast for the systematic replacement of its public infrastructure assets.

### E. Debt Administration

1. It is the objective of the Village's debt policies that:
  - a. The Village will issue debt only when necessary.
  - b. The process of identifying the amount and timing of debt issuance is conducted as efficiently as possible, and
  - c. The most favorable interest rate and other costs be obtained
2. The Village will seek the assistance and expertise of a qualified Financial Advisor when considering debt issuance. Selection of a Financial Advisor may be achieved through a request for proposals process.
3. Long-term debt obligations will be used to finance significant capital projects or improvements, not for operational purposes.
4. The duration of long-term debt obligations will not extend beyond the anticipated useful life of the projects financed.

# Village of Glen Ellyn

## Financial Policies

5. Level or declining debt service shall be employed unless operational matters dictate otherwise, or unless to achieve overall level debt service considering other outstanding obligations.
6. The Village shall be mindful of the potential benefits of bank qualification and will strive to limit its annual issuances of debt to \$10 million or less when such estimated benefits are greater than exceeding the benefits of exceeding the bank qualification limit.
7. When feasible and economical, obligations shall be issued through competitive versus negotiated sale. When circumstances dictate that a negotiated issuance take place, the reasons for such action shall be disclosed in a public meeting.
8. The criteria to select an underwriter in a competitive sale shall be the true interest cost.
9. The Village shall consider refunding debt whenever an analysis indicates the potential for present value savings in excess of 2% of the principal being refunded.
10. The Village shall strive to conduct its financial affairs in a manner which would maintain or improve its bond rating.
11. When a general obligation bond is issued, the Village will receive a rating from at least one national rating agency.
12. The Village will fully comply with all continuing disclosure requirements as established by SEC Rule 15c2-12 and shall upon completion of each year's audited financial statements, submit required continuing disclosures to all Nationally Recognized Municipal Information Repositories (NRMSIRs) and to any required State Information Depositories (SIDs).

### F. Reserve Policy

#### Definitions

Fund Balance – the difference between assets and liabilities in a Governmental Fund.

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 (e.g., endowments).

# Village of Glen Ellyn

## Financial Policies

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.

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.

Assigned Fund Balance - the portion of a Governmental Fund's fund balances to denote an intended use of resources.

Unassigned Fund Balance - available expendable financial resources in a governmental fund that are not the object of tentative management plan (i.e. assignments). (Only in the General Fund, unless negative.)

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.

1. The Village will maintain adequate cash reserves (unassigned fund balance) in its operating funds (General Fund) in an amount equal to or greater than 25% of the current year fund operating expense budget (excluding capital) for FY2012/13. In following years, the target amount of cash reserves will increase by 1 percentage point growing to 35% of current year fund operating expense budget (excluding capital). [26% for FY13/14]

Adequate reserve balances are maintained to:

- a. offset unexpected changes in operating revenues,
  - b. provide sufficient cash flow for daily transaction volumes, and
  - c. provide a buffer for unexpected or emergency expenditures.
- 
2. The Village will spend the most restricted dollars before less restricted, in the following order:
    1. Restricted,
    2. Committed,
    3. Assigned,
    4. Unassigned.

# Village of Glen Ellyn

## Financial Policies

3. 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.
4. ENTERPRISE FUNDS CASH RESERVES:
  - a. 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. [The 12 month change in the CPI-U for December 2012 was 1.7%. For FY2013/14, the amount of required cash reserves will be \$2,095,000.]
  - b. The Village will maintain adequate cash reserves in the Parking Fund, Residential Solid Waste Fund, and Recreation Fund in an amount equal to or greater than 25% of the current year fund operating expense budget (excluding capital) for FY2012/13. In following years, the target amount of cash reserves will increase by 1 percentage point growing to 35% of current year fund operating expense budget (excluding capital). [26% for FY13/14]

### G. Cash Management

1. The Village shall 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. In order to maximize interest earnings, the Village comingles the cash of all funds (excluding those legally required to be kept separate – e.g. Police Pension Fund). Interest revenue derived from comingled cash accounts is allocated to the participating funds monthly based on the relative cash balance of each fund.
3. Criteria for investment of funds, in the order of priority are as follows:
  - a. **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.
  - b. The investment portfolio shall remain sufficiently **liquid** to meet all operating requirements that may be reasonably anticipated.

# Village of Glen Ellyn

## Financial Policies

- c. 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.

### H. Accounting, Auditing and Financial Reporting

1. The Village shall establish and maintain a high standard of accounting practices in conformance with Generally Accepted Accounting Principles (GAAP) for governmental entities as promulgated by the Governmental Accounting Standards Board (GASB).
2. The Village shall select a qualified firm of Certified Public Accountants to perform an annual audit in accordance with Generally Accepted Auditing Standards (GAAS) and issue an opinion on the financial statements.
3. The Village shall annually prepare a Comprehensive Annual Financial Report (CAFR) and submit it to the Government Finance Officers Association (GFOA) for consideration of a Certificate of Achievement for Excellence in Financial Reporting award.
4. The Village will utilize the modified accrual basis of accounting for its governmental funds (general, special revenue, capital projects and debt service funds). Revenues are recognized in the accounting period in which they become measurable and available. Expenditures are recognized in the accounting period in which the liability is incurred.
5. The Village will utilize the accrual basis of accounting for its proprietary funds (enterprise and internal service funds). Revenues are recognized in the accounting period in which they are earned. Expenses are recognized in the accounting period in which the liability is incurred.