

# *Village of Carol Stream*

## **BOARD MEETING AGENDA OCTOBER 2, 2017 7:30 P.M.**

*All matters on the Agenda may be discussed, amended and acted upon*

### **A. ROLL CALL AND PLEDGE OF ALLEGIANCE:**

### **B. MINUTES:**

1. Approval of Minutes of the September 18, 2017 Special Workshop.
2. Approval of Minutes of the September 18, 2017 Village Board Meeting.

### **C. LISTENING POST:**

1. Proclamation Designating October 8<sup>th</sup>-14<sup>th</sup> Fire Prevention Week.
2. Proclamation Designating October Community Planning Month.
3. Proclamation Designating October Breast Cancer Awareness Month.
4. Proclamation Designating October National Arts & Humanities Month.
5. Addresses from Audience (3 Minutes).

### **D. PUBLIC HEARINGS:**

### **E. SELECTION OF CONSENT AGENDA:**

***If you are here for an item, which is added to the consent agenda and approved, the Village Board has acted favorably on your request.***

### **F. BOARD AND COMMISSION REPORTS:**

### **G. OLD BUSINESS:**

### **H. STAFF REPORTS AND RECOMMENDATIONS:**

1. Investment Policy Update. *Recommendation to approve updates to the Village's Investment Policy that provides guidance in the investment of public funds to account for changes in Illinois Statutes, investment parameters and industry best practices.*

# Village of Carol Stream

## BOARD MEETING

### AGENDA

OCTOBER 2, 2017

7:30 P.M.

*All matters on the Agenda may be discussed, amended and acted upon*

#### **I. ORDINANCES:**

1. Ordinance No. 2017-10-\_\_\_\_ Amending Chapter 11, Article 2 of the Carol Stream Code of Ordinances by Decreasing the Number of Class P Liquor Licenses from 7 to 6 (Shanper Inc. d/b/a 7-Eleven, 865 E. Geneva Road). *Staff recommends reducing the Class P Liquor License by one due to the closure of 7-Eleven located at 865 E. Geneva Road.*
2. Ordinance No. 2017-10-\_\_\_\_ Amending Chapter 8, Articles 5 and 6 of the Carol Stream Traffic Code-Traffic Schedules (Speed Limits and Parking Prohibited). *Staff recommends approval of these traffic code amendments to improve the safety of pedestrians and drivers near Carol Stream School.*
3. Ordinance No. 2017-10-\_\_\_\_ Amending Chapter 11, Article 2 of the Carol Stream Code of Ordinances by Decreasing the Number of Class A Liquor Licenses from 12 to 11 (The Sabo Group Inc. d/b/a Flip Flops Tiki Bar & Grill, 1022 Fountain View Drive) and Increasing the number of Class A Liquor Licenses from 11 to 12 (Puzzled Minds Management Group, LLC d/b/a JT's Corner Tap & Eatery, 1022 Fountain View Drive). *Ordinance reflects reducing the Class A liquor license for Flip Flops Tiki Bar & Grill and increasing the Class A liquor license for JT's Corner Tap & Eatery located at 1022 Fountain View Drive.*
4. Ordinance No. 2017-10-\_\_\_\_ Amending Chapter 11, Article 2 of the Carol Stream Code of Ordinances by Decreasing the Number of Class V Licenses from 12 to 11 (The Sabo Group Inc. d/b/a Flip Flops Tiki Bar & Grill, 1022 Fountain View Drive). *Ordinance reflects reducing the Class V License to operate video gaming devices for Flip Flops Tiki Bar & Grill.*

#### **J. RESOLUTIONS:**

1. Resolution No. \_\_\_\_ Authorizing Change Order Number 1 to the Agreement with MTI Construction Services for the Village Hall and Police Addition and Remodeling. *Ordinance authorizes Change Order No. 1 in the amount of \$27,324.00 to replace the existing sump pump system at the Municipal Center, 500 N. Gary Avenue.*

# Village of Carol Stream

## BOARD MEETING AGENDA OCTOBER 2, 2017 7:30 P.M.

*All matters on the Agenda may be discussed, amended and acted upon*

2. Resolution No. \_\_\_\_ Authorizing Change Order Number 2 to the Agreement with MTI Construction Services for the Village Hall and Police Addition and Remodeling. *Ordinance authorizes Change Order No. 2 in the amount of \$105,380.00 to replace the entire Municipal Center roof located at 500 N. Gary Avenue.*

### **K. NEW BUSINESS:**

1. Raffle License Application-Glenbard North High School Boys Basketball Program. *The Glenbard North High School Boys Basketball Program requests approval and waiver of fees and Manager's Fidelity Bond for a raffle license to be held on November 18, 2017 with ticket sales starting November 11, 2017.*
2. Raffle License Application-Corpus Christi Catholic Church. *The Transitional Housing Ministry at Corpus Christi Catholic Church requests approval and waiver of fees and Manager's Fidelity Bond for their Bunco For A Cause event to be held on October 13, 2017.*

### **L. PAYMENT OF BILLS:**

1. Regular Bills: September 19, 2017 through October 2, 2017.
2. Addendum Warrants: September 19, 2017 through October 2, 2017.

### **M. REPORT OF OFFICERS:**

1. Mayor:
2. Trustees:
3. Clerk:

### **N. EXECUTIVE SESSION:**

### **O. ADJOURNMENT:**

<b>LAST ORDINANCE</b>	<b>2017-09-56</b>	<b>LAST RESOLUTION</b>	<b>2970</b>
<b>NEXT ORDINANCE</b>	<b>2017-10-57</b>	<b>NEXT RESOLUTION</b>	<b>2971</b>

# Village of Carol Stream

## Special Meeting of the Village Board

### Goal Setting/Strategic Planning

Carol Stream Fire Protection District – Fire Station 28

365 Kuhn Road, Carol Stream, IL 60188

September 18, 2017

6:00 p.m. – 7:15 p.m.

## Meeting Notes

### ATTENDANCE:

Mayor Frank Saverino, Sr.

Trustee Dave Hennessey

Trustee Matt McCarthy

Trustee Rick Gieser

Trustee Mary Frusolone

Trustee Greg Schwarze

Trustee John LaRocca

Village Clerk Laura Czarnecki

Joseph E. Breinig, Village Manager

Bob Mellor, Assistant Village Manager

Tia Messino, Asst. to the Village Manager

Marc Talavera, IT Director

Jim Knudsen, Engineering Director

Phil Modaff, Public Works Director

Ed Sailer, Police Chief

Don Bastian, Community Dev. Director

Jon Batek, Finance Director

Caryl Rebholz, Emp. Relations Dir.

Facilitator, John Fontana

### ABSENT:

The meeting was called to order at 6:00 p.m. by Mayor Frank Saverino, Sr. and the roll call read by Village Clerk Czarnecki. The result of the roll call vote was as follows:

Present: Mayor Saverino, Sr., Trustees Hennessey, LaRocca, Gieser, Frusolone, Schwarze and McCarthy

Absent:

John Fontana had Village Board and staff break out into groups to discuss the top 3-5 goals and review outline. Below is an outline of John Fontana's – Carol Stream Village Board and Staff Future Planning Session:

Purpose: A Leadership Exercise & Process

Leadership Goals: Heifetz

■ To get on the leadership balcony to see the big picture

■ To identify and understand adaptive challenges—name tensions—anticipate problems

■ To give work back to appropriate people while protecting voices from below

■ Good judgment is the goal of good governance!!

Things to Remember & Key Concepts

3 Key Leadership Skills for Governance:

**Seeing:** picking up patterns, seeing relationships & tasks, anticipating the future

- Listening:** hearing facts, ideas & emotions
- Judgment Triangle:**
  - Base: Collect data—perceptual ability
  - Middle: Boil down or analyze: cognitive ability
  - Top: Act---careful of impulsivity and procrastination
  - Stress & these issues can derail judgment
    - Hyper competitiveness, high standards, issues of nurturance, trust, & shame

#### The Debate, Discussion, Dialogue Continuum

- Today focus on dialogue
- Discussion/debate get to one point of view or decision
- Dialogue—purpose is understanding all points of view
- Goal being a conflict positive group
  - Cooperation—assume positive intent
  - Communication
  - Tolerance & respect
  - Positive emotional expression
  - Conflict resolution-”Get things done”

#### Goals

- Task: Develop a two to three year plan effectively & efficiently
  - Clarify priorities
  - Plan with action steps
- Continue the orientation and education of new and experienced trustees and staff
- Support Board and Staff collaboration

#### Facilitator Role

- Resource & provide feedback
- Facilitate (activist)
- Provide a safe enough environment for dialogue
- Support the group as it leans into tension & conflicts
- Move the group toward goals

#### How Will This Board Work Together

- There is mutual respect amidst diversity of opinions “can agree to disagree” An energetic Board
- All Board members are here for the right reasons, enhance and preserve the Village and to serve the common good—great affection & investment in Carol Stream!
- Has healthy conflict around issues & issues are not taken personally—self awareness & self management critical
- Board is open minded and listens & has an ability to compromise
- Good leadership of the Board & ability of the Board to deliberate; i.e. separate politics & governance
- Informed Board & Staff appreciate learning

#### What Legacy Do You Wish For This Board?

- Kept Public trust; "did the right things”
- Served with integrity and prepared for the future in a new economic reality
- Were good stewards of the resources of the Village. Fiscally conservative
- Board listened to the residents and was able see projects finished!

- “Leave the Village better enhance beauty and cooperation”for the next generation
- “Leave the Village better then we found it”
- “Were not a rubber stamp Board”
- Working Board involved & invested

Describe the satisfaction or reward you derive from being a trustee:

- Doing the right thing for people in the town
- Maximize good & the quality of life
- Volunteering
- I like to help people and be involved
- Evolved with my kids and am rewarded in involvement & good governance
- Giving back to community involvement
- Doing what is in the best interest of Carol Stream
- I enjoy and can work on problems

How has the last year involved? Successes? Unfinished Biz? Hot Issues?

- Success
  - Good year
  - Balance Budget
  - Concert series
  - Avoided Springfield mess

Unfinished Biz

- Work with abandoned & vacant property
- Town Center aging
- City Hall+++++
- Bike Paths ++
- Water main +++
- Annexations ++

Hot Issues

- Warehouse+++++ Yard waste

Environmental Scanning

- Economics
  - The economy coming out of a major recession—a lot of unknowns slow recovery
    - Job loss
    - Foreclosures
    - Business closings
  - Concern about taxes, need for revenue
  - Changing retail market
- Demographics
  - Younger families moving in
  - Diverse citizen base
- Environment
  - Water--flooding
  - Green issues—sustainability
  - **Beautification**
  - **Environmentally sound**
- Political

- Need to understand national, state, county & local politics
  - Concern for unfunded mandates
  - Informed of opportunities-
    - Grants etc.
  - Regional Services & sharing
  - Good Relationship to schools, park district, fire district
  - **2015:STATE and Use of Funds**
- Human Resources
  - Retirement & costs for recruitment & training & need for succession planning
  - Pride in volunteerism of village residents
  - Healthcare costs & uncertainty
  - Labor Contracts
- Technology
  - Social media explosion or how to invest and communicate with public
  - Managing tech equipment, data, & training costs
- Cultural Issues
  - Pride in Carol Stream Great place to raise a family
  - Perceived disdain for people in government (pay & pensions)
  - “pay as you go” community
  - Pride in no property tax position of the Village
  - Concern that School District & Park District assume all tax dollars

SWOT: Strengths

- Village
  - Great place to raise children
    - Great schools & parks & safety
  - Strong sense of community
    - Diversity
    - Stability
    - Attracting the young
  - Quality of life
  - “Small town feel”
  - Volunteerism strong
  - Good public safety & services
  - Good geographic location
- Village Board
  - Strong community involvement; dedicated
  - Good stewards of resources,
  - Welcoming of new Board member
  - Fiscally conservative
    - Budget under control(as revenue allows)
    - “Living within means”
  - **Cooperation & Communication has increased trust in Board with Staff**

SWOT Strengths of Board

- Prudent leadership & Stability
- Individual Board members love the community and have the common good or what’s best for Carol Stream foremost in their minds.
  - Open minded people who can express themselves

- Can disagree and compromise
- **Get along well. Good communication, respectful disagreement. Good collaboration, trust & respect**

SWOT: Strengths

- Village Staff
  - Strong support for Village Administrator from Board
  - Great staff, professional, knowledgeable, “no weak links” “top notch” “laser focus”
  - Dedicated, honest & have longevity
  - Strong financial perspective
  - Customer service orientated
  - **“Communication with Board has gotten even better” Thorough & responsive**
  - Good crisis managers
  - **Strong faith in staff**

Weaknesses, Challenges, & Concerns & Threats: Board 2013

- Unfunded mandates
- Uncertain economy & unpredictable sales tax revenue
- Lack of secure revenue streams & no property tax
- Capital expenses: aging infrastructure
  - Water main and storm water & sewer
  - Roads continue success
  - Facilities
- Flooding
- Economic development
- Housing/crime
  - Rental & code issues
  - Property issues
- Reputation Public image
  - Not positive enough
  - Well kept secret
- Human Resources:
  - Morale & labor relations,
  - Comp plan
  - Healthcare
  - Pension liability
  - Manpower
  - Succession planning
- Technology
  - Social media
  - Costs, man power, equipment & training

Challenges & Threats 2015 Board

- **STATE**
- **Staff morale**
- **Succession & manpower**
- **Continued Economic Development**
- **Property upkeep**
- **Continue to reach out to multi-cultural community**
- **Social media**



## Challenges 2015

- Attracting young families & aging population**
- Economic development**
- Attractiveness of town, places to eat**
- Assisting businesses to flourish**
- Two working budgets**
- SPRINGFIELD!!!**

## Challenges, Concerns & Threats & Opportunities: Staff 2015

- Organizational stamina in current political & economic reality
  - Disdain for taxes & public employees
  - Manpower Police & PW
  - Comp & benefits
- Future Funding of Village Operations
  - Formal plan that includes various funding options (property tax included)
  - Education & survey communication strategy
- Comprehensive Communication Plan
- Comprehensive plan update
  - Zoning & code updates
- Mapping/GIS
- Complete update of Carol Stream Financial Profile & Peer comparison study
  - For bench marking
  - Competitive advantage
- Crime: Gangs & Drugs
- Succession Planning

## 17 Board Challenges, Concerns, Threats

- Revenue
- State
- Sales tax
- Social media
- Apathy of public
- Getting info out
- No property tax
- Educate citizens to property tax
- Succession planning
- Aging housing stock
- Code
- Diverse community Board diversity
- Getting kids engaged
- Econ Development: warehouse
- Fiscally responsible
- Diversity
- Seniors
- Attracting young families
- Morale in staff
- Fractured school districts
- Voter registration
- Social media/fake news

- Grocery biz

#### Opportunities 13 & 15

- Flood Management
- Economic development
  - Task force on commercial & industrial development
- Annexation
- Communication & education of the public Branding
  - Technology & communication
  - Involve youth
  - Business friendly
- Inter-government cooperation
- Sustainability & green space
  - Formal environmental friendly plan

#### 17: Board Top Opportunities & Issues

- Education of citizens
- Finish Village Hall
- State
- Water Main++
- Aging housing stock
- Single family rentals
- On line licensing
- Bike Paths+++
- Expand North Ave
- Town Center Memorial +
- Police image
- Economic Development
- Website stream meetings & on line transacting
- Use of open space
- Environmental consciousness
- Annexations
- Communication of comprehensive plan

#### 2017 Staff: Opportunities, Issues & Concerns

- Village Hall Management
- Town Center aging
- Water Recl standards
- Water meters
- Website & social media
- Econ development & annexation costs
- financial stability
- Springfield
- Succession planning & payroll & staffing
- Environmental leadership
- Opioid Epidemic
- Storm water management
- Inter-gov Cooperation
- 60<sup>th</sup> Village B-day 19
- Farm house & Vale House
- Prepare for 2020 census

- Assess Shape of Carol Stream & video expansion
- Paperless initiative with Board
- Beautification
- Quality of life
  
- Community Development
  - Property maintenance/Aging/codes
  - Keep industrial park vibrant-branding
  - On line services
  - Citizen education
  
- Human Resource
  - Tech solutions to increase efficiency & CS
  - Enhance leadership develop for staff
  - SOP's admin/village wide
  - Explore alternative benefit structures for retention purposes
  - Web & social media
  
- Engineering
  - SOP Documentation
  - Data Governance
  - Sustainable CIP Funding
  - Intelligent Transportation Systems
  
- IT
  - Upgrade infrastructure
  - Process & System documentation
  - Disaster Recovery
  - Complete Website redesign
  - Identify Useful Resident Facing Technologies
  - Data Governance
  
- Police
  - Technology
  - Cameras
  - Man power/coverage (annexations)
  - Heroin & Opioids
  
- Finance
  - Continue no local property tax
  - Pay as we go
  - Living within means
  - Controlling size of government
  - Embrace customer service & convenience technology
  - Increase paperless
  - Water meter
  - Facilities master plan
  - Village hall
  - Public Works Center
  - Town center

■ Replace cap reserves

- Public Works: Satisfied with current project & staff funding
- Whenever possible ask citizens to contact proper department and if not responsive, then call back for trustee support. "We all try to be respectful of Village processes before we do an intervention this prevents unnecessary fire drills and work disruption."

Board Goals 2015

- Staff focus preparing people for succession
- Intergovernmental collaboration
- Long range capital planning
- Re-Branding
- Communication staff & public web improvement outreach millennials
- Labor management progress
- Economic Development
  - North ave
  - Gary & Lies
- Work on Revenue Streams
  - Property Tax?
- Quality of life & Beautification
  - Signage entry to town
  - Fencing code
  - Tear downs

Critical Issues:

From all the data & Interviews

1. List Critical Issues on newsprint
  1. Board
  2. Staff
2. Prioritize
  1. Dot designation
3. Discussion

Process Options

- Group Break Out
  - Prioritize Within your area
  - Write Goals: SMART
    - Primary responsibility
    - Action steps
    - Timeline
    - Obstacles to anticipate
- SMART
  - Specific
  - Measurable
  - Action-oriented
  - Realistic
  - Time-bound
- Report Back to Large Group

Closure

- Key Insights from today
- Things to anticipate going forward

The below groups stated their final goals:

Black

Revenue, adapting economy – accounting for a change in retail

Tech

Succession planning

Facility Management

Green

Investigate new revenue streams: outside influences mess with our budget planning; sales tax comparisons; should we increase our sales tax, gas tax, other avenue?

Succession Planning – anticipation of retirements, manpower, retention, morale

Economic Development, property maintenance of existing building private and public; keep industrial park vibrant; watch changing retail environment

Social media, one voice; review social media policies

Communication, how to educate the public more; expand e-services; continue positive relationships with stakeholders

Blue

Communication: how can we communicate with people ahead of projects; use social media, online streaming

Development: focus on bike paths for economic development; capital improvement projects

Diversity, leadership does not reflect community

Staffing; succession planning, optimizing tech, morale, better data governance

Financial stability

Red

Succession Planning/Leadership Development

Community Education

Fiscal Sustainability; no property tax; CIP

Attractive development; entertainment; shop Carol Stream; beautification bike paths, TC/Memorial

Finish Village Hall

Police Department staffing

Data Governance

The top 5 goals were selected from all the group postings. Further discussion is scheduled for October 16, 2017 Special Workshop.

There being no further business, Trustee McCarthy moved and Trustee Frusolone made the second to adjourn the Special Board meeting. The meeting was adjourned unanimously at 7:15 p.m.

FOR THE BOARD OF TRUSTEES

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Frank Saverino, Sr., Mayor

ATTEST:

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Laura Czarnecki, Village Clerk

**REGULAR MEETING OF THE MAYOR AND BOARD OF TRUSTEES  
Carol Stream Fire Protection District, Station No. 28, 365 Kuhn Road,  
Carol Stream, DuPage County, IL**

**September 18, 2017**

Mayor Saverino called the Regular Meeting of the Board of Trustees to order at 7:30 p.m. and directed Village Clerk Laura Czarnecki to call the roll.

Present: Mayor Frank Saverino, Sr. and Trustees David Hennessey, John LaRocca, Rick Gieser, Mary Frusolone, Greg Schwarze and Matt McCarthy

Absent: None

Also Present: Village Manager Joe Breinig, Assistant Village Manager Bob Mellor, Village Clerk Laura Czarnecki and Village Attorney Jim Rhodes

\*All persons physically present at meeting unless noted otherwise

**MINUTES:**

*Trustee McCarthy moved and Trustee LaRocca made the second to approve the Minutes of the September 5, 2017 regular meeting of the Village Board. The results of the roll call vote were as follows:*

*Ayes: 3 Trustees Hennessey, LaRocca, and McCarthy*

*Abstain: 3 Trustees Gieser, Frusolone and Schwarze*

*Absent: 0*

*The motion passed.*

**LISTENING POST:**

1. Resolution No. 2969 Honoring Peter Chacon upon his 20<sup>th</sup> Anniversary of Employment with the Village of Carol Stream Police Department.

*Trustee Frusolone moved and Trustee Gieser made the second to approve Resolution No. 2969 Honoring Peter Chacon upon his 20<sup>th</sup> Anniversary of Employment with the Village of Carol Stream Police Department.*

*Ayes: 6 Trustees Hennessey, LaRocca, Gieser, Frusolone, Schwarze and McCarthy*

*Nays: 0*

*Absent: 0*

*The motion passed.*

2. *Veteran's Spotlight: Dom Errichiello. Trustee Gieser introduced Dom Errichiello who recounted his military service in the Army-1<sup>st</sup> Division Infantry from 1943-1945. He was also part of the D-Day invasion and Battle of the Bulge. He was awarded multiple medals for heroism which included the Silver Star, Bronze Star and Purple Heart. In the third wave of war ships on D-Day, there was a lost of 2300 GI's in the water. Mr. Errichiello was a prisoner of war who escaped from the Nazis. Dom Errichiello brought his Army coat and spoke of all the different aspects. He will be speaking at Cantigny on November 11.*
3. *Proclamation designating September 17<sup>th</sup>-23<sup>rd</sup> as Constitution Week. Proclamation read by Trustee Hennessey.*
4. *Addresses from Audience (3 Minutes). None.*

**PUBLIC HEARINGS:**

1. *Public Hearing for an Annexation Agreement for the property at 26W220 North Avenue (proposed to be annexed as part of the larger project site for The Missner Group's proposed warehouse development at the northeast corner of North Avenue and Kuhn Road). On August 21, 2017, the Village Board continued the Public Hearing to September 5, 2017. Petitioner has requested that this matter be continued to the September 18, 2017 Village Board meeting.*

*Village Attorney Jim Rhodes read the letter from The Missner Group withdrawing their application for annexation.*

*Trustee McCarthy moved and Trustee Hennessey made the second to close the public hearing regarding an Annexation Agreement for the property at 26W220 North Avenue (proposed to be annexed as part of the larger project site for The Missner Group's proposed warehouse development at the northeast corner of North Avenue and Kuhn Road). The results of the roll call vote were as follows:*



*Ayes: 6 Trustees Hennessey, LaRocca, Gieser, Frusolone, Schwarze and McCarthy*

*Nays: 0*

*Absent: 0*

*The motion passed.*

**CONSENT AGENDA:**

*Trustee Schwarze moved and Trustee McCarthy made the second to establish a Consent Agenda for this meeting. The results of the roll call vote were as follows:*

*Ayes: 6 Trustees Hennessey, LaRocca, Gieser, Frusolone, Schwarze and McCarthy*

*Nays: 0*

*Absent: 0*

*The motion passed.*

*Trustee Frusolone moved and Trustee LaRocca made the second to place the following items on the Consent Agenda established for this meeting. The results of the roll call vote were as follows:*

*Ayes: 6 Trustees Hennessey, LaRocca, Gieser, Frusolone, Schwarze and McCarthy*

*Nays: 0*

*Absent: 0*

*The motion passed.*

- 1.** Agreement with GovTemps USA for accounting services.
- 2.** 2017 Pavement Marking Project-Change Order No. 1, Final Payment and Acceptance.
- 3.** 2017 Pavement Patching Contract-Award of Contract.
- 4.** Ordinance No. 2017-09-55 Amending the Provisions of the Carol Stream Code of Ordinances, Chapter 5, Taxation and Finance, Article 8, Purchases and Contracts.

5. Ordinance No. 2017-09-56 Amending Chapter 8, Articles 5 and 6 of the Carol Stream Traffic Code-Traffic Schedules (Turning Restrictions and Parking Prohibited).
6. Resolution No. 2970 Declaring Surplus Property owned by the Village of Carol Stream.
7. Amplification Permit-Carol Stream Park District.
8. Carol Stream Public Library-Annual Report 2016-2017.
9. Payment of Regular and Addendum Warrant of Bills from September 6, 2017 through September 18, 2017.
10. Treasurer's Report for Month Ended August 31, 2017.

*Trustee McCarthy moved and Trustee Gieser made the second to approve the Consent Agenda for this meeting by Omnibus Vote. The results of the roll call vote were as follows:*

*Ayes: 6 Trustees Hennessey, LaRocca, Gieser, Frusolone, Schwarze and McCarthy*

*Nays: 0*

*Absent: 0*

*The motion passed.*

*The following are brief descriptions of those items approved on the Consent Agenda for this meeting.*

**Agreement with GovTemps USA for accounting services:**

*The Village Board approved a contract with GovTemps USA to staff an Accounts Clerk position within the Finance Department at a cost of \$1,344.00 per week for the period October 14, 2017 through July 13, 2018.*

**2017 Pavement Marking Project-Change Order No. 1, Final Payment and Acceptance:**

*The Village Board approved Change Order No. 1 and final payment to Superior Road Striping Inc. in the amount of \$33,315.04 and acceptance of the 2017 Pavement Marking Project.*

**2017 Pavement Patching Contract-Award of Contract:**

*The Village Board awarded the 2017 Pavement Patching Contract to M&J Asphalt Paving Company, Inc. at the bid unit prices submitted.*

**Ordinance No. 2017-09-55 Amending the Provisions of the Carol Stream Code of Ordinances, Chapter 5, Taxation and Finance, Article 8, Purchases and Contracts:**

*The Village Board approved amendments to the Carol Stream Code of Ordinances by increasing the limit for bidding from \$20,000 to \$25,000 which will bring the Village's Code into conformity with State Statute.*

**Ordinance No. 2017-09-56 Amending Chapter 8, Articles 5 and 6 of the Carol Stream Traffic Code-Traffic Schedules (Turning Restrictions and Parking Prohibited):**

*The Village Board approved amendments to the Carol Stream Traffic Code-Traffic Schedules regarding Turning Restrictions and Parking Prohibited due to time changes requested by the School Districts.*

**Resolution No. 2970 Declaring Surplus Property owned by the Village of Carol Stream:**

*The Village Board approved designated Public Works equipment surplus and shall dispose of them via public auction.*

**Amplification Permit-Carol Stream Park District:**

*The Village Board approved an Amplification Permit and waiver of fees for the Carol Stream Park District's Fall 5K Stars & Stripes Shuffle on October 1, 2017 at Armstrong Park.*

**Carol Stream Public Library-Annual Report 2016-2017:**

*The Village Board is in receipt of the Annual Report of the Board of Library Trustees of the Village of Carol Stream for the Fiscal Year ending April 30, 2017.*

**Regular Bills and Addendum Warrant of Bills:**

*The Village Board approved payment of the Regular Bills dated September 18, 2017 in the amount of \$1,058,192.38. The Village Board approved the payment of the Addendum Warrant of Bills from September 6, 2017 thru September 18, 2017 in the amount of \$606,241.27.*

**Treasurer's Report:**

*The Village Board received the Revenue/Expenditure Statements and Balance Sheet for the Month Ended August 31, 2017.*

**Non-Consent Agenda**

**#17-0003-North Avenue CS TMG, LLC/The Missner Group-495 W. North Avenue and 26W220 North Avenue**

*A Zoning Map Amendment (Rezoning) from B-2 General Retail District to I Industrial District*

*Zoning Map Amendment (Rezoning) to I Industrial District upon Annexation*

**RECOMMENDED APPROVAL 4-1-1**

*Termination of a Special Use Permit*

*Zoning Code Variations-Front Building Setback & Landscape Buffer*

*Plat of Consolidation*

**RECOMMENDED APPROVAL WITH CONDITIONS 4-1-1**

*Sign Code Variation – Off Premise Sign*

**APPROVED 4-1-1**

*North Avenue Corridor Review*

**APPROVED 4-1-1**

**WITHDRAWN AT THE REQUEST OF THE PETITIONER – NO VILLAGE BOARD ACTION IS REQUIRED**

**Motion authorizing staff to submit the draft Sewer Use Ordinance and Local Limit Study to the USEPA:**

*Presentation by Jennifer Sorensen from Baxter & Woodman on the draft Sewer Use Ordinance and Local Limit Study to be submitted to the USEPA.*

*Trustee LaRocca moved and Trustee McCarthy made the second to submit the draft Sewer Use Ordinance and Local Limit Study to the USEPA. The results of the roll call vote were as follows:*

*Ayes: 6 Trustees Hennessey, LaRocca, Gieser, Frusolone, Schwarze and McCarthy*

*Nays: 0*

*Absent: 0*

*The motion passed.*

**Report of Officers:**

*Trustee LaRocca thanked Dom Errichiello for his military service and sharing his story. He also congratulated Peter Chacon on his 20<sup>th</sup> anniversary.*

*Trustee Gieser thanked Dom Errichiello for sharing his story. October 2<sup>nd</sup> is the first fundraiser for the 2018 Parade Committee at Augustino’s. West Chicago High School is having a comedy fundraiser for theater club on October 25<sup>th</sup>. Trustee Gieser congratulated Trustee McCarthy’s daughter on their wedding.*

*Trustee Schwarze stated that October 7<sup>th</sup> is the Water Reclamation Center’s Open House from 10 am to 2 pm. There will be hayride tours, walking tours, free pumpkins and chocolates donated from former Police Officer Tammy Loverde. We are hoping to have the Clark mosquito helicopter weather permitting. We will also have a Fire District Open House on the same day and time at Station 28. Trustee Schwarze thanked Dom Errichiello for sharing his story. On October 28<sup>th</sup> the LaRoccas and Schwarzes will hold a Memorial Park Fundraiser “Rolling for*

*Renovation” at Wheaton Bowl. There will be a Halloween costume contest. The cost is \$70 per couple or \$35 individually. Please shop Carol Stream.*

*Trustee Hennessey continues to work on opioid epidemic prevention program and Challenge Day. He has fundraising opportunities coming up and encourages people to continue to talk about local issues. Trustee Hennessey stated talking face to face about history and epidemics is more valuable than reading in a book.*

*Trustee Frusolone thanked Dom Errichiello for sharing his story as it is wonderful for the younger generation. The Park District will hold a 5K run on October 1<sup>st</sup> in cooperation with the Memorial Park Foundation. Registration is thru the Park District. Trustee Frusolone congratulated Corporal Peter Chacon on his 20<sup>th</sup> anniversary. Glenbard North will host a play called Love/Sick on Tuesday and Wednesday.*

*Trustee McCarthy congratulated Peter Chacon and thanked Dom Errichiello on his fascinating story. He also congratulated his daughter and son-in-law on their wedding.*

*Village Clerk Czarnecki thanked Dom Errichiello for sharing his stories and congratulated Corporal Peter Chacon on his anniversary. She also commented on the beautiful wedding for Trustee McCarthy’s daughter.*

*Village Attorney Rhodes thanked Trustee Gieser and Village Board for inviting Vets to speak at the Board meetings. Dom Errichiello is a true hero.*

*Village Manager Breinig thanked Dom Errichiello for his military service and his fascinating stories. On October 4<sup>th</sup> there will be an open house for the Southeast Bike Trail at the Outreach Community Center from 4:30 to 6:30 p.m.*

*Mayor Saverino congratulated Corporal Peter Chacon and thanked Dom Errichiello for sharing his story. Mayor would like to invite Dom to the Italian American War Museum. He also thanked Trustee Gieser for finding these interesting Vets.*

At 8:54 p.m. Trustee McCarthy moved and Trustee Frusolone made the second to adjourn the meeting. The results of the roll call vote were as follows:

*Ayes: 6 Trustees Hennessey, LaRocca, Gieser, Frusolone, Schwarze and McCarthy*

*Nays: 0*

*Absent: 0*

*The motion passed.*

FOR THE BOARD OF TRUSTEES

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Frank Saverino, Sr., Mayor

ATTEST:

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Laura Czarnecki, Village Clerk

**PROCLAMATION**

**Designating October 8<sup>th</sup> – 14<sup>th</sup> Fire Prevention Week**

**WHEREAS**, according to National Fire Protection Association, there were approximately 365,500 structure fires in 2015 that resulted in 2,560 deaths; and

**WHEREAS**, the Village and the Carol Stream Fire Protection District are committed to reducing home fires and related injuries and property loss thru offering comprehensive fire safety prevention education; and

**WHEREAS**, many of today's products and furnishings produce toxic gases and smoke when burned, making it impossible to see and breathe within moments; and

**WHEREAS**, these conditions contribute to a much smaller window of time for people to escape a home fire safely, with people having as little as one to two minutes to escape from the time the smoke alarm sounds; and

**WHEREAS**, a home fire escape plan includes two exits from every room in the home; a path to the outside from each exit; smoke alarms in all required locations; and a meeting place outside where everyone in the home will meet upon exiting provides the skill set and know-how to quickly and safely escape a home fire situation; and

**WHEREAS**, practicing a home fire escape plan twice a year ensures that everyone in the household knows what to do in a real fire situation; and

**WHEREAS**, the 2017 Fire Prevention Week theme, "**Every Second Counts: Plan 2 Ways Out!**" effectively serves to educate the public about the vital importance of developing a home fire escape plan with all members of the household and practicing it twice a year.

**NOW, THEREFORE BE IT PROCLAIMED** THAT I, Mayor Frank Saverino Sr. & the Carol Stream Board of Trustees, DuPage County, Illinois does hereby proclaim October 8<sup>th</sup> – 14<sup>th</sup>, 2017 as

**FIRE PREVENTION WEEK**

in Carol Stream and encourage all residents to observe the important safety messages and support the many public safety activities of the Carol Stream Fire Protection District including their Annual Open House scheduled on Saturday, October 7<sup>th</sup> from 10 AM – 2 PM at Fire District Headquarters located at 365 N. Kuhn Road.

PROCLAIMED THIS 2<sup>nd</sup> DAY OF OCTOBER 2017.

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Frank Saverino Sr. – Mayor

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Laura Czarnecki, Village Clerk

**PROCLAMATION  
DESIGNATING OCTOBER COMMUNITY PLANNING MONTH**

**WHEREAS**, change is constant and affects all cities, towns, suburbs, counties, boroughs, townships, rural areas, and other places, and;

**WHEREAS**, community planning and plans can help manage this change in a way that provides better choices for how people work and live, and;

**WHEREAS**, community planning provides an opportunity for all residents to be meaningfully involved in making choices that determine the future of their community, and;

**WHEREAS**, the full benefits of planning requires public officials and citizens who understand, support, and demand excellence in planning and plan implementation, and;

**WHEREAS**, the month of October is designated as Community Planning Month throughout the United States of America and its territories, and;

**WHEREAS**, The American Planning Association and its professional institute, the American Institute of Certified Planners, endorse Community Planning Month as an opportunity to highlight the contributions that sound planning and plan implementation make to the quality of our settlements and environment, and;

**WHEREAS**, the celebration of Community Planning Month gives us the opportunity to publicly recognize the participation and dedication of the members of the Plan Commission/Zoning Board of Appeals and other citizen planners who have contributed their time and expertise to the improvement of the Village of Carol Stream, and;

**WHEREAS**, we recognize the many valuable contributions made by professional community and regional planners of the Village of Carol Stream and extend our heartfelt thanks for the continued commitment to public service by these professionals.

NOW, THEREFORE, BE IT PROCLAIMED THAT I, FRANK SAVERINO, SR., AND THE CAROL STREAM VILLAGE BOARD OF TRUSTEES do hereby proclaim

**October 2017 as Community Planning Month in Carol Stream.**

**PROCLAIMED THIS 2<sup>nd</sup> DAY OF OCTOBER, 2017.**

\_\_\_\_\_  
Frank Saverino, Sr., Mayor

ATTEST:

\_\_\_\_\_  
Laura Czarnecki, Village Clerk



**PROCLAMATION**

**Designating October Breast Cancer Awareness Month**

**WHEREAS**, each year an estimated 246,000 women and 2,600 men in the United States will be diagnosed with breast cancer, making it the most commonly diagnosed cancer in women and is the second leading cause of cancer death among women in our country; and

**WHEREAS**, in 2014, approximately 232,670 new cases of invasive breast cancer were diagnosed nationally, of which 9,230 were occurred in Illinois alone; and

**WHEREAS**, in 2014, approximately 40,000 died from breast cancer nationally, of which 1,610 deaths occurred in Illinois; and

**WHEREAS**, the overall 5-year survival rate for those diagnosed with Stage II breast cancer is 93%, but when diagnosed at Stage I, the 5-year survival rate is 99%; and

**WHEREAS**, a mammogram is the single most effective method of early detection and has an 80-90% detection rate for women with no symptoms; and

**WHEREAS**, the DuPage County Health Department provides free breast cancer screenings for uninsured woman between the ages of 40 – 64.

**NOW, THEREFORE, BE IT PROCLAIMED** THAT I, MAYOR FRANK SAVERINO SR. & THE BOARD OF TRUSTEES OF CAROL STREAM, Du PAGE COUNTY, ILLINOIS in the exercise of its home rule powers does hereby designate

**October Breast Cancer Awareness Month**

in Carol Stream and encourages residents to become proactive with their health and recommend they regularly consult their physician about periodic screenings, regular clinical breast examinations and mammograms as well as conducting monthly breast self-exams.

PROCLAIMED this 2<sup>nd</sup> DAY of OCTOBER 2017.

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Frank Saverino Sr. - Mayor

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Laura Czarnecki, Village Clerk

**PROCLAMATION**

**DESIGNATING OCTOBER NATIONAL ARTS & HUMANITIES MONTH**

**WHEREAS**, the arts and humanities are the embodiment of all things beautiful and entertaining in the world -- the enduring record of human achievement; and

**WHEREAS**, the arts and humanities enhance every aspect of life in the Village -- improving our economy, enriching our civic life, driving tourism, and exerting a profound positive influence on the education of our children; and

**WHEREAS**, arts education research shows that the arts help to foster discipline, creativity, imagination, self-expression, and problem solving skills while also helping to develop a heightened appreciation of beauty and cross-cultural understanding; and

**WHEREAS**, we use the humanities -- history, literature, philosophy -- to explore what it means to be human; and

**WHEREAS**, the arts and humanities play a unique and intrinsically valuable role in the lives of our families, our county, and our state; and

**WHEREAS**, the month of October has been recognized as National Arts and Humanities Month by thousands of arts and cultural organizations, communities, and states across the country, as well as by the White House and Congress for more than two decades.

**NOW, THEREFORE**, I, Mayor Frank Saverino Sr. and the Carol Stream Board of Trustees, DuPage County, Illinois does hereby proclaim October 2017 as ARTS & HUMANITIES MONTH and call upon all citizens to celebrate and promote the arts and culture in DuPage County.

PROCLAIMED this 2nd of October, 2017


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Frank Saverino Sr., Mayor

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Laura Czarnecki, Village Clerk

*Village of Carol Stream*  
Interdepartmental Memo

**TO:** Joe Breinig, Village Manager  
**FROM:** Jon Batek, Finance Director   
**DATE:** September 21, 2017  
**RE:** Update to Village Investment Policy

Last year, we reviewed with the Village Board at their November 21, 2016 Workshop meeting a number of changes to the Village's Investment Policy which had not been updated since 2009. As interest rates have slowly begun to recover, the proposal was to resume the Village's investment program following a long dormancy created by the 2007 market collapse and extended period of interest rates at or near 0% on money market and short-term government securities. At present, those discussed policy changes have not been adopted. Except where noted, all changes have been previously reviewed and discussed with the Village Board.

Attached is a red-lined version of the existing policy which is recommended for Village Board adoption at their October 2, 2017 meeting. Notable updates include:

1. **Section 5.0: Authorized Financial Institutions, Depositories and Broker/Dealers** – Updated FDIC insurance limit from \$99,999 to \$250,000 reflecting FDIC change in July of 2010.
2. **Section 7.0: Suitable and Authorized Investments** – Updated language to mirror updates to the Public Funds Investment Act which provides investment authority and limitations for public entities. Deleted reference to Attachment #1 which addresses derivative investments. These are not authorized under our policy so its inclusion is not necessary.
3. **Section 7.1: Collateralization** – Deleted reference to Attachment #3 addressing Village's Collateralization Agreement. The Village previously used a customized collateral agreement. Due to changes in the banking climate and banks' general unwillingness to accept customized agreements, a customized collateral agreement has not been used in a number of years. All deposits in excess of FDIC coverage continue to require collateral to be pledged and held by a 3<sup>rd</sup> party institution, however the collateral agreements have and will be negotiated at the time a banking services contract is awarded.

**NEW:** As an alternative to the acceptance of pledged securities as collateral on bank balances, the Federal Home Loan Bank (FHLB) has

offered the issuance of irrevocable Letters of Credit on Public Unit Deposits on behalf of its member banks. This alternative provides a number of advantages over the more traditional pledged securities approach in the event of bank default:

1. Immediate payout from FHLB as opposed to the uncertain and untested process of having to liquidate pledged securities by selling them at market.
2. No need to monitor pledged collateral balances against bank balances for sufficiency of coverage. Under the FHLB program, we would set the LOC based on historical high balances so periods of coverage gaps are eliminated or more easily controlled by adjusting bank balances.
3. Easier to administer. No need to authorize additions/deletions/substitutions as balances warrant or when pledged securities mature.

We anticipate moving to this program with the FHLB immediately as it will enhance our security and ease of administration. I have attached a few pages from a PowerPoint presentation explaining the program.

4. **Section 8.1: Diversification** – Excluded safekeeping institutions (3<sup>rd</sup> parties that hold previously purchased securities on our behalf) and Illinois Funds from the 40% of portfolio maximum that can be held in a single financial institution. Safekeeping institutions by their nature are identified in best practices to hold securities as a 3<sup>rd</sup> party custodian as opposed to having the broker/dealers hold securities on the Village's behalf. Illinois Funds will be the financial entity from which investment activities will flow. In the event we see another situation such as in the Great Recession where investment activity again goes dormant, we need a guaranteed and fully collateralized institution to serve as custodian of the Village's liquid assets. Local banks will not be able to or would be unwilling to fully collateralize balances in the amounts we would require.

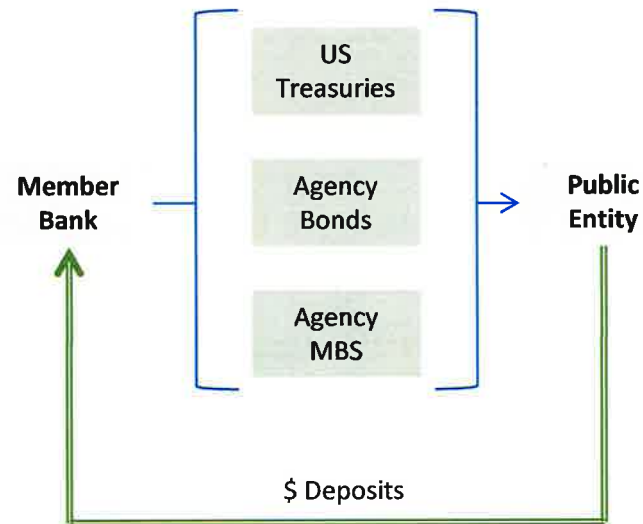
Increased allowable concentration of Certificates of Deposit from 25% to 33% of total portfolio. Brokered CD's represent perhaps our best opportunity to boost yield compared to current benchmarks (6 month Treasury Bill). Our focus here would be CD's from separate banks keeping within the \$250,000 FDIC insurance limit.

Aside from the proposed modifications to the Village's investment policy, the proposed investment program for the Village remains largely unchanged from our previous pre-recession focus. Following adoption of Investment Policy updates, we will present recommendations authorizing certain broker/dealers and establishment of new safekeeping arrangements to hold newly purchased investments.

Please let me know if you have any questions concerning the proposed updates.

## Traditional Approach - Public Entity Collateralization Securities Collateral

- **Specific types of securities** might be requested by public entities such as Treasuries or Agencies as collateral from the depository bank
- Pledged securities are held by a custodial bank or trust company acting as agent for the public entity



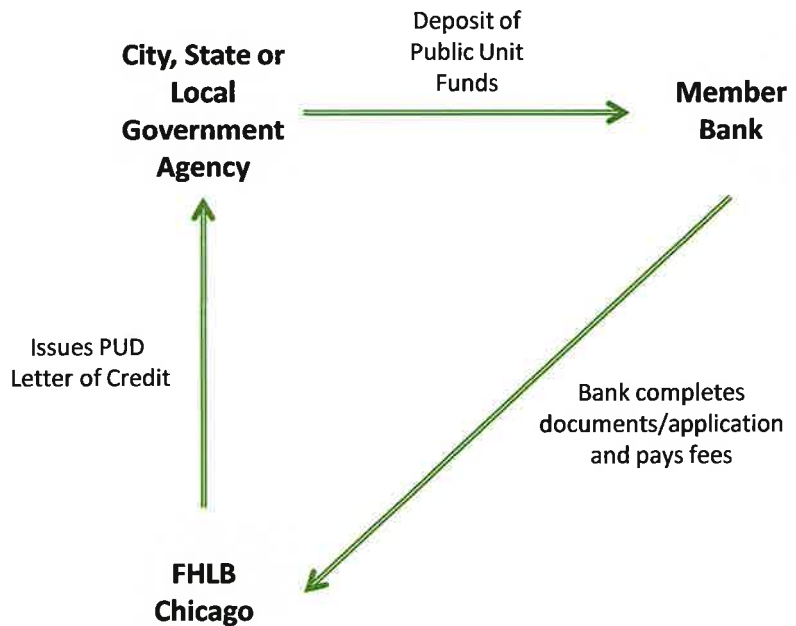
- Exercising its right to the collateral **may be difficult and time consuming** for the public entity
- Banks may have **difficulty providing** enough eligible securities to meet the demands of public entities and their other municipal customers for collateral

## Public Unit Deposits Letters of Credit

- **Public Unit Deposit (PUD) Letters of Credit:** The FHLBC will issue a letter of credit directly to a public unit (i.e. municipality, state and local government agency) to collateralize and secure their deposits
- **A few examples of public entities accepting LOCs:**
  - ✓ Municipalities
  - ✓ State treasurers
  - ✓ Regional transportation authorities
  - ✓ Water reclamation districts
  - ✓ Housing authorities
  - ✓ Public school districts and community colleges
  - ✓ Hospitals
  - ✓ Public libraries
  - ✓ Police pensions
  - ✓ Elementary and high schools

## Public Unit Deposits and FHLBC Letters of Credit

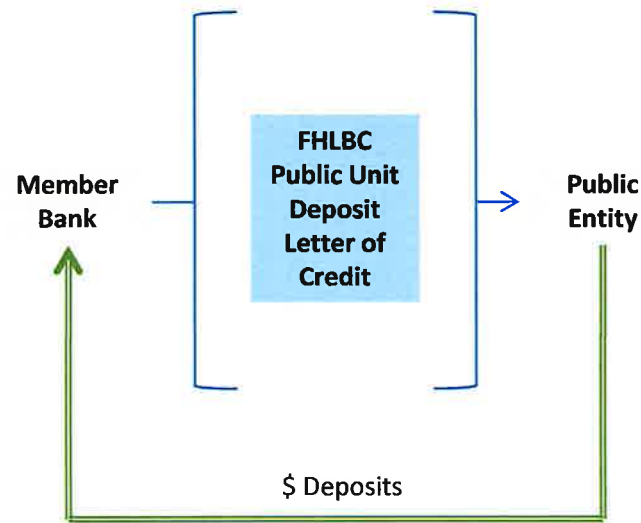
- FHLBC Public Unit Deposit Letter of Credit (PUD LOC) is issued directly to the public entity depositor as beneficiary to guarantee withdrawal of deposit funds from a member bank.
- PUD LOC is a more efficient alternative to pledging securities.



## Improved Approach - Public Entity Collateralization

### FHLB Chicago Public Unit Deposit Letters of Credit

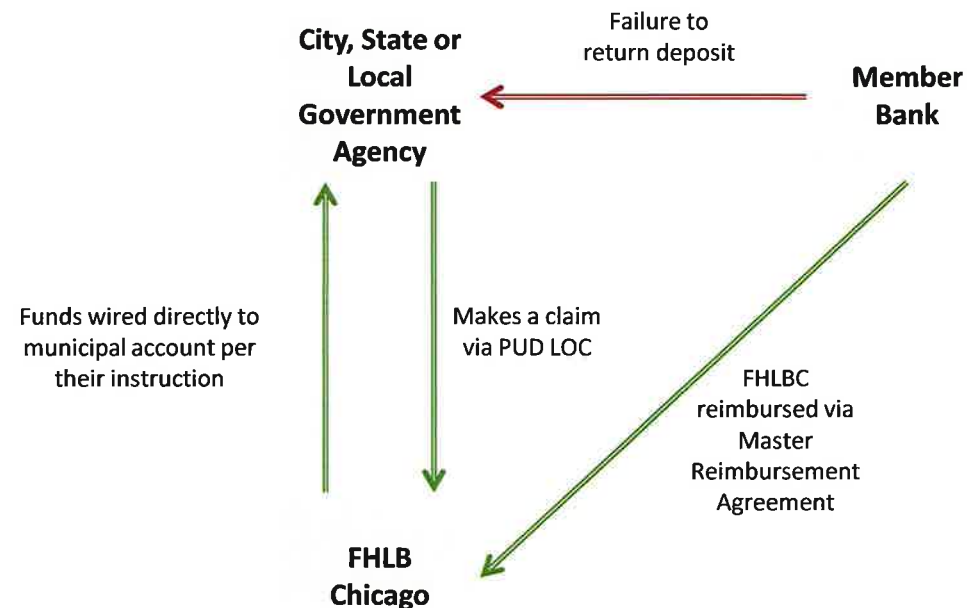
- The public entity will benefit from the safety of an Aaa/AA+ rated institution such as the FHLBC, which is similar to the rating of US government securities
- A PUD LOC **eliminates the need to monitor** third-party custodian safekeeping reports or bank statements
- The FHLBC **pays out under the PUD LOC immediately** if member fails to return a deposit; there is no delay from selling securities in the market or delay due to resolution proceedings
- Eliminates cumbersome **legal paperwork and cost** associated with the release of securities
- A PUD LOC is convenient and can typically be **issued within 24 hours**.
- Many public entities already accept a FHLBC PUD LOC to collateralize its deposits





## The Claims Process

- If a member bank were to fail to return a public deposit, a city, state or local government agency would make a claim under the PUD LOC and the FHLBC would **wire funds directly to the beneficiary's account.**
- **Payment is immediate.** There would be no delays from selling securities in the market place to receive payment.
- A PUD LOC claims process is **simple and efficient** relative to the cumbersome paperwork that would otherwise be required to release pledged collateral.



## GFOA Best Practices

The Government Finance Officers Association (GFOA) is a large, influential national organization that municipal finance officers nationwide look towards for guidance and “best practices” when it comes to topics such as financial reporting and collateralizing their public deposits.

**Letters of credit are considered an important form of protecting municipal deposits according to the GFOA**

**Selected excerpts from the GFOA on Best Practices for Collateralization:**

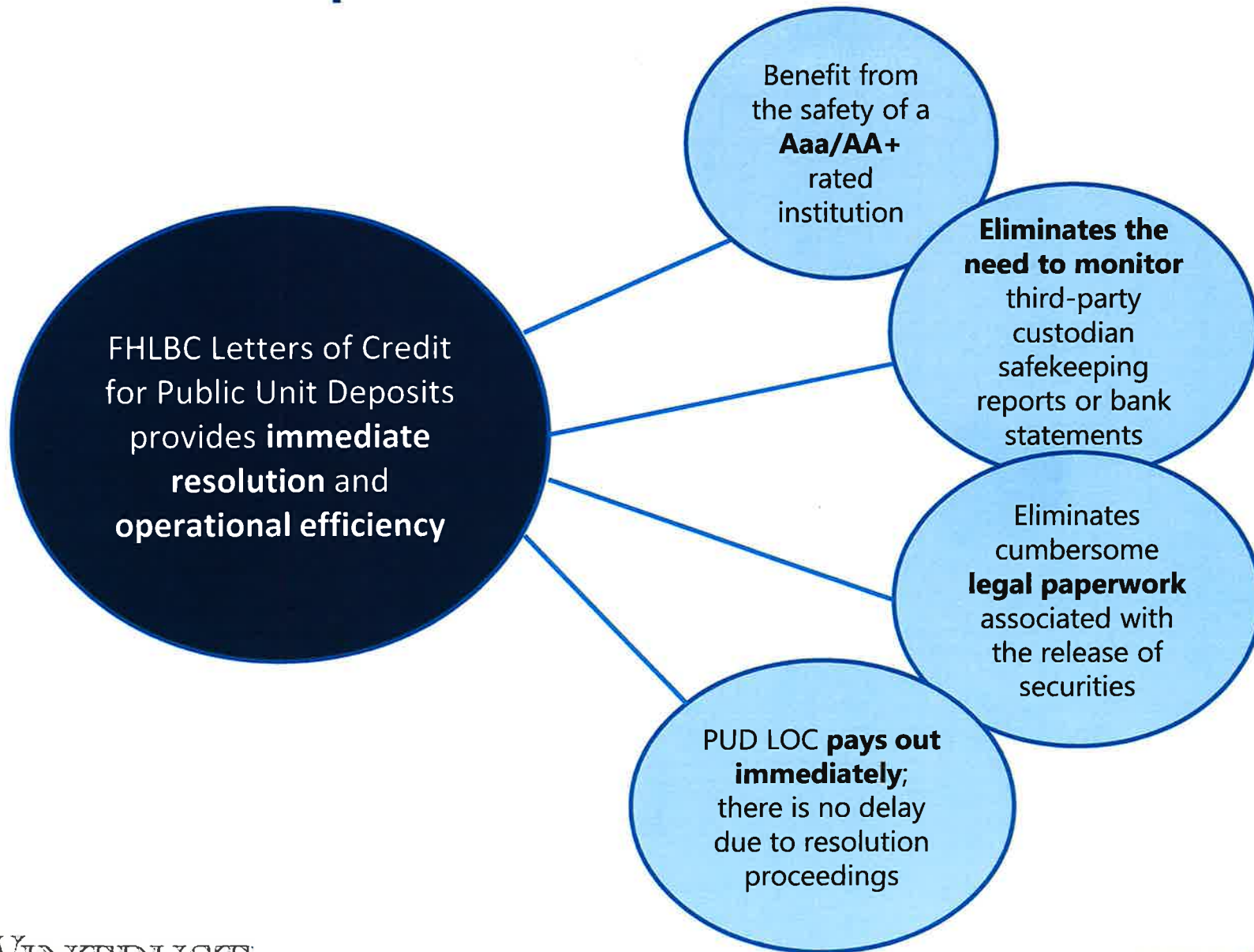
### **Collateralizing Public Deposits (1984, 1987, 1993, 2000, 2007, 2010) (TIM)**

**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.

**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.**

## Public Unit Deposit Letters of Credit Benefits



**VILLAGE OF  
CAROL STREAM, ILLINOIS**



**INVESTMENT POLICY**

**Adopted**  
**July 20, 2009**



# VILLAGE OF CAROL STREAM

## INVESTMENT POLICY

### 1.0 **Policy:**

It is the policy of the Village of Carol Stream to invest public funds in a manner which will provide a competitive 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 **Scope:**

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

#### 2.1 **Funds:**

- 2.1.1 General Fund
- 2.1.2 Special Revenue Funds
- 2.1.3 Capital Project Funds
- 2.1.4 Enterprise Funds
- 2.1.5 Trust and Agency Funds
- 2.2.6 (Any new fund created by the Village Board, unless specifically exempt.)

#### 2.2 **Pooling of Funds**

Except for cash in certain restricted and special funds, the Village will consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies

with regard to investment pricing, safekeeping and administration. Investment income will be allocated to the proper funds based on their respective participation and in accordance with generally accepted accounting principles.

### 3.0 **General Objectives:**

The primary objectives, in priority order of the investment activities shall be safety, liquidity and return on investments yield:

#### 3.1 **Safety:**

Safety of principal is the foremost objective of the investment program. Investments of the Village of Carol Stream shall be undertaken in a manner that seeks the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

#### A. **Credit Risk:**

Credit Risk-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 listed in Section 7.0 of this Investment Policy.
- Pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisers with which the Village

will do business in accordance with Section 5.0 and,

- Diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer 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, money market mutual funds, or similar investment pools and limiting the average maturity of the portfolio in accordance with this policy (see Section 8.2).

#### **3.2 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). Alternatively, a

portion of the portfolio may be placed in money market mutual funds or local government investment pools which offer same-day liquidity for short-term funds.

#### **3.3 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 ~~tertiary~~ ~~secondary~~ 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 shall not be sold prior to maturity with the following exceptions:

- 1) a declining credit security could be sold early to minimize loss of principal;
- 2) a security swap would improve the quality, yield, or target duration in the portfolio; or
- 3) liquidity needs of the portfolio require that the security be sold.

#### **4.0 Standards of Care**

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.

#### 4.1 Prudence:

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.

#### 4.2 Ethics and 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 officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose 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 transaction with the same individual with whom business is conducted on behalf of their entity.

#### 4.3 Delegation of Authority:

Authority to manage the Village of Carol Stream’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: safekeeping, delivery vs. payment, investment accounting, repurchase agreements, wire transfer agreements, collateral/depository agreements and banking service contracts. 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 procedures established by the Finance Director. The Finance Director shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials. The Finance Director may from time to time amend the written procedures in a manner not inconsistent with this policy or with state statutes.

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 Mayor with advice of the Trustees, advises the Village Board on investment policy and is an ex-officio member of the Police Pension Fund.

#### 5.0 **Authorized Financial Institutions, Depositories and Broker/Dealers:**

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~~ depositories as established by state statutes.

The Village Board authorizes the Finance Director to invest up to ~~\$250,000~~ \$99,000.00 in any FDIC insured financial institution.

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 demonstrating compliance with state and federal capacity adequacy guidelines
- Proof of National Association of Securities Dealers (NASD) certification (not applicable to Certificates of Deposit counterparties)
- Proof of state registration
- ~~Completed broker/dealer questionnaire~~
- Certification of having read the Village’s investment policy
- Depository contracts

An audited financial statement is required to be on file for each financial institution and broker/dealer in which the village invests.

#### 6.0 **Safekeeping and Custody:**

All trades of marketable securities will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution prior to the release of funds.

Securities will be held by an independent third-party custodian selected by the Village as evidenced by safekeeping receipts in the Village’s name. The safekeeping institution shall annually provide a copy of their most recent report on internal controls (Statement of Auditing Standard No. 70, or SAS 70).

#### 6.1 **Internal Controls:**

The finance director is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Village of Carol Stream are protected from loss, theft or misuse. Details of the internal controls system shall be documented in an investment procedures manual and shall be reviewed and updated annually. 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.

The internal controls structure shall address the following points:

- Control of collusion.



- Separation of transaction authority from accounting and record keeping.
- ~~authority from accounting and record keeping~~
- Custodial safekeeping.
- Avoidance of physical delivery of securities.
- Clear delegation of authority to subordinate staff members.
- Written confirmation of telephone transactions for investments and wire transfers.
- ~~Dual authorization of wire transfers~~
- Development of a wire transfer agreement with the lead bank and third-party custodian.

Accordingly, the Finance Director shall establish a process for annual independent review by an external auditor to assure compliance with policies and procedures.

## 7.0 Suitable and Authorized Investments:

The Village may invest in any type of ~~security securities~~ allowed for in Illinois statutes (30ILCS 235/2) 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, its agencies, and its instrumentalities 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 is insured by the Federal Deposit Insurance Corporation;~~

- ~~Short-term obligations of corporations organized in the United States with assets exceeding \$500,000,000 if (i) such obligations are rated at the time of purchase at one of the three highest classifications established by at least two standard rating services and which mature not later than 180-270 days from the date of purchase, (ii) such purchases do not exceed 10% of the corporation's outstanding obligations and (iii) no more than 25% 1/3 of the Village's public funds may be invested in short-term obligations of corporations;~~
- Interest-bearing bonds of any county, township, city, village, incorporated town, municipal corporation, or school district of the State of Illinois, or of any other state. The bonds shall be registered in the name of the municipality 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;
- Illinois Public Treasurer's Investment Pool (Illinois Funds) and the Illinois Metropolitan Investment Fund (IMET);
- ~~Consistent with the GFOA Recommended Practice on Use of Derivatives by State and Local Governments (Attachment #1), extreme caution should be exercised in the use of derivative instruments.~~

## 7.1 **Collateralization:**

~~It is the policy of the Village of Carol Stream and in accordance with the~~

~~GFOA's Recommended Practices on the Collateralization of Public Deposits (Attachment #2), 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 ~~execute a written collateralization agreement, must agree to utilize the Village's Collateralization Agreement (Attachment #3).~~

The amount of collateral provided will not be less than 105% 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 Boston,~~ designated by the Village of Carol Stream and evidenced by a safekeeping agreement. Collateral agreements will preclude the release of the pledged assets without an authorized signature from the Village of Carol Stream.

As an alternative to accepting pledged securities as collateral, the securitization of deposits may be achieved through issuance of

an original irrevocable Letter of Credit issued by the Federal Home Loan Bank.

The Village of Carol Stream realizes that there is a cost factor involved with collateralization and the Village will pay any reasonable and customary fees related to collateralization.

## 8.0 Investment Parameters:

### 8.1 Diversification:

In order to reduce the risk of default, it is the policy of the Village of Carol Stream in accordance with the GFOA's Recommended Practices on the Diversification of Investments in a Portfolio, ~~(attachment #4),~~ that the investment portfolio of the Village of Carol Stream shall be diversified by:

- limiting investments to avoid over-concentration in securities from a specific issuer or business sector (excluding U.S. Treasury and Agency securities):
  - No financial institution shall hold more than 40% of the Village's investment portfolio (excluding third party safekeeping institutions and the Illinois Public Treasurer's Investment Pool).
  - Monies deposited at a financial institution shall not exceed 75% of the capital stock and surplus of that institution.
  - Commercial paper shall not exceed 10% of the Village's investment portfolio.
  - Brokered certificates of deposit shall not exceed

2533% of the Village's investment portfolio.

- investing in securities with varying maturities, and
- continuously investing a portion of the portfolio in readily available funds such as local government investment pools (LGIP's), money market funds or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

## 8.2 Maximum Maturities:

To the extent possible, the Village of Carol Stream 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 three years from the date of purchase.

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

## 9.0 Reporting:

The Finance Director shall prepare an investment report at least monthly, including a management summary that provides an analysis of the status of the current investment portfolio and the individual

transactions executed over the last month. This management summary will be prepared in a manner which will allow the Village to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report should be provided to the Village Manager and the Village Board. The report will include the following:

- Listing of individual securities held, by fund, at the end of the reporting period.
- ~~Average weighted yield to maturity of portfolio on investments as compared to applicable benchmarks.~~
- Listing of investments by maturity date.
- The purchase and safekeeping institutions.

## 9.1 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. The benchmarks shall be reflective of the actual securities being purchased and risks undertaken and the benchmark shall have a similar weighted average maturity as the portfolio.

## 9.2 Market Yield (Benchmark):

The Village's investment strategy is passive. Given this strategy, the basis used by the Finance Director to determine whether market yields are being achieved shall be the six-month U.S. Treasury Bill.

## 9.3 Marking to Market:

The market value of the portfolio shall be calculated at least quarterly and a statement of the market value of the portfolio shall be issued at least quarterly.

~~This will ensure that review of the investment portfolio, in terms of value and price volatility, has been performed consistent with the GEOA Recommended Practices on “Mark to Market Practices for State and Local Government Investment Portfolios and Investment Pools” (Attachment #5). In defining market value, considerations should be given to the GASB Statement 31 pronouncement.~~

#### 10.0 **Investment Policy Adoption:**

The Village of Carol Stream’s investment policy shall be adopted by the Village Board of Trustees. This policy shall be reviewed on an annual basis by the Finance Director and any modifications made thereto must be approved by the Village Board of Trustees.

## GLOSSARY

**AGENCIES:** Federal agency securities.

**ASKED:** The price at which securities are offered.

**BANKERS' ACCEPTANCE:** A draft or bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

**BID:** The price offered for securities.

**BROKER:** A Broker brings buyers and sellers together for a commission paid by the initiator of the transaction or by both sides; he does not position. In the money market, brokers are active in markets in which banks buy and sell money and in inter-dealer markets.

**CERTIFICATE OF DEPOSIT (CD):** A time deposit with a specific maturity evidenced by a certificate. Large-denomination CD's are typically negotiable.

**COLLATERAL:** Securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

**COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR):** The official annual report for the Village of Carol Stream. It includes five combined statements and basic financial statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

**COUPON:** (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on

the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

**DEALER:** A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

**DEBENTURE:** A bond secured only by the general credit of the issuer

**DELIVERY VERSUS PAYMENT:** There are two methods for delivery of securities: delivery versus payment and delivery versus receipt (also called *free*). Delivery versus payment is delivery of securities with an exchange of money for securities. Delivery versus receipt is delivery of securities with an exchange of sign receipt for the securities.

**DISCOUNT:** The difference between the cost price of a security and its value at maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

**DISCOUNT SECURITIES:** Non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value, e.g., U.S. Treasury bills.

**DIVERSIFICATION:** Dividing investment funds among a variety of securities offering independent returns.

**FEDERAL CREDIT AGENCIES:** Agencies of the Federal Government set up to supply credit to various classes of institutions and individuals,

e.g., S & L's, small business firms, students, farmers, farm cooperatives, and exporters.

**FEDERAL DEPOSIT OF INSURANCE CORPORATION (FDIC):** A federal agency that insures bank deposits, currently up to \$100,000 per deposit.

**FEDERAL FUNDS RATE:** The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

**FEDERAL HOME LOAN BANKS (FHLB):** The institutions that regulate and lend to savings and loan associations. The Federal Home Loan Banks play a role analogous to that played by the Federal Reserve Banks vis-à-vis member commercial banks.

**FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA):** FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing & Urban Development, HUD. It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans in addition to fixed-rate mortgages. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

**FEDERAL OPEN MARKET COMMITTEE (FOMC):** Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member while the other Presidents serve on a rotation basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of

Government Securities in the open market as a means of influencing the volume of bank credit and money.

**FEDERAL RESERVE SYSTEM:** The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.

**GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA OR GINNIE MAE):** Securities guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by FHA, VA or FMHM mortgages. The term *passthroughs* is often used to describe Ginnie Maes.

**LIQUIDITY:** A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be *liquid* if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

**LOCAL GOVERNMENT INVESTMENT POOL (LGIP):** The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

**MARKET VALUE:** The price at which a security, if trading, could presumably be purchased or sold.

**MASTER REPURCHASE AGREEMENT:** A written contract covering all future transactions between the parties to repurchase - reverse repurchase agreements that establishes each party's rights in the transactions. A master agreement will often specify, among other things,

the right of the buyer-lender to liquidate the underlying securities in the event of default of the seller-borrower.

**MATURITY:** The date upon which the principal or stated value of an investment becomes due and payable.

**MONEY MARKET:** The market in which short-term debt instruments (bills, commercial paper, banker's acceptances, etc.) are issued and traded.

**OPEN MARKET OPERATIONS:** Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

**PORTFOLIO:** Collection of securities held by an investor.

**PRIMARY DEALER:** A group of government securities dealers that submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

**PRUDENT PERSON RULE:** An investment standard. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the state - the so-called *legal list*. In other states the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

**QUALIFIED PUBLIC DEPOSITORIES:** A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

**RATE OF RETURN:** The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

**REPURCHASE AGREEMENT (RP or REPO):** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate him for this. Dealers use RP extensively to finance their positions. Exception: When the Fed is said to be doing RP, it is lending money that is, increasing bank reserves.

**SAFEKEEPING:** A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

**SEC RULE 15C3-1:** See uniform net capital rule.

**SECONDARY MARKET:** A market made for the purchase and sale of outstanding issues following the initial distribution.

**SECURITIES & EXCHANGE COMMISSION:** Agency created by Congress to protect investors in securities transactions by administering securities legislation.

**TREASURY BILLS:** A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

**TREASURY BOND:** Long-term U.S. Treasury securities having initial maturities of more than ten years.

**TREASURY NOTES:** Intermediate term coupon bearing U.S. Treasury securities having initial maturities of from one to ten years.

**UNIFORM NET CAPITAL RULE:** Securities and Exchange Commission requirement that member firms as well as non-member broker dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called *net capital rule* and *net capital ratio*. Indebtedness covers all money owed to a firm including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. *Liquid capital* includes cash and assets easily converted into cash.

**YIELD:** The rate of annual income return on an investment, expressed as a percentage. (a) *Income Yield* is obtained by dividing the current dollar income by the current market price for the security. (b) *Net Yield* or *Yield to Maturity* is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.



Attachment #1

**GFOA Recommended Practice**

**Use of Derivatives by State and Local Governments for Cash Operating and Reserve Portfolios (1994 and 2002)**

**Background.** Derivative products are financial instruments created from or whose value depends on (is derived from) the value of one or more underlying assets or indexes of asset values. Derivatives include instruments or features such as collateralized mortgage obligations (CMOs), interest only (IOs) and principal only (POs) securities, forwards, futures, currency and interest rate swaps, options, floaters/inverse floaters, and caps/floors/collars. It still remains the responsibility of each government to determine what constitutes a derivative product and what is allowable by policy and statute.

**Recommendation.** The Government Finance Officers Association (GFOA) urges state and local government finance officers to exercise extreme caution in the use of derivatives and to consider their use only when they have developed a sufficient understanding of the products and the expertise to manage them. Because new derivative products are increasingly complex, state and local governments should use these instruments only if they can evaluate the following factors, among others, to determine their appropriateness:

1. Governmental entities must observe the objectives of sound asset and liability management policies that ensure safety, liquidity, and yield within legally allowable investments. Because of the risks involved, the use of derivatives by governmental entities should receive particular scrutiny. Certain derivative products may not be appropriate for all governmental investors. Characteristics of such products can include high price volatility, illiquid markets, products that are not market tested, highly leveraged products, products requiring a high degree of sophistication to manage, and products that are difficult to value.
2. Governmental entities should understand that state and local laws may not specifically address the use of derivatives and examine such considerations as
  - the constitutional and statutory authority of the governmental entity to execute derivative contracts;
  - the potential for violating constitutional or statutory provisions limiting the entity's authority to incur debt resulting from the transaction; and
  - the application of the governmental entity's procurement statutes to derivative transactions.
3. Governmental entities should be aware of all the risks associated with use of derivatives, including counterparty credit, custodial, market, settlement, and operating risk.

~~4. Governmental entities should establish internal controls for each type of derivative in use to ensure that these risks are adequately managed. For example,~~

- ~~• the entity should provide a written statement of purpose and objectives for derivative use;~~
- ~~• written procedures should be established that provide for periodic monitoring of derivative instruments;~~
- ~~• managers should receive periodic training and have sufficient expertise and technical resources to oversee derivative programs;~~
- ~~• recordkeeping systems should be sufficiently detailed to allow governing bodies, auditors, and examiners to determine if the program is functioning in accordance with established objectives; managers should report regularly on the use of derivatives to their governing body and appropriate disclosure should be made in official statements and other disclosure documents; and~~
- ~~• reporting on derivative use should be in accordance with generally accepted accounting principles, and because use of these instruments is a complex matter, early discussion with public accountants is essential to determine if specialized reporting may be required.~~

~~5. Governmental entities should be aware if their broker/dealer is merely acting as an agent or intermediary in a derivatives transaction or is taking a proprietary position. Possible conflicts of interest should be taken into consideration before entering into a transaction.~~

~~6. Governmental entities should be aware that there may be little or no pricing information or standardization for some derivatives. Competitive price comparisons are recommended before entering into a transaction.~~

~~7. Governmental entities should exercise caution in the selection of broker/dealers or investment managers and ensure that these agents are knowledgeable about, understand and provide disclosure regarding the use of derivatives, including benefits and risks. The entity should secure written acknowledgment from broker/dealers that they have received, read, and understood the entity's debt and investment policies, including whether derivatives are currently authorized under the entity's investment policy and that the broker/dealer or investment manager has ascertained that the recommended product is suitable for the governmental entity.~~

~~8. Governmental entities are responsible for ensuring this same level of safeguards when derivative transactions are conducted by a third party acting on behalf of the governmental entities.~~

~~9. Government Entities should analyze the materiality of a transaction closely to determine if it might affect a bond or other credit related rating of such entity. Rating agencies should be notified at the appropriate time, before a transaction is completed.~~

## References

- ~~— *A Public Investor's Guide to Money Market Instruments, Second Edition*, edited by M. Corinne Larson, GFOA, 1994.~~
- ~~— *An Elected Official's Guide to Investing*, M. Corinne Larson, GFOA, 1995. Approved by the Committee on Cash Management, June 15, 2002. Approved by the Executive Committee, October 25, 2002.~~

## Attachment #2

### **Collateralization of Public Deposits (1984, 1987, 1993, and 2000)**

**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 surety bonds by depositories is an important safeguard for such deposits. State programs pertaining to the collateralization of public deposits have generally proven to be beneficial for both the public sector and its depositories.~~

~~However, federal law imposes certain limitations on collateral agreements between financial institutions and public entities in order to secure public entity deposits. Under certain circumstances, the Federal Deposit Insurance Corporation (FDIC) may be able to avoid a perfected security interest and leave the public depositor with only the right to share with other creditors in the pro rata distribution of the assets of a failed institution.~~

**Recommendation.** ~~The Government Finance Officers Association (GFOA) favors the use of pledging requirements as protection for state or local government's deposits. GFOA further favors and encourages state and local governments to establish adequate and efficient administrative systems to maintain such pledged collateral, including state or locally administered collateral pledging or collateral pools. To accomplish these goals, GFOA recommends the following:~~

- ~~1. Public 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 an effective statewide collateralization program, local officials should establish and implement collateralization procedures.~~
- ~~2. State and local government depositors should take all possible actions to comply with 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~~

- ~~has been, continuously, from the time of its execution, an official record of the depository institution.~~
3. ~~Public entities should have all pledged collateral held at an independent third party institution, 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. If state statute does not dictate a minimum margin level for collateral based on deposit levels (e.g., Georgia statute requires 110 percent), the margin levels should be at least 102 percent, depending on the volatility of the collateral pledged.~~
  - ~~Substitutions of collateral should meet the requirements of the collateral agreement, be approved in writing prior to release, and the collateral should not be released until the replacement collateral has been received.~~
4. ~~The pledge of collateral should comply with the investment policy or state statute, whichever is more restrictive.~~
5. ~~The use of surety bonds and other appropriate types of insurance in lieu of collateral could be reviewed as an alternative to collateralization. If a public entity agrees to the use of surety bonds and other types of insurance in lieu of collateral, only insurers of the highest credit quality as determined by a nationally recognized insurance rating agency should be used.~~

**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 government entity 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). Because of this change, the bullet item "was executed by the depository institution and any person claiming an adverse interest, contemporaneously with the acquisition of the asset by the depository institution" that appeared in previous versions of this recommended practice has been removed from this version.~~

### **References**

- ~~GFOA Sample Security Agreement, 1995.~~
- ~~GFOA Sample Custodial Trust Agreement, 1995.~~
- ~~*An Introduction to Collateralizing Public Deposits for State and Local*~~

- Governments*, M. Corinne Larson, GFOA, 1996.
- ~~*Investing Public Funds*, Second Edition, Girard Miller with M. Corinne Larson and W. Paul Zorn, GFOA, 1998.~~

**Attachment #3**

Long Form

### SECURITY AGREEMENT

This SECURITY AGREEMENT, dated \_\_\_\_\_, is between ~~[name of bank]~~ (the "*Bank*"), a ~~[bank and trust company, national banking association, state banking corporation, savings bank or savings and loan association]~~ having an address at \_\_\_\_\_, and ~~[public depositor]~~, having an address at \_\_\_\_\_ (the "*Public Depositor*").

### WITNESSETH:

WHEREAS, ~~the Bank is a qualified public depository as defined in [state statute], (the "Act"); and~~

WHEREAS, ~~Public Depositor from time to time makes deposits, as said term is defined in the Act, in the Bank (its "*Public Deposits*"), which Public Deposits shall from time to time aggregate in excess of One Hundred Thousand Dollars (\$100,000.00); and~~

WHEREAS, ~~the Public Depositor desires to have its Public Deposits secured by collateral; and~~

WHEREAS, ~~the Bank has agreed to secure the Public Depositor's Public Deposits by granting to the Public Depositor a security interest in certain collateral ("*Eligible Collateral*") owned by the Bank, as permitted by 12 U.S.C. § 90;~~

NOW THEREFORE, in consideration of the Public Depositor depositing its Public Deposits as herein described, and for other good and valuable consideration, hereby acknowledged as received, it is hereby agreed between the Public Depositor and the Bank as follows:

1. ~~In order to secure the Public Depositor's Public Deposits the Bank hereby pledges, assigns, transfers and grants to the Public Depositor a perfected first priority security interest in (a) such amounts of the Eligible Collateral to meet the collateral ratios and other requirements described in this Agreement, and (b) the Custody Account (as defined in Section 9 below) and any and all investment property and security entitlements from time to time held in, by, or for the benefit of the Custody Account~~

~~(including without limitation the Eligible Collateral) and all proceeds thereof (collectively, the "Collateral"). If at any time the ratio of the market value of the Eligible Collateral to the Public Depositor's Public Deposits, plus accrued interest, is less than required by this Agreement, the Bank shall immediately, within no more than 24 hours, make such additions to the Eligible Collateral in such amounts such that the ratio of the market value of the Eligible Collateral to the Public Depositor's Public Deposits, plus accrued interest, shall be at least equal to that required by this Agreement. Such additions to the Eligible Collateral shall constitute an assignment, transfer, pledge, and grant to the Public Depositor of a security interest in such additional Eligible Collateral pursuant to this Agreement and the Act.~~

- ~~2. The security interest granted herein (as described in Section 1 above) shall secure not only such Public Deposits and accrued interest of the Public Depositor as are held by the Bank at the time of this Agreement, but also any and all subsequent Public Deposits made by the Public Depositor in the Bank regardless of the accounts in which such funds may be held or identified by the Bank.~~
- ~~3. The pledge of Collateral by the Bank shall be in addition to, and shall in no way eliminate or diminish, any insurance coverage to which the Public Depositor may be entitled under the rules and regulations of the Federal Deposit Insurance Corporation (FDIC) or any private insurance carried by the Bank for the purpose of protecting the claims and rights of its depositors.~~
- ~~4. The Public Depositor is under no obligation to maintain its deposits with the Bank and may withdraw them at any time without notice. It is agreed that when the Bank shall have paid out and accounted for all or any portion of the Public Depositor's Public Deposits, any Collateral pledged under this Agreement to secure such paid out Public Deposits shall be released from the security interest created hereunder.~~
- ~~5. The Bank hereby represents that (i) it is a [state banking corporation] duly organized and validly existing under the laws of the [State of [state]]; (ii) it is a qualified public depository as defined by the Act; (iii) it has, or will have as of the time of delivery of any securities as Collateral under this Agreement, the right, power and authority to grant a security interest therein with priority over any other rights or interests therein; (iv) the execution and delivery of this Agreement and the pledge of securities as Collateral hereunder have been approved by resolution of the Bank's Board of Directors at its meeting of [date], and the approval of the Board of Directors is reflected in the minutes of that meeting, copies of which resolution and relevant portion of the minutes of said meeting are attached hereto as Exhibit A and made a part hereof; (v) the execution and delivery of this Agreement and the pledge of securities as Collateral hereunder will not violate or be in conflict with the Articles of Incorporation or By laws of the Bank, any agreement or instrument to which the Bank may be a party, any rule, regulation or order of any banking regulator applicable to the Bank, or any internal policy of the Bank adopted by its Board of Directors; and (vi) this Agreement shall be continuously maintained, from the time of its execution, as an official record of the Bank.~~

- ~~6. The Bank warrants that it is the true and legal owner of all Collateral pledged under this Agreement, that the Collateral is free and clear of all liens and claims, that no other person or entity has any right, title or interest therein, and that the Collateral has not been pledged or assigned for any other purpose. Should an adverse claim be placed on any pledged Collateral, the Bank shall immediately substitute unencumbered Collateral of equivalent value that is free and clear of all adverse claims.~~
- ~~7. At any time that the Bank is not in default under this Agreement, the Bank may substitute Eligible Collateral, provided that (a) the total market value of Eligible Collateral held in the Custody Account shall meet the requirements of this Agreement, and (b) the Public Depositor shall have approved such actual substitution or substitution process and all documentation relating to such substitution before it becomes effective.~~
- ~~8. Any additional pledge of Collateral hereunder, substitution of Collateral, or release of Collateral shall be approved by an officer of the Bank duly authorized by resolution of the Board of Directors to approve such additional pledges, substitutions, or releases of Collateral under this Agreement.~~
- ~~9. The Bank agrees to place the Collateral with a Federal Reserve Bank, a trust department of a commercial bank, or with a trust company (the "Custodian") to hold in a custody account (the "Custody Account") for the benefit of the Public Depositor. Any such commercial bank or trust company shall be a securities intermediary that in the ordinary course of its business regularly maintains securities accounts for its customers. The Bank shall execute a custodial trust agreement with the Custodian ("Custodial Trust Agreement") for the custody of the Eligible Collateral consistent with the terms of this Agreement. The Custodial Trust Agreement shall contain the Custodian's agreement to hold all Collateral in the Custody Account for the benefit of the Public Depositor and subject to the Public Depositor's direction and control and to comply with entitlement orders originated by the Public Depositor without the Bank's further consent. The executed Custodial Trust Agreement is attached hereto as Exhibit B. The execution by the Bank of the Custodial Trust Agreement shall in no way relieve it of any of its duties or obligations hereunder.~~
- ~~10. Upon the initial transfer of Eligible Collateral under this Agreement and monthly thereafter, the Bank shall cause the Custodian to report to the Public Depositor specifying the type and market value of Eligible Collateral being held in the Custody Account for the benefit of the Public Depositor.~~
- ~~11. The Bank shall pledge and transfer to the Custody Account Eligible Collateral having a total market value of at least the total value of the Public Deposits, including accrued interest, of the Public Depositor, less amounts covered by insurance of the FDIC.~~

~~12. Eligible Collateral shall include only the following securities and shall have a minimum market value as expressed in the following collateral ratios:~~



FORM OF ELIGIBLE COLLATERAL PLEDGE	COLLATERAL RATIO* (MARKET VALUE DIVIDED BY DEPOSIT PLUS ACCRUED INTEREST)
A. United States treasury Bills, notes and bonds	
i. Maturing in less than one year .....	102%
ii. Maturing in one to five years .....	105%
iii. Maturing in more than five years .....	110%
B. Actively traded United States government agency securities	
i. Maturing in less than one year .....	103%
ii. Maturing in one to five years .....	107%
iii. Maturing in more than five years .....	115%
C. United States government agency variable rate securities	
D. [State] general obligation bonds	
i. Maturing in less than one year .....	102%
ii. Maturing in one to five years .....	107%
iii. Maturing in more than five years .....	110%

~~13. The Bank shall recalculate the market value of individual securities comprising Eligible Collateral at least monthly.~~

~~14. The Bank has heretofore or will immediately hereafter deliver to the Custodian for immediate deposit into the Custody Account Eligible Collateral of sufficient value to meet the terms of this Agreement. Said Eligible Collateral, or substitute collateral, as herein provided for, shall be retained by the Custodian in the Custody Account so long as the Bank holds deposits of the Public Depositor.~~

~~\* The collateral ratios set forth below are merely suggested ratios and should be modified by the Public Depositor to reflect applicable statutory requirements and their investment policies.~~

- ~~15. In the event the Bank shall (a) fail to pay the Public Depositor any funds which the Public Depositor has on deposit, (b) fail to pay and satisfy when due any check, draft, or voucher lawfully drawn against any deposit of the Public Depositor, (c) fail or suspend active operations, (d) become insolvent, or (e) fail to maintain adequate Collateral as required by this Agreement, the Bank shall be in default, the Public Depositor's deposits in such Bank shall become due and payable immediately, the Public Depositor shall have the right to unilaterally direct the Custodian to liquidate the Collateral held in the Custody Account and pay the proceeds thereof to the Public Depositor and to exercise any and all other security entitlements with respect to the Custody Account and the other Collateral, to withdraw the Collateral, or any part thereof, from the Custody Account and deliver such Collateral to the Public Depositor or to transfer the Collateral or any part thereof into the name of the Public Depositor or into the name of the Public Depositor's nominee, and ownership of the Collateral shall transfer to the Public Depositor. The Bank authorizes the release, withdrawal and delivery of the Collateral to the Public Depositor upon default by the Bank, and authorizes the Custodian to rely without verification on the written statement of the Public Depositor as to the existence of a default and to comply with entitlement orders originated by the Public Depositor without further consent of that Bank.~~
- ~~16. In the event of default as described in Section 15, the Public Depositor shall also have the right to sell Collateral at any public or private sale at its option without advertising such sale, upon not less than three (3) days' notice to the Bank and the Custodian. In the event of such sale, the Public Depositor, after deducting all legal expenses and other costs, including reasonable attorney's fees, from the proceeds of such sale, shall apply the remainder on any one or more of the liabilities of the Bank to the Public Depositor, including accrued interest, and shall return the surplus, if any, to the Bank, or its receiver or conservator.~~
- ~~17. During the term of this Agreement, the Public Depositor will, through appropriate action of its governing board, designate the officer, or officers, who singly or jointly will be authorized to represent and act on behalf of the Public Depositor in any and all matters arising under this Agreement.~~
- ~~18. All parties to this Agreement agree to execute any additional documents that may be reasonably required to effectuate the terms, conditions and intent of this Agreement.~~
- ~~19. All of the terms and provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.~~
- ~~20. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which taken together shall constitute one and the same instrument.~~
- ~~21. This Agreement shall be governed by and construed in accordance with the laws of [state] and the laws of the United States, and it supersedes any and all prior~~

~~agreements, arrangements or understandings with respect to the subject matter hereof. In the event that any conflict of law issue(s) should arise in the interpretation of this Agreement, the parties agree that when [state] law is not preempted by laws of the United States, [state] law shall govern.~~

~~22. No provision of this Agreement may be waived except by a writing signed by the party to be bound thereby and any waiver of any nature shall not be construed to act as a waiver of subsequent acts.~~

~~23. In the event that any provision or clause of this Agreement conflicts with applicable law, such conflict shall not affect other provisions of this Security Agreement, which shall be given effect without the conflicting provision. To this end the provisions of this Agreement are declared to be severable.~~

~~24. Unless applicable law requires a different method, any notice that must be given under this Agreement shall be given in writing and sent by certified mail, return receipt requested or third party overnight priority mail carrier to the address set forth herein or such other place as may be designated by written notice in the same manner from one party to the other.~~

~~\_\_\_\_\_ [public depository bank] \_\_\_\_\_ [public depositor]~~

~~\_\_\_\_\_ By: \_\_\_\_\_ By:~~

~~\_\_\_\_\_ Its: \_\_\_\_\_ Its:~~

~~\_\_\_\_\_ Date: \_\_\_\_\_ Date: \_\_\_\_\_~~

**GFOA Recommended Practice**  
**Mark-to-Market Practices for State and Local Government Investment**  
**Portfolios and Investment Pools (1995, 2000, and 2003)**

**Background.** As the investment portfolios of state and local governments are subjected to increased scrutiny, it is essential that reporting standards be 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 in GASB Statement 31 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. It is recommended that the report include the market value, book value, and unrealized gain or loss of the securities in the portfolio.

Many state and local government officials are allowed to invest in various state and local government investment pools available in their state or region. GFOA recommends that pool administrators, on a daily basis, determine the market value of all securities in the pool and report this information to all pool participants on at least a monthly basis. These values should be obtained from a reputable and independent source. This information should be included in the report to the governing body prepared on at least a quarterly basis.


**References**

- *An Elected Official's Guide to Investing*, M. Corinne Larson, GFOA, 1996.
- *GASB Statement 31 and Implementation Guide*.
- *Investing Public Funds, Second Edition*, Girard Miller with M. Corinne Larson and W. Paul Zorn, GFOA, 1998.

**Recommended for Approval by the Committee on Cash Management, January 23, 2003.**

**Approved by the GFOA's Executive Committee, February 28, 2003.**

*Village of Carol Stream*  
Interdepartmental Memo

**TO:** Mayor and Trustees  
**FROM:** Joseph E. Breinig, Village Manager   
**DATE:** September 26, 2017  
**RE:** Liquor License – 7-Eleven, 865 E. Geneva Road

---

Attached for your review and consideration is an Ordinance reducing the number of Class P Liquor Licenses by one due to the closure of 7-Eleven located at 865 E. Geneva Road. This Ordinance will be effective immediately due to Shanper Inc. d/b/a 7-Eleven no longer conducting business. Shanper Inc. has surrendered their liquor license and closed their business on September 20, 2017.

Staff recommends approval of the attached Ordinance reducing the Class P Liquor Licenses by one with regard to Shanper Inc. d/b/a 7-Eleven.

JEB/dk

Attachments

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE AMENDING CHAPTER 11, ARTICLE 2 OF THE CAROL STREAM CODE OF ORDINANCES BY DECREASING THE NUMBER OF CLASS P LIQUOR LICENSES FROM 7 TO 6 (SHANPER INC. D/B/A 7-ELEVEN, 865 E. GENEVA ROAD)**

BE IT ORDAINED BY THE MAYOR AND BOARD OF TRUSTEES OF THE VILLAGE OF CAROL STREAM, DUPAGE COUNTY, ILLINOIS, IN THE EXERCISE OF ITS HOME RULE POWERS; as follows:

SECTION 1: That Chapter 11, Article 2 of the Carol Stream Code of Ordinances, Classification of Liquor Licenses, be and the same is hereby amended by decreasing the number of Class P Liquor Licenses, from 7 to 6 due to 7-Eleven located at 865 E. Geneva Road closing.

SECTION 2: This Ordinance shall be in full force and effect from and after its passage and approval by law.

PASSED AND APPROVED THIS 2<sup>nd</sup> DAY OF OCTOBER, 2017.

AYES:

NAYS:


ABSENT:

\_\_\_\_\_  
Frank Saverino, Sr., Mayor

ATTEST:

\_\_\_\_\_  
Laura Czarnecki, Village Clerk

*Village of Carol Stream*  
Interdepartmental Memorandum

TO: Joseph Breinig, Village Manager  
FROM: William N. Cleveland, Assistant Village Engineer   
DATE: September 26, 2017  
RE: Traffic Code Changes for Carol Stream School

The Police Department has recently noted traffic problems at the back entrance to Carol Stream School along Thunderbird Trail. Although there is a sign advising drivers not to pick up children at this entrance, drivers are still waiting on the south side of Thunderbird creating congestion and difficulty for school busses to maneuver.

Engineering staff therefore recommends the following addition to the Village Code Chapter 8: Traffic Code, Article 6, Parking Schedules, Schedule III "Stopping, Standing or Parking Prohibited"; Signs Required.

<u>Street</u>	<u>Location</u>
Thunderbird Trail	South side between Arrowhead Trail (west) and 442 Thunderbird Trail from 8 am to 9 am and 1 pm to 4 pm on school days

Police staff has also requested that this area be signed as a "School Zone" with 20 mph speed limit. Therefore Engineering staff recommends the following addition to Chapter 8: Traffic Schedules, Schedule III. Speed limits on Specific Streets, (E) the speed limit in school zones on school days when children are present shall be 20 miles per hour as follows:

<u>Street</u>	<u>Location</u>
Thunderbird Trail	Between Arrowhead Trail (west) and 200 feet east of the Carol Stream School driveway.

Engineering and Police staff recommends approval of these traffic controls to improve the safety of pedestrians and drivers.

Cc: James Knudsen, Village Engineer  
Ed Sailor, Chief of Police  
Phil Modaff, Director of Public Works  
Brian Cluever, Traffic Sergeant

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE AMENDING CHAPTER 8, ARTICLES 5 AND 6 OF THE  
CAROL STREAM TRAFFIC CODE – TRAFFIC SCHEDULES  
(SPEED LIMITS AND PARKING PROHIBITED)**

BE IT ORDAINED BY THE MAYOR AND BOARD OF TRUSTEES OF THE VILLAGE OF CAROL STREAM, DUPAGE COUNTY, ILLINOIS, IN THE EXERCISE OF ITS HOME RULE POWERS, that Chapter 8, Articles 5 and 6, of the Traffic Code, be amended to read as follows:

SECTION 1: That Chapter 8, Article 6, Schedule III (Stopping, Standing or Parking Prohibited; Signs Required) of the Traffic Code be amended to include the following:

Chapter 8: Traffic Code, Article 6: Traffic Schedules, Schedule III. Stopping, Standing or Parking Prohibited; Signs Required

<u>Street</u>	<u>Location</u>
Thunderbird Trail	South side between Arrowhead Trail (west) and 442 Thunderbird Trail from 8am to 9am and 1pm to 4pm on school days.

SECTION 2: That Chapter 8, Article 5, Traffic Schedules, Schedule III (Speed Limits on Specific Streets, (E) The Speed Limit in School Zones on School Days when Children are present shall be 20 miles an hour) of the Traffic Code be amended to include the following:

Chapter 8: Traffic Code, Article 5: Traffic Schedules, Schedule III. Speed Limits on Specific Streets, (E) The Speed Limit in School Zones on School Days when Children are present shall be 20 miles an hour

<u>Street</u>	<u>Location</u>
Thunderbird Trail	Between Arrowhead Trail (west) and 200 feet east of the Carol Stream School driveway.

SECTION 3: That this Ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form as provided by law, and the posting of the required signs in keeping with this Ordinance.

PASSED AND APPROVED THIS 2<sup>nd</sup> DAY OF OCTOBER, 2017.

AYES:

NAYS:

ABSENT:

\_\_\_\_\_  
Frank Saverino, Sr., Mayor



Ordinance No. \_\_\_\_\_


Page 2

ATTEST:

---

Laura Czarnecki, Village Clerk

*Village of Carol Stream*  
Interdepartmental Memo

**TO:** Mayor and Trustees  
**FROM:** Joseph E. Breinig   
**DATE:** September 27, 2017  
**RE:** Flip Flops Tiki Bar & Grill Liquor License

---

Flip Flops Tiki Bar & Grill, 1022 Fountain View Drive has a Class A Liquor License and Class V Video Gaming License. The Sabo Group Inc. d/b/a Flip Flops Tiki Bar & Grill has advised that they are selling their restaurant to Puzzled Minds Management Group, LLC d/b/a JT's Corner Tap & Eatery.

Attached you will find an Ordinance decreasing/increasing the number of Class A Liquor Licenses reflecting the sale. Puzzled Minds Management Group, LLC has submitted a complete application and has satisfactorily completed the required background investigation. Staff recommends approval of the Ordinance.

Also attached is an Ordinance reducing the number of Class V Video Gaming Licenses by one. Puzzled Minds Management has indicated that they intend to pursue video gaming, but they need to have Village and State liquor licenses to apply for a video gaming license. Assuming all requirements for video gaming are met, an Ordinance will be presented for your consideration at that time. Staff recommends approval of the Ordinance as presented.

JEB/dk

Attachments

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE AMENDING CHAPTER 11, ARTICLE 2 OF THE CAROL STREAM CODE OF ORDINANCES BY DECREASING THE NUMBER OF CLASS A LIQUOR LICENSES FROM 12 TO 11 (THE SABO GROUP INC. d/b/a FLIP FLOPS TIKI BAR & GRILL, 1022 FOUNTAIN VIEW DRIVE) AND INCREASING THE NUMBER OF CLASS A LIQUOR LICENSES FROM 11 TO 12 (PUZZLED MINDS MANAGEMENT GROUP, LLC d/b/a JT'S CORNER TAP & EATERY, 1022 FOUNTAIN VIEW DRIVE)**

BE IT ORDAINED BY THE MAYOR AND BOARD OF TRUSTEES OF THE VILLAGE OF CAROL STREAM, DUPAGE COUNTY, ILLINOIS, IN THE EXERCISE OF ITS HOME RULE POWERS; as follows:

SECTION 1: That Chapter 11, Article 2 of the Carol Stream Code of Ordinances, Classification of Liquor Licenses, be and the same is hereby amended by decreasing the number of Class A Liquor Licenses, from 12 to 11.

SECTION 2: That Chapter 11, Article 2 of the Carol Stream Code of Ordinances, Classification of Liquor Licenses, be and the same is hereby amended by increasing the number of Class A Liquor Licenses from 11 to 12.

SECTION 3: This Ordinance shall be in full force and effect from and after its passage and approval by law.

PASSED AND APPROVED THIS 2<sup>nd</sup> DAY OF OCTOBER, 2017.

AYES:

NAYS:

ABSENT:

\_\_\_\_\_  
Frank Saverino, Sr., Mayor

ATTEST:

\_\_\_\_\_  
Laura Czarnecki, Village Clerk

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE AMENDING CHAPTER 11, ARTICLE 2 OF THE CAROL STREAM CODE OF ORDINANCES BY DECREASING THE NUMBER OF CLASS V LICENSES FROM 12 TO 11 (THE SABO GROUP INC. D/B/A FLIP FLOPS TIKI BAR & GRILL, 1022 FOUNTAIN VIEW DRIVE)**

BE IT ORDAINED BY THE MAYOR AND BOARD OF TRUSTEES OF THE VILLAGE OF CAROL STREAM, DUPAGE COUNTY, ILLINOIS, IN THE EXERCISE OF ITS HOME RULE POWERS; as follows:

SECTION 1: That Chapter 11, Article 2 of the Carol Stream Code of Ordinances, Classification of Liquor Licenses, be and the same is hereby amended by decreasing the number of Class V Licenses, authorization to operate video gaming devices, from 12 to 11.

SECTION 2: The decrease in the number of Class V liquor licenses as provided in Section 1 is due to the closure of The Sabo Group Inc. d/b/a Flip Flops Tiki Bar & Grill located at 1022 Fountain View Drive.

SECTION 3: This Ordinance shall be in full force and effect from and after its passage and approval by law.

PASSED AND APPROVED THIS 2<sup>nd</sup> DAY OF OCTOBER, 2017.

AYES:

NAYS:

ABSENT:

\_\_\_\_\_  
Frank Saverino, Sr., Mayor

ATTEST:

\_\_\_\_\_  
Laura Czarnecki, Village Clerk

*Village of Carol Stream*  
**Interdepartmental Memo**

**TO:** Mayor and Trustees  
**FROM:** Robert Mellor, Assistant Village Manager *RM*  
**DATE:** September 29, 2017  
**RE:** **Municipal Center Renovation Project - Change Order Nos. 1 & 2**

Attached for the Village Board's consideration are change order requests 1 & 2.

**Change Order No. 1:**

Change Order No. 1 is a recommendation to replace the existing basement sump pumps with a new, larger duplex storm water pumping system. This item was bid as an alternate during bid package No. 3 in August. Williams Architects advised us the proposed additional drain tile and sump pump replacement provides greater flood protection than the existing 38-year old system and is highly recommended. The cost of this change order is \$27,324, adds to the scope of the project and falls outside the guaranteed maximum price (GMP) of the construction manager. Attached is correspondence from the Village Attorney explaining the change order and from Williams Architects recommending the work be completed at this time.

**Change order No. 2:**

Change Order No. 2 is a recommendation to replace the entire Municipal Center roof. The architect plans and specification included installation of a new roof on the new portion of the building and patching the existing roof on the part of the building that was not included in the demolition. However, after demolition and removal of certain mechanical equipment and installation of new vents in the old roof it was determined a new roof would be a better, watertight alternative. Also, recall that when the roofing work was bid during bid package No. 3 MTI, our construction manager, only received one bid. We were informed that roofing contractors are hesitant to patch a roof they did not originally install and then guarantee the roof for 20 years. On September 5, 2017, the Village Board authorized MTI to negotiate with roofing contractors to determine a more cost effective alternative to that which was specified in the original architect plans. It was determined that this alternative would be to install an entirely new roof on the Municipal Center. The increased cost to install a new roof is \$105,380. This amount includes additional insulation that was not present on the old roof and a 20-year warranty. Additionally, although MTI was not able to find a more cost effective roof-screening manufacturer, the higher cost of the roof screening was partially offset by lower pricing they received on the structural steel bids. The net difference being an increase of only \$8,383 over the GMP. Attached is the architect recommendation to complete this work at this time.

**Change Order numbers 1 & 2 totaling \$132,704 represent .85% of the Municipal Center Renovation contract. Attached for your consideration are resolutions approving these two change orders. Please contact me if you have any questions.**

Cc: Joseph Breinig, Village Manager

RESOLUTION NO. - \_\_\_\_\_

**A RESOLUTION AUTHORIZING CHANGE ORDER NUMBER 1 TO THE AGREEMENT WITH MTI CONSTRUCTION SERVICES FOR THE VILLAGE HALL AND POLICE ADDITION AND REMODELING**

**WHEREAS**, the Village of Carol Stream, DuPage County, Illinois (the "Village") is a home rule municipality, pursuant to Article 7, Section 6 of the Illinois Constitution of 1970; and

**WHEREAS**, the Village entered into an Agreement with MTI Construction Services (MTI) as Construction Manager for the Village Hall and Police Addition and Remodeling Project and pursuant to said Agreement MTI provided a Guaranteed Maximum Price in the amount of \$15,565,000.00; and

**WHEREAS**, the plumbing engineer for the Project has recommended that the existing dual sump pump system be replaced with larger Weil 2 ½ hp dual sump pumps, new float and control system in order to provide increased flood protection to the Project; and

**WHEREAS**, MTI has prepared Change Order No. 1 in the amount of \$27, 324.00 to cover the cost of the replacement of the existing dual sump pump system with the Weil 2 ½ hp dual sump pumps, new float and control systems; and

**WHEREAS**, Mayor and Board of Trustees find that the change order results from circumstances that were not reasonably foreseeable at the time the Agreement was signed and the change is germane to the original Agreement and in the best interests of the Village.

**NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND BOARD OF TRUSTEES OF THE VILLAGE OF CAROL STREAM, DUPAGE COUNTY, ILLINOIS**

that the Village President, is hereby authorized to execute Change Order No. 1 attached hereto, related to the Village Hall and Police Addition and Remodeling Project.

**ADOPTED BY THE MAYOR AND BOARD OF TRUSTEES** of the Village of Carol Stream, Illinois at a regular meeting thereof held on the \_\_\_\_ day of October, 2017, pursuant to a roll call vote as follows:

AYES: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

**APPROVED** by me this \_\_\_\_ day of \_\_\_\_\_, 2017.

\_\_\_\_\_  
Frank Saverino, Sr., Mayor

(SEAL)

ATTEST:

\_\_\_\_\_  
Laura Czarnecki, Village Clerk

**K T J**KLEIN, THORPE & JENKINS, LTD.  
Attorneys at Law20 N. Wacker Drive, Ste 1660  
Chicago, Illinois 60606-2903  
T 312 984 6400 F 312 984 6444 T 708 349 3888 F 708 349 150615010 S. Ravinia Avenue, Ste 10  
Orland Park, Illinois 60462-5353DD: 312-984-6417  
jarhodes@ktjlaw.com

www.ktjlaw.com

**MEMORANDUM**

**TO: Mayor and Board of Trustees  
Joseph E. Breinig, Village Manager**

**FROM: James A. Rhodes, Village Attorney**

**DATE: September 26, 2017**

**RE: Change Order No. 1 – Village Hall and Police Addition Remodeling**

The Village Hall and Police Addition Remodeling Project plans included certain basement flooding protection through the use of a series of standpipes connected to new drain tile. The new drain tile was to connect to existing drain tile and the existing sump pumps. The plumbing engineer hired by Williams Architects determined that the existing sump pumps could remain due to the historically dry conditions of the basement area. However, there is some risk the older existing pumps might overwhelmed with the increased significant rainfall that have been occurring. The plumbing engineer indicates that installation of a new sump pump system will have twice the capacity of the existing system and will provide greater flood protection. The architect has recommended the installation of the new sump system. The cost to install the new sump system will be \$27,324.00.



September 29, 2017

Mr. Bob Mellor  
Assistant Village Manager  
Village of Carol Stream  
505 E. North Ave.  
Carol Stream, IL 60188

Re: *Change Order Request #1 – Alternate Bid for Additional Drain Tile and Sump Pump Replacement*  
Carol Stream Municipal Center  
Project No. 2016-021

Dear Bob:

We have reviewed *Change Order Request #1 – Alternate Bid for Additional Drain Tile and Sump Pump Replacement* submitted by MTI Construction Services, Inc.

*Explanation:*

The base bid included new foundation drain tile around the perimeter of the new addition. A series of standpipes connected to the new drain tile were indicated at the Basement Area Well to provide back-up flooding protection in the event that the storm sewer was overwhelmed. The new tile was shown to connect to the existing drain tile to remain. There was no change to the existing sump pumps.

A bid alternate was included to provide additional drain tile under the basement floor slab of the new addition and to replace the existing sump pumps. The plumbing engineer indicates the new sump pump system will have twice the capacity of the existing system.

The plumbing engineer field measured the existing sump pit size and verified the capacity of the existing pumps. The engineer determined that pumps could probably remain given the historically dry conditions of the basement. However, there is some risk of overwhelming the capacity of the existing pumps with the standpipes and the additional drain tile.

*Recommendation:*

The proposal includes work that is not required to complete the project. However, the additional drain tile and sump pump replacement provides a greater flood protection than the existing system and is highly recommended. The cost proposed seems fair and reasonable for the work. We recommend approval. If the sump pump system is not replaced at this time the basement will be more at risk of flooding until the system is replaced in the future.

Please see the attached letter from W-T Group, LLC for additional information.

Cordially,



Andrew Caputo, AIA, LEED AP  
Associate Principal



Mr. Bob Mellor / Village of Carol Stream / Municipal Center / WA Project No. 2016-021 / September 29,  
2017 / Page 2

Xc:     Andy Jones / MTI Construction Services, Inc.  
          Steve Karecki / MTI  
          Mark Bushhouse / Williams Architects

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# THE W-T GROUP, LLC

MECHANICAL/ELECTRICAL/PLUMBING ENGINEERING DIVISION  
2675 PRATUM AVENUE | HOFFMAN ESTATES, IL 60192  
PH: (224) 293-6333 | [WWW.WTENGINEERING.COM](http://WWW.WTENGINEERING.COM)

September 29, 2017

Mr. Bob Mellor  
Assistant Village Manager  
Village of Carol Stream  
505 E North Ave  
Carol Stream, IL 60188

Re: Change Order Request #1 – Alternate Bid for Additional Drain-tile and Sump Pump Replacement

Mr. Bob Mellor,

We reviewed COR#2 submitted by MTI Construction Services, Inc.

#### Background/Existing Conditions

The existing drain-tile is 6" diameter. The drain-tile leads to a settling basin followed by a sump pit (42" diameter x 72" deep)

The existing duplex sump pump system (2 pumps) is capable of pumping 100 gallons per minute (gpm) per pump. (200 gpm combined)

#### DD Phase

The design included only exterior drain-tile around the perimeter of the building addition, connected to the existing drain-tile. W-T specified a new sump pump system; however, due to budgetary concerns, WA asked W-T if the existing sump pump pit and pumps could remain for the proposed facility. W-T visited the site to verify the size of the pit and pumps. W-T recommended that the pit and pumps remain for two reasons...

- 1) The area drains for the existing facility along the north side were being eliminated which offset the additional area of the proposed facility.
- 2) Building maintenance staff indicated that system worked well for the existing facility in terms of reliability and size.

The storm infrastructure was designed to accommodate the larger pumps, under the assumption that the existing pumps would eventually need to be replaced as they reached their life expectancy.

#### CD Phase

Per request, and as recommended by the geotechnical engineer in the geotechnical report, a perimeter of interior drain-tile was added to the addition with laterals on 30'-0" centers. Given the additional load, W-T offered an alternate for a new sump pump system while utilizing the existing sump pit.

---

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COMMUNICATIONS DESIGN | CONSTRUCTION | AQUATIC DESIGN | PROJECT MANAGEMENT

BP#2 Add #1

Per request, two overflow standpipes, connected to the drain-tile system, were added to an area well to mitigate storm water backup. The maximum anticipated overflow rate is 49.4 gpm or 0.11 cfs.

Sizing

Based on the area of the building footprint (26,000 ft<sup>2</sup>), one pump of roughly 200 gpm can handle the load for clay soil.

It is also worth noting that a full 6" drain-tile pipe can produce more than 200 gpm in a worst-case scenario.

Per above, two pumps rated for 200 gpm each were specified, allowing for redundancy and a maximum combined discharge of 400 gpm.

Recommendation

W-T recommends the installation of the 200 gpm sump pumps as the maximum load of the drain-tile exceeds the capacity of the existing system. It is worth noting that the existing pumps will suffice most of the time; however, a heavy rain compounded by a wet season (ie higher water table) and overflow from the area well could overwhelm the existing system, resulting in flooding.

W-T reviewed the COR provided by MTI. The price for is within industry standards.

Regards,

The W-T Group, LLC



Joe Hainaut  
VP Operations

Revised Date: September 25, 2017

To: Bob Mellor, Assistant Village Manager  
Andrew Caputo, Williams Architects

Re: Village of Carol Stream Municipal Center  
500 North Gary Avenue, Carol Stream, IL 60188  
Scope Change Order Request #1 - New Duplex Sump Pump System

Dear Bob,

The Cost to replace the existing duplex sump system with larger Weil 2 ½ Horsepower duplex pumps, new float and control systems would be as follows.

JL Wagner Plumbing and Piping, per attached proposal	\$23,760.00
Bernardoni Electrical, per attached proposal.	\$1,080.00
CM Fee @ 10%	<u>\$2,484.00</u>
Total Added Cost	<b>\$27,324.00</b>

The equipment replacement work covered by this COR #1 was unanticipated and is submitted for Owner consideration and approval as a Scope Change Order.

Sincerely,

**MTI Construction Services, LLC**



J. Andrew Jones  
President

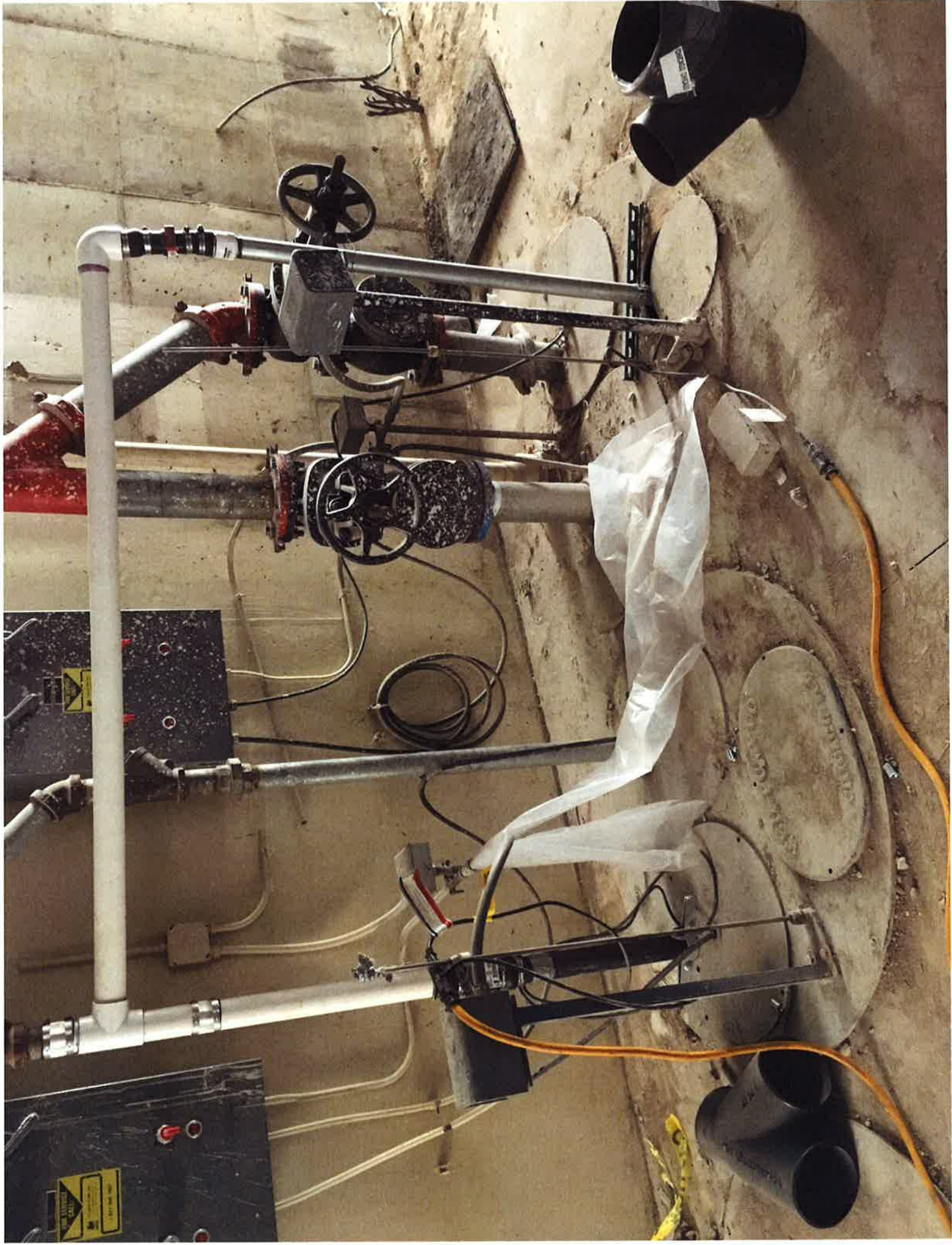
cc: Jim Rhodes  
Steve Karecki

Attachments

Village of Carol Stream  
Approved

By: \_\_\_\_\_

Date: \_\_\_\_\_



RESOLUTION NO. - \_\_\_\_\_

**A RESOLUTION AUTHORIZING CHANGE ORDER NUMBER 2 TO THE AGREEMENT WITH MTI CONSTRUCTION SERVICES FOR THE VILLAGE HALL AND POLICE ADDITION AND REMODELING**

**WHEREAS**, the Village of Carol Stream, DuPage County, Illinois (the "Village") is a home rule municipality, pursuant to Article 7, Section 6 of the Illinois Constitution of 1970; and

**WHEREAS**, the Village entered into an Agreement with MTI Construction Services (MTI) as Construction Manager for the Village Hall and Police Addition and Remodeling Project (the Project) and pursuant to said Agreement MTI provided a Guaranteed Maximum Price in the amount of \$15,565,000.00; and

**WHEREAS**, the plans for the Project included the repair of the existing roof; and

**WHEREAS**, the bids received for the existing roof repair were higher than the costs originally estimated for such work; and

**WHEREAS**, based upon the repair costs, MTI and Williams Architects have recommended replacement of the existing roof rather than the repairs; and

**WHEREAS**, MTI has prepared Change Order No. 2 in the amount of \$105,380 to cover the cost of the replacement of the existing roof; and

**WHEREAS**, Mayor and Board of Trustees find that the change order results from circumstances that were not reasonably foreseeable at the time the Agreement was signed and the change is germane to the original Agreement and in the best interests of the Village.

**NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND BOARD OF TRUSTEES OF THE VILLAGE OF CAROL STREAM, DUPAGE COUNTY, ILLINOIS**

that the Mayor is hereby authorized to execute Change Order No. 2 attached hereto, related to the Village Hall and Police Addition and Remodeling Project.

**ADOPTED BY THE MAYOR AND BOARD OF TRUSTEES** of the Village of Carol Stream, Illinois at a regular meeting thereof held on the \_\_\_\_ day of October 2017, pursuant to a roll call vote as follows:

AYES: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

**APPROVED** by me this \_\_\_\_ day of \_\_\_\_\_, 2017.

\_\_\_\_\_  
Frank Saverino, Sr., Mayor

(SEAL)

ATTEST:

\_\_\_\_\_  
Laura Czarnecki, Village Clerk



September 29, 2017

Mr. Bob Mellor  
Assistant Village Manager  
Village of Carol Stream  
505 E. North Ave.  
Carol Stream, IL 60188

Re: *Change Order Request #2 – Roof Replacement*  
Carol Stream Municipal Center  
Project No. 2016-021

Dear Bob:

We have reviewed *Change Order Request #2 – Roof Replacement* submitted by MTI Construction Services, Inc.

*Explanation:*

The base bid included patching the existing roof system to remain with materials to match the existing building.

A bid alternate was included to remove the existing roof and provide a new roof system to match the new building. The roof replacement includes a new roof membrane, cover board, insulation, and roof specialties (fascia, coping, flashing and counterflashing).

*Recommendation:*

The proposal includes work that is not required to complete the project. However, consideration of this work is highly recommended. The replacement of the existing roof will result in a completed project with a brand new single roof system that is covered by a 20-year manufacturer warranty. In addition, the replacement of the existing roof insulation will increase the thermal resistance of the roof, improve the energy efficiency of the building, and reduce future heating and cooling costs. The cost proposal seems fair and reasonable for the work. We recommend approval. If the existing roof system is not replaced at this time it will need to be replaced in the future.

Cordially,



Andrew Caputo, AIA, LEED AP  
Associate Principal



Mr. Bob Mellor / Village of Carol Stream / Municipal Center / WA Project No. 2016-021 / September 29,  
2017 / Page 2

Xc: Andy Jones / MTI Construction Services, Inc.  
Steve Karecki / MTI  
Mark Bushhouse / Williams Architects

G:\2013\2013-0111D\_Construction Administration\_Task 60\ID.13\_Pay Applications\2017\_09\_29 COR.001 2016021.docx

Revised Date: September 27, 2017

To: Bob Mellor, Assistant Village Manager  
Andrew Caputo, Williams Architects

Re: Village of Carol Stream Municipal Center  
500 North Gary Avenue, Carol Stream, IL 60188  
Scope Change Order Request #2 - Remove & Replace Existing Building Roof System

Dear Bob,

The Cost to remove and replace the existing building's 13 year old roof membrane system with a roof membrane system that equals and matches the new 2-story building addition's 20 year warranted roof membrane system, would be as follows.

Olsson Roofing - Alternate ADD	\$95,800.00
CM Fee @ 10%	<u>\$9,580.00</u>
Total Added Cost	<b>\$105,380.00</b>

The material removal and replacement work covered by this COR #2 was not included in the project's scope of work and is submitted for Owner consideration and approval as a Scope Change Order.

Sincerely,

**MTI Construction Services, LLC**



J. Andrew Jones  
President

cc: Jim Rhodes  
Steve Karecki

Attachments

Village of Carol Stream  
Approved

By: \_\_\_\_\_

Date: \_\_\_\_\_

# MTI CONSTRUCTION SERVICES

Date: 9/15/2017

Bid Summary Carol Stream Municipal Center Bid Package #3R

ROOFING

Page: 1 of 1

	Bidder	Bid	Recommended Award Amount
1.	Anthony Roofing Tecta America LLC	\$527,770	
2.	J.L. Adler Roofing and Sheet Metal, Inc	\$522,704	
3.	Olsson Roofing Company, Inc.	\$518,300	<b>\$518,300</b>









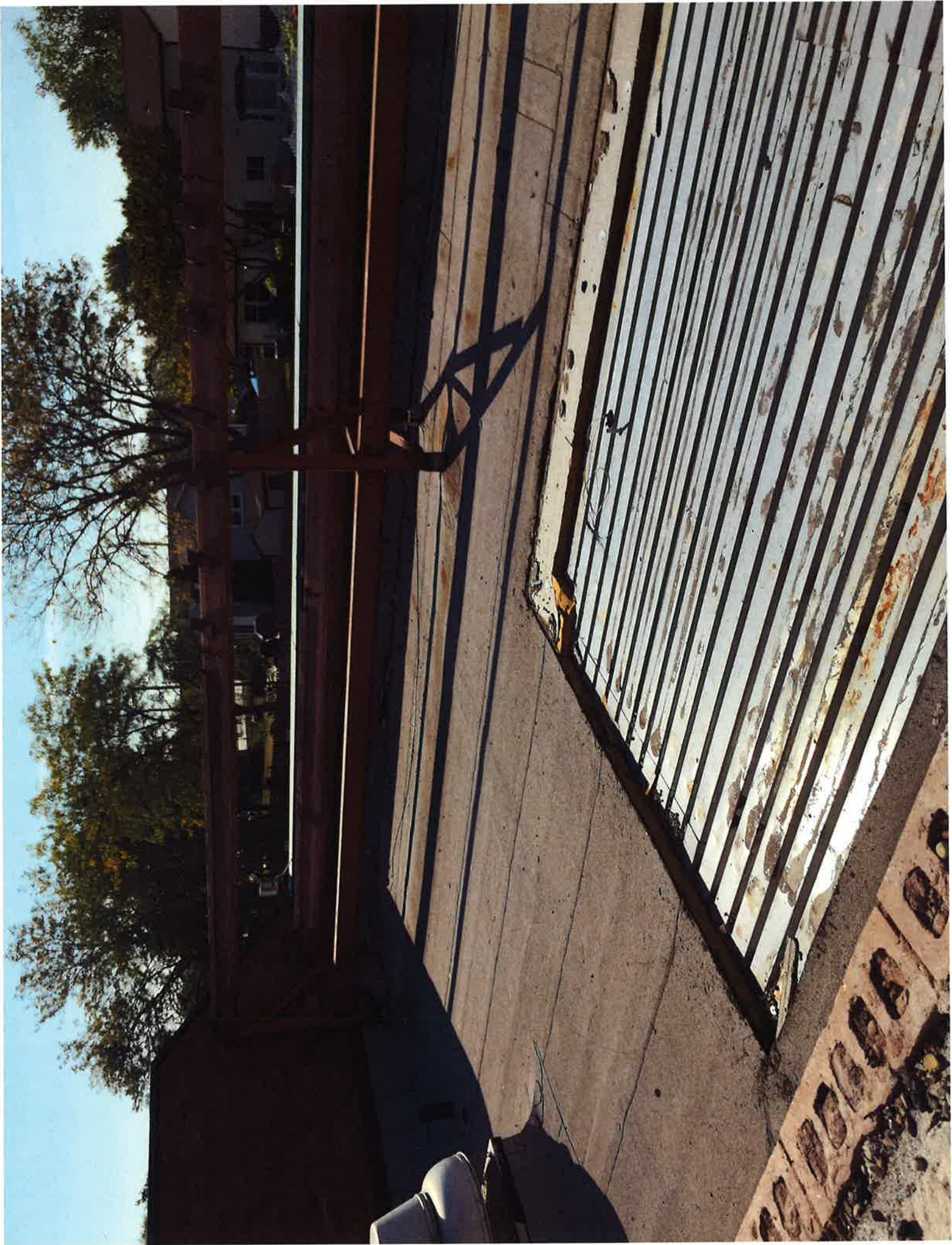













*Village of Carol Stream*  
**Interdepartmental Memo**

**TO:** Joseph Breinig, Village Manager  
**FROM:** Ann Delort - Secretary   
**DATE:** September 15, 2017  
**RE:** **Raffle License Request-Boys Basketball Program  
Glenbard North High School**

The Boys Basketball Program at Glenbard North High School will be selling raffle tickets from November 11, 2017 to November 18, 2017 with the drawing on November 18, 2017. The cost is \$5.00 per raffle ticket and prizes will be \$500, \$100 and \$50. All other money raised would go towards summer leagues, tournaments, uniforms and equipment.

They have requested a waiver of both the license fee and manager's fidelity bond as indicated in the attached letter request. The raffle license application and required documentation is on file in the Village Clerk's office for your review.

Please place this on the agenda for the October 2, 2017 Board meeting for Board's approval.

Enclosure



# GLENBARD NORTH HIGH SCHOOL

**"Home of the Panthers"**

Dr. John Mensik, Principal

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990 N. Kuhn Road, Carol Stream, IL 60188, (630) 653-7000, [www.glenbardnorthhs.org](http://www.glenbardnorthhs.org)

To the Village of Carol Stream,

For one week, November 11<sup>th</sup>- 18<sup>th</sup> 2017, the Boys Basketball Program at Glenbard North High School would like to sell raffle tickets at \$5.00 each for our program fundraiser. The prizes would be \$500 for 1<sup>st</sup>, \$100 for 2<sup>nd</sup> and \$50 for 3<sup>rd</sup>. All other money raised would help fund summer leagues, summer tournaments, uniforms and equipment for our program. I am requesting that the village consider waiving the requirement for a manager's fidelity bond and the fee associated with requesting a raffle license. Thank you for your consideration.

Respectfully,

Joseph Larson

Head Boys Basketball Coach

---

WHERE EXCELLENCE IS TRADITION

Mr. Eric Johansen, Assistant Principal for Operations • Mr. John Healy, Assistant Principal for Instruction  
Ms. Debra Cartwright, Assistant Principal for Student Services • Mr. Matt Bowser, Assistant Principal for Athletics

*Village of Carol Stream*  
**Interdepartmental Memo**

**TO:** Robert Mellor, Assistant Village Manager  
**FROM:** Rose Armstrong, Secretary *RA*  
**DATE:** September 26, 2017  
**RE:** Corpus Christi Catholic Church  
Raffle License Application

The Transitional Housing Ministry at Corpus Christi Catholic Church has submitted a raffle license application for a raffle to be held at their Bunco For A Cause event on Friday, October 13, 2017. Raffle tickets will be sold 6 for \$5.00 at Corpus Christi Church from 6:30 pm - 8:30 pm the day of the raffle. The ministry works in conjunction with the Bridge Communities and Homeless Families Program. Proceeds from this raffle will pay two (2) apartment rents for homeless people that the Church sponsors.

Applicant is requesting a waiver of the application fee and the Manager's Fidelity Bond as indicated in the attached letter. The raffle license application and required documentation is on file in the Village Clerk's office for your review.

Please place this item on the agenda for review and approval by the Village Board of Trustees at their upcoming Monday, October 2, 2017 Board meeting.

Thank you.

Attachment



Dear Mr. Breinig,

I am a member of the Transitional Housing Ministry at Corpus Christi Church. Our ministry works in conjunction with Bridge Communities and homeless families. Corpus Christi has sponsored two families for the past 17 years. During this two year program we pay a portion of the rent \$950 for each apartment. We mentor our families with budgeting, managing a family household and many skills that help them to break the cycle of poverty.

On October 13,2017 we will be holding Bunco For A Cause at the church with raffles. I would like to request the Village Board to approve our raffle and waive the fee for such. Raffle items are under \$100 and we receive many cash donations at the function. All proceeds will be used to ensure we continue to house two families.

Thank you for your consideration,

Teri Miceli  
Corpus Christi Transitional Housing Mentor

Village of Carol Stream  
 Schedule of Bills  
 For Village Board Approval on October 2, 2017

**AGENDA ITEM**  
L-1 10-2-17

<u>Vendor / Description</u>	<u>Amount</u>	<u>Account Number</u>	<u>Account Description</u>	<u>Invoice No.</u>	<u>Purchase Order</u>
<b>ACTION ELECTRIC ENTERPRISES INC</b>					
GROUND WIRE INSTALLATION	2,700.00	01670400-52244	MAINTENANCE & REPAIR	3921	
	<u>2,700.00</u>				
<b>B &amp; B CONCRETE LIFTING INC</b>					
MUDJACKING	6,000.00	01670500-52272	PROPERTY MAINTENANCE	203	
	<u>6,000.00</u>				
<b>B &amp; F CONSTRUCTION CODE SERVICES, INC</b>					
BLDG PLAN REVIEW	1,369.37	01643700-52253	CONSULTANT	47558	
FIRE ALARM SYSTEMS	149.80	01643700-52253	CONSULTANT	47534	
PLUMBING INSPEC'S AUG/2017	1,540.00	01643700-52253	CONSULTANT	47520	
	<u>3,059.17</u>				
<b>BADGERLAND BADGE &amp; SIGN COMPANY INC</b>					
NAME BADGE -FRANK SAVERINO SR	13.11	01520000-53314	OFFICE SUPPLIES	62170	
	<u>13.11</u>				
<b>BEDROCK EARTHSCAPES LLC</b>					
2017/18 WETLAND/BASIN TWN CTR	5,970.00	01620600-52272	PROPERTY MAINTENANCE	688	
	<u>5,970.00</u>				
<b>BERNARDONI ELECTRIC INC</b>					
FOUNTAIN LIGHT REPLMNTS/LABOR	2,725.00	01680000-52219	TC MAINTENANCE	4547	
	<u>2,725.00</u>				
<b>BIZODO INC</b>					
SOFTWARE RNWL FOR SEAMLESS DOCS	5,500.00	01652800-52255	SOFTWARE MAINTENANCE	1786	
	<u>5,500.00</u>				
<b>BRIAN CLUEVER</b>					
PER DIEM 10/4 -10/6	83.00	01662300-52223	TRAINING	IATAI CONF	
	<u>83.00</u>				

**Village of Carol Stream  
Schedule of Bills  
For Village Board Approval on October 2, 2017**

<u>Vendor / Description</u>	<u>Amount</u>	<u>Account Number</u>	<u>Account Description</u>	<u>Invoice No.</u>	<u>Purchase Order</u>
<b>BRIAN COOPER</b>					
PER DIEM 10/4 - 10/6	83.00	01660100-52223	TRAINING	IATAI CONF	
	<u>83.00</u>				
<b>BURROUGHS TACTICS TRAINING GROUP</b>					
USE OF FORCE COURSE 9/18-22 J JOHNSON	225.00	01662700-52223	TRAINING	17-10	
	<u>225.00</u>				
<b>C J INCROCCI</b>					
TUITION REIMB 7/26-9/5 CSJ 210	1,985.00	01660100-52223	TRAINING	CRIMINAL JUSTICE 210	
	<u>1,985.00</u>				
<b>CECCHIN PLUMBNG &amp; HEATING</b>					
365 NORTH AV WTR MAIN INSTL	25,272.45	04201600-54480	CONSTRUCTION	65647	20180018
	<u>25,272.45</u>				
<b>COMCAST CABLE</b>					
SRV THRU SEPT 14, 2017	4,378.25	01652800-52230	TELEPHONE	56984817	
	<u>4,378.25</u>				

**Village of Carol Stream  
Schedule of Bills  
For Village Board Approval on October 2, 2017**

<u>Vendor / Description</u>	<u>Amount</u>	<u>Account Number</u>	<u>Account Description</u>	<u>Invoice No.</u>	<u>Purchase Order</u>
<b>COMED</b>					
1015 W LIES RD TOWER #4	38.37	04201600-53210	ELECTRICITY	2514004009 9/14/17	
1025 LIES RD -CONTROLLER	243.04	01670300-53213	STREET LIGHT ELECTRICITY	6213120002 9/14/17	
106 GOLDENHILL	143.42	01670600-53210	ELECTRICITY	2127117053 9/20/17	
1128 EVERGREEN TRL LIFT STATION	61.57	04101500-53210	ELECTRICITY	0291093117 9/18/17	
1350 TALL OAKS STATION	45.39	04101500-53210	ELECTRICITY	2073133107 9/15/17	
1415 MAPLE RIDGE	263.42	01670600-53210	ELECTRICITY	5838596003 9/18/17	
192 YUMA LN	80.56	01670300-53213	STREET LIGHT ELECTRICITY	0501137042 9/15/17	
333 FULLERTON, WELL #3	117.81	04201600-53210	ELECTRICITY	0300009027 9/15/17	
391 ILLINI DR	94.59	01670600-53210	ELECTRICITY	4430145023 9/15/17	
401 TOMAHAWK	117.35	01670300-53213	STREET LIGHT ELECTRICITY	0723076266 09/15/17	
633 THUNDERBIRD TRL	227.03	01670300-53213	STREET LIGHT ELECTRICITY	0455095075 9/15/17	
850 LONGMEADOW	143.54	01670600-53210	ELECTRICITY	1865134015 9/15/17	
879 DORCHESTER	139.92	01670600-53210	ELECTRICITY	0803155026 09/15/17	
RED LIGHT CAMERA	39.89	01662300-52298	ATLE SERVICE FEE	4202129060 8/17/17	
RED LIGHT CAMERA	39.91	01662300-52298	ATLE SERVICE FEE	4202129060 9/15/17	
	<b>1,795.81</b>				
<b>CONSTELLATION NEW ENERGY</b>					
100 DELLA CT	15.13	01670300-53213	STREET LIGHT ELECTRICITY	414170600001	
	<b>15.13</b>				
<b>DAVID G BAKER</b>					
VETERANS SPOTLIGHT PROD SRV'S	165.00	01590000-52253	CONSULTANT	091817	
	<b>165.00</b>				
<b>DIANA MCDERMOTT</b>					
TRAVEL REIMB TRNG 9/17- 9/19	218.75	01612900-52223	TRAINING	IGFOA ANNL CONF	
	<b>218.75</b>				

**Village of Carol Stream  
Schedule of Bills  
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<u>Vendor / Description</u>	<u>Amount</u>	<u>Account Number</u>	<u>Account Description</u>	<u>Invoice No.</u>	<u>Purchase Order</u>
<b>DOCUMENT IMAGING DIMENSIONS, INC</b>					
OFFICE EQUIPMENT TONER	179.00	01652800-52226	OFFICE EQUIPMENT MAINTENANG	329018	
REPLACEMENT LASER JET TONER	118.00	01652800-52226	OFFICE EQUIPMENT MAINTENANG	329450	
TONER FOR FINANCE	69.00	01652800-52226	OFFICE EQUIPMENT MAINTENANG	329362	
TONER FOR RECORDS	298.00	01652800-52226	OFFICE EQUIPMENT MAINTENANG	329372	
	<u>664.00</u>				
<b>DUPAGE WATER COMMISSION</b>					
WATER PURCH - AUGUST	580,588.24	04201600-52283	DUPAGE CTY WATER COMMISSION	11873	
	<u>580,588.24</u>				
<b>FEECE OIL CO</b>					
SP GREASE	322.80	01696200-53354	PARTS PURCHASED	1691894	
	<u>322.80</u>				
<b>GOVTEMPSUSA LLC</b>					
OFFICE MGR W/E 9/03 & 9/10	2,923.20	01590000-52253	CONSULTANT	2348333	
PROP INSP & ACCT'S CLRK W/E 9/3 & 9/10	1,400.00	01642100-52253	CONSULTANT	2348332	
PROP INSP & ACCT'S CLRK W/E 9/3 & 9/10	2,419.20	01612900-52253	CONSULTANT	2348332	
	<u>6,742.40</u>				
<b>GRAYBAR ELECTRIC</b>					
FINAL PAYOUT- LED STREET LIGHTS	43,375.01	11740000-55486	ROADWAY CAPITAL IMPROVEMEN	9300084540	
	<u>43,375.01</u>				
<b>GREEN HORIZON LANDSCAPING LLC</b>					
PLANT BED MTC-5TH INSTALLMENT	6,000.00	01670400-52272	PROPERTY MAINTENANCE	8869	20180012
	<u>6,000.00</u>				
<b>I R M A</b>					
AUGUST DEDUCTIBLE	6,803.61	01590000-52215	INSURANCE DEDUCTIBLES	16343	
	<u>6,803.61</u>				

**Village of Carol Stream  
Schedule of Bills  
For Village Board Approval on October 2, 2017**

<u>Vendor / Description</u>	<u>Amount</u>	<u>Account Number</u>	<u>Account Description</u>	<u>Invoice No.</u>	<u>Purchase Order</u>
<b>ILLINOIS STATE POLICE ACADEMY</b>					
CLASS FEE FOR APRL 9- JUNE 29 2017	3,233.12	01662700-52223	TRAINING	BACIDORE	
	<u>3,233.12</u>				
<b>ILLINOIS STATE TREASURER</b>					
FY2017 UNCLAIMED PROP 7/1/09 THR 6/30/12	459.79	04-24131	UNCLAIMED DEPOSITS	FY2017 UNCLAIMED PRO	
FY2017 UNCLAIMED PROP 7/1/09 THR 6/30/12	495.00	01-24131	UNCLAIMED DEPOSITS	FY2017 UNCLAIMED PRO	
	<u>954.79</u>				
<b>JOHN L FIOTI</b>					
LOCAL PROSECUTION - SEPT	250.00	01570000-52238	LEGAL FEES	C S 106	
LOCAL PROSECUTION - SEPT	250.00	01662300-52310	ATLE LEGAL ADJUDICATION	C S 106	
	<u>500.00</u>				
<b>JON BATEK</b>					
TRAVEL REIMB -CONF 9/17- 9/19	280.13	01610100-52223	TRAINING	IGFOA CONF REIMB	
	<u>280.13</u>				
<b>JUST A TASTE CONFECTIONS</b>					
WRC OPEN HS FOOD VENDOR	198.00	04100100-52274	COMMUNITY SERVICE PROGRAMS	10/07/17	
	<u>198.00</u>				
<b>KLEIN, THORPE &amp; JENKINS, LTD</b>					
LEGAL SRV'S AUGUST/2017	3,066.00	11740000-55490	VILLAGE HALL RENOVATION	191199 9/13/17	
LEGAL SRV'S AUGUST/2017	4,263.00	04100100-52238	LEGAL FEES	191199 9/13/17	
LEGAL SRV'S AUGUST/2017	13,555.51	01570000-52238	LEGAL FEES	191199 9/13/17	
	<u>20,884.51</u>				
<b>LAUTERBACH &amp; AMEN, LLP</b>					
GASB 67/68 VALUATION	2,250.00	01610100-52254	ACTUARIAL	24008	
	<u>2,250.00</u>				

**Village of Carol Stream  
Schedule of Bills  
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<u>Vendor / Description</u>	<u>Amount</u>	<u>Account Number</u>	<u>Account Description</u>	<u>Invoice No.</u>	<u>Purchase Order</u>
<b>MONROE TRUCK EQUIPMENT</b>					
SNOW PLOW TRK #43	5,664.00	01670200-54412	OTHER EQUIPMENT	74895	
	<u>5,664.00</u>				
<b>MUNICIPAL CLERKS OF DUPAGE CO</b>					
DINNER MTG VLG CLERK	25.00	01580000-52222	MEETINGS	10/04/17	
	<u>25.00</u>				
<b>PENN CREDIT</b>					
PENN COLLECTION FEES AUG/2017	38.20	01000000-45402	ORDINANCE FORFEITS	101921	
	<u>38.20</u>				
<b>PETTY CASH</b>					
REIMBURSEMENT THRU SEPT/2017	544.46	01-10307	PETTY CASH	REIMB THRU SEPT	
	<u>544.46</u>				
<b>PUSH WELLNESS SOLUTIONS INC</b>					
OCTOBER WELLNESS INCENTIVES	2,802.00	01600000-52340	WELLNESS PROGRAM	160960	
	<u>2,802.00</u>				
<b>REFUNDS MISC</b>					
REFUND ON PEMIT 17-1078-SIGN PERMIT	80.00	01000000-42307	BUILDING PERMITS	361 N GARY AVE	
	<u>80.00</u>				

**Village of Carol Stream  
Schedule of Bills  
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<u>Vendor / Description</u>	<u>Amount</u>	<u>Account Number</u>	<u>Account Description</u>	<u>Invoice No.</u>	<u>Purchase Order</u>
<b>REFUNDS PRESERVATION BONDS</b>					
AS BUILT SECURITY REFUND	5,000.00	01-24302	ESCROW - GRADING	330 SCHMALE	
DRIVEWAY BOND REFUND	300.00	01-24302	ESCROW - GRADING	1188 BROOKSTONE	
DRIVEWAY BOND REFUND	300.00	01-24302	ESCROW - GRADING	335 SHAWNEE	
DRIVEWAY BOND REFUND	300.00	01-24302	ESCROW - GRADING	513 YARDLEY DR	
DRIVEWAY BOND REFUND	300.00	01-24302	ESCROW - GRADING	702 MAYFAIR DR	
DRIVEWAY BOND REFUND	300.00	01-24302	ESCROW - GRADING	792 BURNING TRL	
DRIVEWAY BOND REFUND	300.00	01-24302	ESCROW - GRADING	855 LONGMEADOW	
PATIO BOND REFUND	200.00	01-24302	ESCROW - GRADING	1104 CLIFF VIEW	
	<u>7,000.00</u>				
<b>REFUNDS W&amp;S FINALS</b>					
1408 GEORGETOWN FINAL WTR REFUND	3.49	04-12110	ACCOUNT RECEIV WATER & SEWER	4430	
308 SYPE DR FINAL WTR REFUND	54.07	04-12110	ACCOUNT RECEIV WATER & SEWER	1119	
402 FLINT TRL FINAL WTR REFUND	73.83	04-12110	ACCOUNT RECEIV WATER & SEWER	2218	
780 ARMY TRL REFUND	532.39	04-12110	ACCOUNT RECEIV WATER & SEWER	1072	
874 GLENLAKE DR FINAL WTR REFUND	96.00	04-12110	ACCOUNT RECEIV WATER & SEWER	6177	
917 OHIO CT FINAL WTR REFUND	103.34	04-12110	ACCOUNT RECEIV WATER & SEWER	1637	
	<u>863.12</u>				
<b>RUSH TRUCK CENTERS</b>					
SP - BELT TENSIONER	99.18	01696200-53354	PARTS PURCHASED	3007748455	
	<u>99.18</u>				
<b>SERVICE COMPONENTS INC</b>					
SP - CLEVIS HOOK	17.41	01696200-53354	PARTS PURCHASED	89653	
	<u>17.41</u>				
<b>SMITH SECKMAN REID INC</b>					
MUNICIPLE CTR ADDT & REMODEL SRV THR 9/1/17	28.70	11740000-55490	VILLAGE HALL RENOVATION	240096	20180022
MUNICIPLE CTR ADDT & REMODEL THRU 9/2/17	326.51	11740000-55490	VILLAGE HALL RENOVATION	240095	20180022
	<u>355.21</u>				



**Village of Carol Stream  
Schedule of Bills  
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<u>Vendor / Description</u>	<u>Amount</u>	<u>Account Number</u>	<u>Account Description</u>	<u>Invoice No.</u>	<u>Purchase Order</u>
<b>THIRD MILLENIUM ASSOCIATES INCORPORATED</b>					
ON LINE VEHICLE SALES	5,091.75	01612900-52255	SOFTWARE MAINTENANCE	21203	
VEHICLE STK SECOND NTC	3,000.00	01612900-53315	PRINTED MATERIALS	21150	
	<u>8,091.75</u>				
<b>TIM'S AUTO BODY</b>					
2012 DODGE CHRGR BODY SHOP RPR	4,345.30	01662700-52244	MAINTENANCE & REPAIR	d2efa606	
	<u>4,345.30</u>				
<b>TRANSYSTEMS CORPORATION</b>					
KUHN RD BIKE PATH SRV 8/12 -9/08	3,965.24	11740000-55486	ROADWAY CAPITAL IMPROVEMENT	13-3197721	
PHASE I PREL ENGR SRV 8/12 - 9/08	2,404.14	11740000-55486	ROADWAY CAPITAL IMPROVEMENT	09-3197742	20180008
PHS I ENGR LIES RD BIKE 08/12 - 09/08	7,748.07	11740000-55486	ROADWAY CAPITAL IMPROVEMENT	14-3197724	
	<u>14,117.45</u>				
<b>TYCO INTEGRATED SECURITY LLC</b>					
FRM HS ALRM 10/01 THRU 12/31	38.70	01590000-52230	TELEPHONE	29250688	
TWN CTR ALRM 10/1 -12/31	43.56	01590000-52230	TELEPHONE	29250689	
	<u>82.26</u>				
<b>U S POSTMASTER</b>					
VEH STICKER 2ND NOTICE POSTAGE	1,167.48	01610100-52229	POSTAGE	1529 SEPT 17 VS	
	<u>1,167.48</u>				

**Village of Carol Stream  
Schedule of Bills  
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<u>Vendor / Description</u>	<u>Amount</u>	<u>Account Number</u>	<u>Account Description</u>	<u>Invoice No.</u>	<u>Purchase Order</u>
<b>VERIZON WIRELESS</b>					
SERV FRM AUG 14- SEPT 13	38.01	01652800-52230	TELEPHONE	9792756638	
SERV FRM AUG 14- SEPT 13	38.01	01662700-52230	TELEPHONE	9792756638	
SERV FRM AUG 14- SEPT 13	38.01	04100100-52230	TELEPHONE	9792756638	
SERV FRM AUG 14- SEPT 13	38.01	04200100-52230	TELEPHONE	9792756638	
SERV FRM AUG 14- SEPT 13	55.13	01610100-52230	TELEPHONE	9792756638	
SERV FRM AUG 14- SEPT 13	55.13	01640100-52230	TELEPHONE	9792756638	
SERV FRM AUG 14- SEPT 13	55.13	01642100-52230	TELEPHONE	9792756638	
SERV FRM AUG 14- SEPT 13	55.13	01690100-52230	TELEPHONE	9792756638	
SERV FRM AUG 14- SEPT 13	58.04	01652800-52230	TELEPHONE	9792756638	
SERV FRM AUG 14- SEPT 13	75.13	01680000-52230	TELEPHONE	9792756638	
SERV FRM AUG 14- SEPT 13	93.14	01600000-52230	TELEPHONE	9792756638	
SERV FRM AUG 14- SEPT 13	130.26	01643700-52230	TELEPHONE	9792756638	
SERV FRM AUG 14- SEPT 13	172.29	01590000-52230	TELEPHONE	9792756638	
SERV FRM AUG 14- SEPT 13	376.01	01652800-52230	TELEPHONE	9792756638	
SERV FRM AUG 14- SEPT 13	377.36	01620100-52230	TELEPHONE	9792756638	
SERV FRM AUG 14- SEPT 13	465.70	01670100-52230	TELEPHONE	9792756638	
SERV FRM AUG 14- SEPT 13	584.83	04200100-52230	TELEPHONE	9792756638	
SERV FRM AUG 14- SEPT 13	3,148.93	01662700-52230	TELEPHONE	9792756638	
	<b>5,854.25</b>				
<b>WHEATON BANK AND TRUST</b>					
WHEATON BANK FEES- AUGUST	178.41	04103100-52256	BANKING SERVICES	7509063 9/15/17	
WHEATON BANK FEES- AUGUST	178.41	04203100-52256	BANKING SERVICES	7509063 9/15/17	
WHEATON BANK FEES- AUGUST	558.21	01610100-52256	BANKING SERVICES	7509063 9/15/17	
	<b>915.03</b>				
<b>WILL COUNTY CLERK</b>					
COUNTY NOTARY REGIS D CUMMINGS	10.00	01664700-52234	DUES & SUBSCRIPTIONS	DONALD CUMMINGS	
NOTARY REGIS-JONATHAN D GREY	10.00	01662700-52234	DUES & SUBSCRIPTIONS	JONATHAN D GREY	
	<b>20.00</b>				

**Village of Carol Stream  
Schedule of Bills  
For Village Board Approval on October 2, 2017**

<u>Vendor / Description</u>	<u>Amount</u>	<u>Account Number</u>	<u>Account Description</u>	<u>Invoice No.</u>	<u>Purchase Order</u>
<b>WILLIAMS ASSOCIATES ARCHITECTS, LTD</b>					
SCHEMATIC DESIGN PH SRV'S- AUGUST	72,416.10	11740000-55490	VILLAGE HALL RENOVATION	18012	20180010
	<u>72,416.10</u>				
<b>GRAND TOTAL</b>	<u><u><b>\$857,483.48</b></u></u>				

**The preceding list of bills payable totaling \$857,483.48 was reviewed and approved for payment.**

**Approved by:**

  
\_\_\_\_\_  
Joseph Breinig – Village Manager

**Date:** 9/29/17

**Authorized by:**

\_\_\_\_\_  
Frank Saverino Sr – Mayor

\_\_\_\_\_  
Laura Czarnecki- Village Clerk

**ADDENDUM WARRANTS**  
**Sept 19, 2017 thru Oct 2, 2017**

Fund	Check #	Vendor	Description	Amount
General	A C H	Wheaton Bank & Trust	Payroll Sept 11, 2017 thru Sept 24, 2017	563,904.74
Water & Sewer	A C H	Wheaton Bank & Trust	Payroll Sept 11, 2017 thru Sept 24, 2017	<u>54,137.43</u>
				<u><b>618,042.17</b></u>

Approved this \_\_\_\_\_ day of \_\_\_\_\_, 2017

By: \_\_\_\_\_  
Frank Saverino Sr - Mayor

\_\_\_\_\_  
Laura Czarnecki - Village Clerk