

VILLAGE OF LOMBARD
REQUEST FOR BOARD OF TRUSTEES ACTION
For Inclusion on Board Agenda

 X Resolution or Ordinance (Blue) *Waiver of First Requested*
 Recommendations of Boards, Commissions & Committees (Green)
 Other Business (Pink)

TO: PRESIDENT AND BOARD OF TRUSTEES
FROM: Scott Niehaus, Village Manager
DATE: March 15, 2022 (COW)(B of T) April 7, 2022
TITLE: Resolution Authorizing an Addition to the Village of Lombard
Financial Policies Regarding an Economic Development Fund Policy

SUBMITTED BY: Timothy Sexton, Director of Finance

BACKGROUND/POLICY IMPLICATIONS:

The Business Retention Policy was formally adopted by the Village Board on October 21, 2021 (Ord. 7992). In accordance with this policy, the Village established an Economic Development Fund and changed the Year End General Fund Reserve Maintenance Policy to include a method of funding for the new Economic Development Fund.

The Finance & Administration (F&A) Committee met on February 28, 2022 to discuss an additional recommendation regarding the obligation and availability of funds in the Economic Development Fund when considering future agreements. A memo on the proposed amendment as presented to the F&A Committee is attached.

The F&A Committee unanimously voted to recommend that Village Board approve the following update to the Village of Lombard Financial Policies:

PROPOSED ECONOMIC DEVELOPMENT FUND RESERVE POLICY

Funds in the Economic Development Reserve should be encumbered upon Board approval of an incentive agreement in accordance with the provisions of the agreement. Total incentive agreements should not exceed the amount of unencumbered funds in the Economic Development Fund Reserve. Any balance of unencumbered funds in the Economic Development Fund Reserve greater than \$5,000,000, due to canceled agreements or funds no longer needed for a project, will be allocated back through the Year End General Fund Reserve Policy "Waterfall".

Review (as necessary):

Village Attorney X _____ Date _____
Finance Director X  _____ Date 3/18/22
Village Manager X  _____ Date 3/18/22