

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

Resolution or Ordinance (Blue) \_\_\_\_\_  
 Recommendations of Boards, Commissions & Committees (Green) \_\_\_\_\_  
 Other Business (Pink) \_\_\_\_\_

TO: PRESIDENT AND BOARD OF TRUSTEES

FROM: David A. Hulseberg, Village Manager *John*

DATE: March 25, 2009 (COW)(B of T) April 2, 2009

TITLE: Resolution Authorizing an Amendment to the Village of Lombard Financial Policies

SUBMITTED BY: Timothy Sexton, Director of Finance

BACKGROUND/POLICY IMPLICATIONS:

At the meeting on March 16, 2009, the Finance Committee discussed and voted upon an amendment to the Village's Financial Policies as recommended by staff. A memo on the proposed amendment as presented to the Finance Committee is attached.

The Finance Committee voted unanimously to recommend approval of the staff recommendation and the additional wording to the amendment.

Review (as necessary):

Village Attorney X \_\_\_\_\_  
 Finance Director X \_\_\_\_\_  
 Village Manager X \_\_\_\_\_

Date 3/25/09 Date 3/25/09

NOTE: All materials must be submitted to and approved by the Village Manager's Office by 12:00 noon, Wednesday, prior to the Agenda Distribution.

# 696158



A RESOLUTION AUTHORIZING ADOPTION OF ADDITIONS AND AMENDMENTS  
TO THE VILLAGE OF LOMBARD FINANCIAL POLICIES

WHEREAS, the President and Board of Trustees of the Village of Lombard, DuPage County, Illinois previously approved by Resolution 63-88 various financial policies approved by the Village Finance Committee, and

WHEREAS, Resolution 63-88 has in the past been amended by Resolutions 64-88, 13-94, 47-95, 58-95, 14-96, 98-96, 50-97, 97-98, 71-00, 69-02, 02-03, 142-03, 120-07, and

WHEREAS, the Finance Committee has reviewed and recommended to the Corporate Authorities additions or amendments to the policies as attached hereto and marked Exhibit "A" and; WHEREAS, these policies contribute to the continuity and credibility of administering public funds;

WHEREAS, the Corporate Authorities deem it to be in the best interest of the Village of Lombard to approve such policies.

NOW, THEREFORE, BE IT RESOLVED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF LOMBARD, DU PAGE COUNTY, ILLINOIS as follows:

Section 1: That the amendments to the Village of Lombard Financial Policies are hereby approved.

Section 2: That the Director of Finance is hereby directed to implement said policies as approved.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2009

Ayes: \_\_\_\_\_

Nays: \_\_\_\_\_

Absent: \_\_\_\_\_

Approved this \_\_\_\_\_ day of \_\_\_\_\_, 2009

\_\_\_\_\_  
William J. Mueller  
Village President

ATTEST:

\_\_\_\_\_  
Brigitte O'Brien  
Village Clerk

APPROVAL AS TO FORM:

\_\_\_\_\_  
Thomas P. Bayer  
Village Attorney

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**VILLAGE OF LOMBARD**

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**To:** Finance Committee

David A. Hulseberg, Village Manager

**From:** Timothy Sexton, Director of Finance 

**Date:** March 13, 2009

**Subject:** Financial Policies Update - Technology Reserve

Attached is a proposed amendment to the Technology Reserve section of the Village's Financial Policies, as well as a memo from Fire Chief George Seagraves. Staff is proposing a change to the Technology Reserve to include monitors/defibrillators that are in the ambulances and fire trucks, as well as the portable automatic external defibrillators that are in various Village buildings and police cars.

Due to the significant cost and the importance of routinely updating this technology, the Fire Chief recommended that this equipment be included in the Technology Reserve to fund future replacement. Both myself and the Village Manager support this change.

Therefore, staff is requesting the Finance Committee's approval of this recommendation to the Village Board of Trustees for their consideration at the Village Board meeting on April 2, 2009.



**TECHNOLOGY RESERVE - Adopted May 7, 1998; Revised May 1, 2003;  
Revised April 2, 2009**

The Village of Lombard has established a technology replacement reserve account in the General Fund. The purpose of this reserve is to set aside funds on an annual basis for the eventual upgrade and/or replacement of specific inventory of hardware, computer software, and distributor equipment (hereinafter referred to as "equipment") including:

- Personal computer (CPUs), monitors and CRTs
- Computer software
- Telephone equipment
- Mid-range computer equipment
- Printers
- Copiers
- Computer Infrastructure Peripherals
- Automatic External Defibrillators (AEDs)

Each fund having equipment for which a reserve is established shall annually contribute to the Technology Reserve Account for replacement of the specific equipment assigned to the fund, in order to have sufficient funds on hand for eventual replacement at the end of the equipment's useful life. These reserve funds will be kept separately from any general operating funds for the information Technology (IT) division.

In order to properly manage the Technology Reserve Account and maintain the reserve fund contribution by other funds at an appropriate level, the contribution amounts shall be annually determined based on the following factors:

- ◆ The fund reserve target for all equipment categories is set at 75% of the equipment replacement value as determined annually by IT, except that the target for the AEDs, mid-range computer equipment, and Village Hall copier shall be 100% of the equipment replacement value.
- ◆ Equipment shall be depreciated over its useful life. As a general guideline, the useful life established by category is as follows:

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- ◆ Replacement cost and useful life for each item will be re-evaluated on an annual basis. This re-evaluation may change the annual amounts that each fund contributes to the technology reserve.
- ◆ IT will annually review both the replacement cost and the general useful life guidelines and may amend these items for any individual piece of equipment for which a reserve is established. The Fire Department will review changes required for the AEDs. The reasons for such a change may include but are not limited to changes due to market conditions, technological improvements, and/or ongoing maintenance costs.
- ◆ A reserve amount for future replacement shall be set aside in the year of disposal but not in the year of purchase.
- ◆ Any funds received from the auction or sale of surplus equipment shall be applied to the reserve account for the replacement equipment, thereby reducing the budgeted annual expenditure required from the appropriate fund for future annual reserves. The budget for these items would therefore reflect gross replacement cost.
- ◆ Any funds received from the trade-in of obsolete equipment shall be used to reduce the budgeted expenditure for replacement of the traded-in equipment. The budget for these items would therefore reflect the net replacement cost. If the amount allocated to replace the equipment, the balance shall be allocated to the reserve account set aside for future replacement of the new equipment. This would thereby reduce the budgeted annual expenditure required from the appropriate fund for future annual reserves.
- ◆ If the amount received from trade-in proceeds is less than the amount needed to replace the equipment, the balance shall be made up from the fund that annually contributes to the reserve fund for that equipment item.
- ◆ The cost of improvements to existing equipment, provided that they extend the useful life of the equipment, shall be paid for from the reserve fund.

CATEGORY	USEFUL LIFE
Personal computers (CPUs), monitors and CRTs.....	3 years
Computer software.....	5-10 years
Telephone equipment.....	6-10 years
Mid-range computer equipment.....	5-10 years
Printers.....	5 years
Copiers.....	5 years
Computer Infrastructure Peripherals.....	10 years
Automatic External Defibrillators (AEDs).....	7 years




Useful life of the equipment will be adjusted to reflect the improvement to existing equipment.

- ◆ Interest income earned in the Technology Reserve Account shall accrue to fund balance and may be used for IT capital equipment acquisition, maintenance or capital improvements to the IT facilities and/or to otherwise stabilize equipment reserve accounts.
- ◆ The Technology Reserve Account shall be used to pay for changeover costs associated with the installation of new equipment as may be needed from time to time.
- ◆ Any additions of equipment requested by operating departments will be carefully reviewed as part of the budget review process by the Village Manager, Director of Finance and IT Manager and funding for this additional equipment will not be provided from this reserve fund.
- ◆ A report on the replacement of equipment and the status of the Technology Reserve Account will be prepared on an annual basis by the IT Manager and will be presented to the Village Manager and Village Board as part of the budgetary process.





TO: David A. Huliseberg, Village Manager

FROM:  George E. Seagraves, Fire Chief

DATE: February 11, 2009

RE: AUTOMATIC EXTERNAL DEFIBRILLATOR REPLACEMENT SCHEDULE

Attached is a spread sheet completed by Lt. Paul DiRienzo, EMS Coordinator. Five of our AED units will need to be replaced in FY 2011/2012 at an estimated cost of \$22,050 each for a total cost of \$110,000. These units may have a small salvage value but this will be undeterminable until the new units are selected. The selection process may take up to five months.

The new units will be assigned to the medic units and one unit will be a spare. The 2006 Heart Start MRX will be assigned to the two engines and truck. They would need to be replaced in FY 2013/2014 at an estimated cost of \$24,310.

Additionally, we are completing the retirement schedule for the AEDs. This will take a little longer because we are trying to capture all the AEDs in all the departments. They cost much less than the Monitor/Defibrillators, but there are more of them.

:lh

c. Lt. Paul DiRienzo, EMS Coordinator

Attachment



## Monitor/Defibrillator Replacement Schedule

Vehicle	Equipment	Serial No.	Purchase Date	Life Expectancy	Replace F/Y	Replacement cost current	Projected cost
T.L. 52	MRL pic 50	82125	June 2003	June 2010	11/12	\$20,000	\$22,050
Eng. 43	MRL pic 50	82126	June 2003	June 2010	11/12	\$20,000	\$22,050
Eng. 45	MRL pic 50	82417	June 2003	June 2010	11/12	\$20,000	\$22,050
Medic 63	MRL pic 50	82110	June 2003	June 2010	11/12	\$20,000	\$22,050
Spare	MRL pic 50	82122	June 2003	June 2010	11/12	\$20,000	\$22,050
Medic 61	HeartStart MRx	210933	June 2006	June 2013	13/14	\$21,000	\$24,310
Medic 64	HeartStart MRx	210932	June 2006	June 2013	13/14	\$21,000	\$24,310
Medic 65	HeartStart MRx	210931	June 2006	June 2013	13/14	\$21,000	\$24,310
<b>TOTALS:</b>						<b>\$163,000</b>	<b>\$183,180</b>

• All units are 12 lead ECG