

CHAPTER 3
VILLAGE ADMINISTRATION

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3.01 PRESIDENT

A. ELECTION AND TERM: The President shall be elected for a four-year term and shall serve until his or her successor is elected and qualified, as provided by law.

B. DUTIES: The President shall be the President of the Board of Trustees and shall preside at properly called meetings of the Board of Trustees. He or she shall devote to the duties of the office whatever time the faithful discharge thereof may require. The President at all times may examine and inspect the books, records and papers of any agent, employee or officer of the Village. The President shall perform all the duties which are prescribed by law, including Village ordinances, and shall take care that the laws and ordinances are faithfully executed.

The President, from time to time, may and annually give the Board of Trustees information relative to the affairs of the Village, and may recommend for its consideration such measures as he or she believes expedient.

C. APPOINTMENT OF OFFICERS: The President shall have the power and authority to appoint, by and with the advice and consent of the Board of Trustees, all officers of the Village whose election or appointment is not otherwise provided for. Any vacancies occurring in an appointive office shall be filled in like manner.

D. PRESIDENT PRO TEM: During any temporary absence or disability of the President, the Board of Trustees shall select one of their own as President Pro Tem, who shall possess the powers and authority of the President as provided by law and by ordinance.

E. BOND: Before entering upon the duties of office, the President shall execute a bond in such amount and with such sureties as may be required by law and by ordinance, conditioned upon the faithful performance of the duties of the office. The Village shall pay the premium on such bond.

3.02 VILLAGE CLERK

A. ELECTION AND TERM: The Village Clerk ("Clerk") shall be elected (or appointed if a vacancy occurs in the Office of Village Clerk) and shall serve a four-year term, and until a successor is elected and qualified as provided by law.

B. GENERAL DUTIES, OATH, BOND: The Clerk shall have all powers and perform all duties provided by the laws of the State of Illinois and the ordinances of the Village. The Clerk shall, before entering upon the duties of the office, take and subscribe the usual oath thereof and execute a bond in such amount and with such sureties as may be required by law or by ordinance, conditioned upon the faithful performance of the Clerk's duties. The cost of the bond shall be borne by the Village.

C. DUTIES: The Clerk shall, in addition to the duties imposed by law, perform the following duties:

1. To attend all meetings of the corporate authorities and keep a full and accurate record of their proceedings.
2. To record all ordinances passed by the Village Board, in a suitable book or books kept for that purpose. At the foot of the record for each ordinance there shall be a note of the date of the passage, approval and publication thereof, which record memorandum or certified copy thereof shall be evidence of the passage and publication of such legal ordinance for all purposes. The original of all ordinances passed by the Village Board shall be filed with the Clerk.
3. To deliver to the President all ordinances or resolutions to be approved or otherwise acted upon by the President.

4. To maintain custody of and retain possession of the corporate seal of the Village and to affix the same to all papers and documents when required.
5. To have custody of and safely keep and preserve in the Clerk's office all papers, books, records, maps, documents and effects of every description belonging to the Village and not in actual use and possession of other Village officers. To deliver upon demand any of the aforesaid articles, when not needed for immediate use to any officer of the Village having a right to them. Upon his/her removal or resignation or the expiration of the term of office, to deliver all of such effects to the successor in the office of the Clerk.
6. To sign and keep a record of all licenses and permits issued by and on behalf of the Village and the applications therefore that are not the responsibility of any other officer or official.
7. To file and keep in the Clerk's office the original of all ordinances passed or a pamphlet thereof when the same are published in pamphlet form. When any ordinance is published in a newspaper, to secure from the publisher thereof and attach to such ordinance a certificate of such publication.
8. To prepare all commissions, licenses, permits and other official documents required to be issued under the laws and ordinances of the Village and to affix the corporate seal thereto. In like manner to attest all deeds for the sale of real estate conveyed by the Village, unless otherwise provided by special ordinance.
9. Shall attest the signature of the President to any and all proceedings of the Village Board.

D. ABSENCE: In case the Clerk is absent from any regular or special meeting the Deputy Clerk, if any, shall act as Clerk Pro Tem. In the absence of both the Clerk and Deputy Clerk, the President may appoint one of the Trustees or a member of Staff as Clerk Pro Tem; such appointment shall not prohibit a Trustee from acting in the capacity of Trustee also.

E. FAILURE TO PERFORM DUTIES: It shall be unlawful for the Clerk to knowingly and willfully destroy any of the records of the Village or knowingly or willfully omit or fail to perform any of the duties of office. For the violation of any of the provisions

of this section, upon conviction, a fine may be imposed of not less than \$25.00 nor more than \$500.00 for each offense.

F. SALARY: The annual salary of the Clerk shall be that sum found in Section 2.17-C of this Code.

G. DEPUTY CLERK: Subject to the advice and consent of the President and Board of Trustees, the Clerk may appoint one Deputy Clerk, who need not be a resident of the Village. Because the Clerk's position is part-time, said appointment should be a full-time employee of the Village. When performing the duties of Deputy Clerk, compensation shall be at the hourly rate normally paid to the Village employee.

3.03 VILLAGE TREASURER

A. CREATION OF OFFICE AND APPOINTMENT: There is hereby created the office of Village Treasurer ("Treasurer"). The Treasurer shall be appointed by the President, with the advice and consent of the Village Board. The Treasurer shall hold office for a one year term which coincides with the Village's fiscal year and shall serve until a successor has been appointed and qualified. The Treasurer need not be a resident or a qualified elector of the Village. The Treasurer shall report to the Village Administrator.

B. DUTIES: The Treasurer shall perform the following duties:

1. Shall receive all money paid in to the Village, either directly or from other Village officers, and shall make out all checks of the Village and pay out Village funds only on vouchers, orders or checks properly signed by any two of either the Treasurer, Administrator, President, or Clerk; verifying that the signatures are authentic or hand-stamped by the individual whose name is represented. Signatory priority shall be as stated herein.
2. Shall deposit the Village funds in such legal depositories as may be designated by the Board of Trustees by resolution or ordinance, and shall keep the Village funds separate and distinct from his/her own funds and any others with the Village funds, and he/she shall not make private or personal use of the Village funds.
3. Shall keep and maintain accurate books and records of account showing all moneys received by him/her the purpose for which such money was paid out, and

shall keep a record showing at all times the financial condition of the Village, and shall make monthly reports to the Board of Trustees showing the funds received and disbursed during the month, and shall make an annual report to the Board between the first and 10th day of May of each fund, showing the total amount of all receipts and expenditures of the Village, and showing all of his/her transactions as Treasurer during the preceding year.

4. Shall keep a register of all warrants, bonds or orders filed with the Treasurer or paid by the Treasurer, and of all vouchers, as provided by law or by ordinance.
5. From time to time the Treasurer may invest Village funds not immediately necessary to meet Village obligations in such depositories or in such securities as the Treasurer may deem in the best interest of the Village, provided however, that all such investments shall be made in accordance with the Village's investment policy.
6. In addition, the Treasurer shall perform such other duties as may be required by law or by ordinance.

C. BOND: Before entering upon the duties of office, the Treasurer shall execute a bond in such amount and with such sureties as may be required by law and by ordinance, conditioned upon the Village against any loss due to any neglect of duty or wrongful act on the part of the Treasurer. The Village shall pay the premium of such bond.

3.04 VILLAGE ATTORNEY AND VILLAGE PROSECUTOR

A. CREATION OF OFFICE AND APPOINTMENT: There is hereby created the office of Village Attorney. The Village Attorney shall be appointed by the President, with the advice and consent of the Village Board. The Village Attorney shall hold office for a one year term which coincides with the Village's fiscal year and shall serve until a successor has been appointed and qualified. The Village Attorney may be an individual or a law firm and need not be a resident or a qualified elector of the Village.

B. DUTIES: The Village Attorney shall be the legal advisor of the Village, and shall render advice upon all legal questions affecting the Village whenever requested to do so by any elected Village Official, the Village Administrator, Chief of Police or upon authorization of the Board of Trustees. Upon the request of

the President or the Board of Trustees, the Village Attorney shall reduce legal opinions to writing.

The Village Attorney shall prosecute or defend any and all suits or actions at law or in equity in which the Village may be a part, or in which the Village may be interested, or which may be brought against or by any officer of the Village on behalf of the Village or in the capacity of such person as an officer of the Village other than actions initiated by the Police Department for traffic offenses and for other violations of the Village Code which shall be prosecuted by the Village Prosecutor.

The Village Attorney shall act to enforce in full all judgments, decrees or orders rendered or entered in favor of the Village, and to carry out to completion all special assessment and condemnation proceedings as directed by the President and Board of Trustees.

C. CREATION OF OFFICE OF VILLAGE PROSECUTOR AND APPOINTMENT: There is hereby created the office of Village Prosecutor. The Village Prosecutor may be an individual or a law firm and shall be appointed by the President, by and with the advice and consent of the Board of Trustees. The Village Prosecutor need not be a resident or a qualified elector of the Village.

The Village Prosecutor shall prosecute any and all suits or actions initiated by the Police Department for traffic offenses and for other violations of the Village Code.

D. BOND OF VILLAGE ATTORNEY AND VILLAGE PROSECUTOR: The Village Attorney and the Village Prosecutor shall not be required to furnish bond before entering upon the duties of the office.

3.05 DIRECTOR OF PUBLIC WORKS

A. CREATION OF OFFICE AND APPOINTMENT: There is hereby created the office of Director of Public Works. The Director of Public Works shall be appointed by the President, with the advice and consent of the Village Board. The Director of Public Works shall hold office for a one year term which coincides with the Village's fiscal year and shall serve until a successor has been appointed and qualified. The Director of Public Works need not be a resident or a qualified elector of the Village.

B. DUTIES: It shall be the duty of the Director of Public Works to correlate, control, superintend and otherwise see to the completion of all work and projects which may be undertaken by the Village or ordered done by the Village President, Village Administrator, and/or Board of Trustees. The Director of Public Works shall report to the Village Administrator.

3.06 VILLAGE COLLECTOR

A. CREATION OF OFFICE AND APPOINTMENT: There is hereby created the office of Collector. The Collector shall be appointed by the President, with the advice and consent of the Village Board. The Collector shall hold office for a one year term which coincides with the Village's fiscal year and shall serve until a successor has been appointed and qualified. The Collector need not be a resident or a qualified elector of the Village. The Collector shall report to the Village Treasurer.

B. DUTIES: It shall be the duty of the Collector to collect and receive all monies due the Village from any source whatsoever not paid directly to the Treasurer, and to keep such records pertaining to such collections as may be required by statute or ordinance. Weekly, or more often as required by the corporate authorities, the Collector shall pay over to the Treasurer all monies collected from any source whatsoever, taking the Treasurer's receipt therefore. The Collector shall keep books and accounts in the manner the corporate authorities may prescribe.

C. REPORTS: The Collector shall make such reports regarding collections as are required by statute and shall make a monthly report to the corporate authorities showing what monies have been received and the source thereof. The Collector shall also make an annual report, during the last month of the fiscal year, showing all the activities of Collector's office.

3.07 VILLAGE ADMINISTRATOR

A. APPOINTMENT: The Village Board is hereby authorized to employ a Village Administrator ("Administrator"). Such Administrator shall be retained and removed by the President and Trustees voting jointly. The Administrator need not be a resident or a qualified elector of the Village. The Village may contract for the services of the Administrator.

B. DUTIES: The Administrator shall be the chief administrative officer of the Village and shall be responsible to the Village Board for the proper administration of all affairs of the Village. To that end, the Administrator shall have the following duties:

Human Resources:

1. Appoint and, when necessary in his judgment for the good of the Village, suspend, demote or remove any employee, except for the Chief of Police. The Administrator may delegate said authority of the head of a department or office regarding their

subordinates. All actions shall be based upon merit and the evaluations of such employees without regard to political belief or affiliation.

2. Recommend to the Village Board the appointment, suspension or removal of all appointed officers except the Chief of Police. All actions shall be based upon merit and the evaluations of such appointees without regard to political belief or affiliation.
3. Annually evaluate the performance of all department heads, except the Chief of Police, and recommend to the Village Board merit increases, salary adjustments and/or cost of living adjustments in accordance with the personnel policies and collective bargaining agreements of the Village.
4. Recommend to the Village Board adoption of a pay and compensation philosophy and policy, which shall guide his administration of the compensation system.
5. Develop and administer a personnel management system; approve promotions, transfers, reclassifications, job evaluations, demotions and related personnel actions; and participate in the disposition of employee grievances, disputes and matters involving staff relations.

Internal Affairs:

1. Except for the Police Department, implement, direct, coordinate, control and evaluate Village policies and departmental activities of all Village departments through subordinate department heads and municipal functions within broad guidelines and policies established by the Village Board. Inform the Village Board, as the need arises, of the status of activities, programs, problems, plans and departmental functions.
2. Recommend the consolidation or combination of offices, positions or departments.
3. Promote internal operating efficiencies; motivate subordinate department heads through periodic staff meetings, and encourage employee self-development programs. Review various regular and special operating reports against budgetary constraints,

program goals and objectives, and Village policies, rules and regulations; and prepare special reports for the Village Board's consideration, information and/or action.

4. Investigate the affairs of the Village or any department or division thereof. Investigate all complaints in relation to matters concerning the administration of the Village government, and in regard to service maintained by the Village utilities, and see that all franchises, permits, licenses and privileges granted by the Village are faithfully observed.
5. Attend to the day-to-day general operation and administration of the Village, its departments and agencies and assign such duties and responsibilities to department heads, contractors and employees as the Administrator shall determine to carry out the duties and responsibilities in the administration of the Village.
6. The Administrator is expected to work closely with the Chief of Police, Village Engineer, Village Attorney and Clerk, and to coordinate his efforts and administration with their activities so Village Board policies in those areas are properly implemented.
7. The Administrator shall coordinate with the Chief of Police the general administration of the Police Department into the overall administration of the Village. Other than as provided herein, the Chief of Police shall remain the chief executive officer of the Police Department and administer the Police Department on a day to day basis.

Fiscal Management:

1. Prepare and present on behalf of all departments a comprehensive operating budget and capital improvements budget annually, including all funds of the Village without exception, and submit it to the Village Board together with a message describing the important features, and be responsible for its administration after adoption.
2. Prepare and submit to the Village Board, at the end of the fiscal year, a complete report on the

finances and administrative activities of the Village for the preceding year.

3. Keep the Village Board advised of the financial condition and future needs of the Village, and make such recommendations as he/she shall deem advisable.
4. Recommend to the Village Board adoption of such measures as deemed necessary or expedient for the health, safety and welfare of the Village, or the improvement of the administrative services.
5. Supervise the purchase of all budgeted materials, supplies and equipment in accordance with the purchasing guidelines established by the Village Board.
6. Pursuant to Chapter 9, Bidding and Contract Procedures, of this Code, let contracts necessary for the operation and maintenance of Village services; receive sealed bids for purchases or contracts unless otherwise waived by the Village Board; and present the contracts and bids to the Village Board for approval. Advise the Village Board on the advantages and disadvantages of contract and bid proposals. Issue rules governing purchasing procedures within the administrative organization.

Village Board:

1. Meetings:
 - a. Attend all regular, committee of the whole, committee and special meetings of the Village Board, unless excused by the President.
 - b. Attend meetings of the various commissions and boards of the Village as needed and prepare and coordinate their agendas and meeting schedules.
 - c. The Administrator shall be permitted to take part in the discussion of all matters coming before the Village Board.
 - d. Notice of all regular, committee of the whole, special and committee meetings of the Village Board shall be provided to the Administrator.

- e. In consultation with the President or committee chairman, direct the preparation of the meeting agenda.
2. The Administrator shall advise the Village Board, collectively and individually, concerning the status of public inquiries, projects of current interest and proposed legislative action.
3. Require all officers and departments to submit all matters requiring Village Board action or attention to the Administrator, who shall submit them to the Village with such recommendations as may be deemed necessary.

Community Relations:

1. At times, appear before citizen groups and other organizational meetings, make presentations and attend Village-related functions. Serve as a spokesperson for the Village to discuss administrative affairs.
2. Administer the enforcement of all Village ordinances. Prepare correspondence needed to direct or document Village business decisions. Assist Village citizens, outside agencies, developers, local community groups, utility companies, etc., and Village staff in resolving governmental or operating problems by bringing important matters to the Village Board's attention; and perform related work as directed by the Village Board.

Long Range Planning:

1. Address current and long term Village needs in various program areas;
2. Make appropriate recommendations to the Village Board;
3. Develop program goals and objectives; and
4. Implement new activities.

C. ADDITIONAL DUTIES: The Administrator shall perform such other duties as may be requested by the President and Village Board, consistent with law and ordinances of the Village.

D. COMPENSATION: The Administrator shall receive compensation as determined by the Village Board.

E. BOND: Before entering upon the duties of his position, the Administrator shall execute a bond in the amount of \$100,000.00 and with such sureties as may be required by law and by ordinance, conditioned upon the faithful performance of the Administrator's duties and to indemnify the Village against any loss due to any neglect of duty or wrongful act on the part of the Administrator. The bond of the premium for said bond shall be borne by the Village.

3.08 BONDS OF OFFICERS

A. Every officer and employee of the Village, as may be required so to do by law or by ordinance, before entering upon the duties of the office or position of employment, shall give a bond in such amount and with such sureties as may be required by law or by the Board of Trustees, which shall be subject to the approval of the Board of Trustees, and which shall be conditioned upon the faithful performance of the duties of the office or position of employment. Unless otherwise provided for by law or by ordinance, such bonds shall have as surety a company or corporation licensed to act as surety in the State of Illinois and to do business in the State of Illinois. The premiums of such bonds shall be paid out of the general funds of the Village.

B. The penalty of bonds of certain elected and appointed officers and employees of the Village shall not be less than:

Village President	\$ 100,000.00
Village Treasurer	\$ 100,000.00
Village Administrator	\$ 100,000.00
Budget Officer	\$ 100,000.00
Village Clerk	\$ 100,000.00

3.09 OFFICERS AND EMPLOYEES OF THE VILLAGE

A. EFFECT OF SECTION: The provisions of this Section 3.09 shall apply alike to all officers and employees of the Village, regardless of the time of the creation of the office or position of employment, and regardless of the time of the appointment of the officer or employment of the employee in accordance with the Personnel Rules and Regulations.

B. APPOINTMENTS: The President, by and with the consent of the Board of Trustees, shall make appointments to fill all appointive offices. All other employees shall be hired in accordance with the Village's Personnel Rules and Regulations Manual, with the exception of Police Department personnel, which

fall under the jurisdiction of the Lake in the Hills Police Commission.

C. ASSIGNMENT OF DUTIES: The Village Board shall have the power and authority to assign to any appointed officer any duty which is not assigned by ordinance or by law to some other specific officer, and the Village Board shall mediate and determine all disputes or questions relating to the respective powers and duties of such officers.

D. RECORDS: All records kept or maintained by any officer or employee of the Village shall be open to inspection by the President or any member of the Board of Trustees at all reasonable times, whether or not such records are required to be kept by statute or ordinance.

E. MONIES RECEIVED: Every officer of the Village shall daily turn over all monies received in their official capacity to the Village Collector, with a statement showing the source from which the same was received, and shall take the Village Collector's receipt therefore.

F. OATH: Before entering upon the duties of their respective offices, all Village officers, whether elected or appointed, shall take and subscribe the oath or affirmation as set forth in the Illinois Municipal Code.

G. SALARIES AND WAGES: All officers and employees of the Village shall receive such salaries or wages in accordance with the Village's compensation program as may be provided from time to time by ordinance. No officer or employee receiving a salary from the Village shall be entitled to retain any portion of any fees collected or received in the performance of any duties as a Village officer or employee, in the absence of specific authorization to the contrary as may be provided by law or by ordinance.

H. CONSERVATORS OF THE PEACE: The President, Trustees, Chief of Police and policemen shall be conservators of the peace, and shall have such powers of arrest, commitment and detention as may be prescribed by law or by ordinance.

I. TERMINATION OF OFFICE OR EMPLOYMENT: Every officer and employee of the Village, upon the termination of an office or employment, shall deliver to his successor all books and records which may be the property of the Village. If no successor has been elected, chosen or appointed within seven days after the termination of such office or position of employment, such property shall be delivered to the Village Administrator, and a receipt taken therefore.

J. PERSONNEL RULES AND REGULATIONS: The Village of Lake in the Hills Personnel Rules and Regulations is hereby adopted and incorporated by reference. A current copy of the Personnel Rules and Regulations shall be published separately from this Code.

3.10 CORPORATE SEAL

The corporate seal of the Village shall be as follows: A circular disc showing two trees, sun, lake and hills; inscribed in the outer circle the words: Seal of the Village of Lake in the Hills, Ill * Nov. 29, 1952.

3.11 FISCAL YEAR

The fiscal year of the Village shall begin on January 1st of each year and end on December 31st of that year.

3.12 ELECTIONS

Elections for municipal offices shall be held as provided by law and in accord with such lawful regulations as may be made by ordinance by the President and Board of Trustees.

3.13 BUDGET OFFICER

A. CREATION: There is hereby created and established in and for the Village, the Office of Budget Officer. The Budget Officer shall be a Trustee, appointed by the President with the advice and consent of the Village Board, and shall hold office for a one year term which coincides with the Village's fiscal year and shall serve until a successor has been appointed and qualified.

B. OATH AND BOND: The Budget Officer, shall, within five days after appointment and notice thereof, take and subscribe the oath of office and shall enter into a bond payable to the Village, with sureties to be approved by the Village Board. Said bond shall be conditioned upon the faithful performance of the duties imposed by the ordinances of the Village and state statutes. The cost of the bond shall be borne by the Village.

C. DUTIES: The Budget Officer shall perform the duties which may from time to time be required by law and by the ordinances of the Village. In addition, the Budget Officer shall coordinate and participate in the following activities:

1. Permit, encourage and establish the use of efficient planning, budgeting, auditing, reporting, accounting and other fiscal management procedures in all Village departments, commissions and boards.

2. Oversee the compilation of the annual budget. Such budget shall contain estimates of revenues available to the Village for the fiscal year for which the budget is drafted, together with recommended expenditures for the Village and all the departments, commissions and boards. Revenue estimates and expenditure recommendations shall be presented in a manner which is in conformity with good fiscal management practices. Substantial conformity to a chart of accounts, now or in the future recommended by the National Committee on Governmental Accounting, or the Illinois Auditor of Public Accounts, or the Division of Local Governmental Affairs and Property Taxes of the Illinois Department of Revenue or successor agencies, shall be deemed proof of such conformity. The budget shall contain actual or estimated revenues and expenditures for the two years immediately preceding the fiscal year for which the budget is prepared. So far as possible, the fiscal data for such two preceding fiscal years shall be itemized in a manner which is in conformity with the chart of accounts approved above. Each budget shall show the specific fund from which each anticipated expenditure shall be made.
3. Examine all books and records of all Village departments, commission's and boards which relate to monies received by the Village, departments, commissions and boards, and paid out by the Village, departments, commissions and boards, debts and accounts receivable, amounts owed by or to the Village, departments, commissions and boards.
4. Obtain such additional information from the Village departments, commissions and boards as may be useful to the Budget Officer to oversee the compilation of the Annual budget.
5. Establish and maintain such procedures as shall insure that no expenditures are made by the Village, departments, commission's or boards, except as authorized by the budget.

D. BUDGET CHANGES: The legal level of budgetary control is established at the department level.

From time to time, by two-thirds vote of the Board of Trustees, the corporate authorities may delegate to heads of municipal departments and/or the Budget Officer, the power to

delegate, or add to, or change or to create subclasses within object classes budgeted previously to any department subject to such limitations or requirements as the corporate authorities may specify.

By a vote of two-thirds of the members of the corporate authorities then holding office, the annual budget for the Village may be revised by deleting, adding to, changing or creating subclasses within object classes and object classes themselves. No revision of the budget shall be made increasing the budget in the event funds are not available to effectuate the purpose of the revision.

E. OPERATING RESERVE: A General Fund Operating Reserve shall be established, which shall consist of 25 percent of the operating expenditures by the General Fund of the Village during the prior 12-month period. Said General Fund Operating Reserve shall be the minimum cash and cash equivalent unencumbered monies kept available to the Village at all times. Said reserve shall be reflected in the "Fund Balance" portion of the balance sheet in the Village's financial reports.

F. FUND BALANCE POLICY: The purpose of this policy is to establish fund balance classifications that establish a hierarchy based on the extent to which the Village must observe constraints imposed upon use of the resources that are reported by the Governmental Funds.

1. Definitions:

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

Nonspendable Fund Balance - the portion of a Governmental Fund's net assets that are not available to be spent, either short-term or long-term, in either form or through legal restrictions (e.g., inventories, prepaid items, land held for resale, etc.).

Restricted Fund Balance - the portion of a Governmental Fund's net assets that are subject to external enforceable legal restrictions (e.g., grants, property tax levies, DUI equipment fines, police contingency revenue, motor fuel taxes, etc.)

Committed Fund Balance - the portion of a Governmental Fund's net assets with self-imposed constraints or limitations that have been placed at

the highest level of decision making (i.e., formal Village Board action).

Assigned Fund Balance - the portion of a Governmental Fund's net assets to denote an intended use of resources (i.e., management plan).

Unassigned Fund Balance - available expendable financial resources in a governmental fund that are not the object of tentative management plan.

2. Flow of Funds Assumptions: The Village will spend the most restricted funds before less restricted funds, in the following order:

- a. Nonspendable Fund Balance (if funds become spendable)
- b. Restricted Fund Balance
- c. Committed Fund Balance
- d. Assigned Fund Balance
- e. Unassigned Fund Balance

3. Minimum Fund Balance Requirements: It is the policy of the Village to maintain the following minimum fund balances for Governmental Funds:

- a. General Fund - The minimum fund balance in the General Fund shall be the required 25% operating reserve as provided for in Section 3.13E of the Lake in the Hills Municipal Code.
- b. Special Revenue Funds - Minimum fund balances in Special Revenue Funds shall be the lesser of one year's operating expenditures during the prior 12-month period or \$50,000. Additional funds may be accumulated for future capital expenditures.
- c. Debt Service Fund - Debt service payments are scheduled amounts, therefore, fund balance accumulation should be minimal in the Debt Service Fund. There are no minimum fund balance requirements for the Debt Service Fund.
- d. Capital Projects Funds - Capital Projects Funds account for the acquisition or construction of capital assets. Since these projects are funded on a project by project

basis, there shall be no minimum fund balance requirements for Capital Projects Funds.

4. Authority:

- a. Committed Fund Balance - A self-imposed constraint on spending the fund balance must be approved by ordinance or resolution of the Village Board. Any modifications or removal of the self-imposed constraint must use the same action that was used to commit the fund balance initially.

Formal action to commit fund balance must occur before the end of the fiscal year. The dollar amount of the commitment can be determined after year end.

- b. Assigned Fund Balance - A self-imposed constraint on spending the fund balance based on the Village's intent to use fund balance for a specific purpose may be recommended by the Finance Director subject to approval by the Village Administrator.

Note: In Non-Governmental Funds, the authority to "commit" or "assign" funds for a specific purpose will be identical to the authority described above for committing or assigning fund balance for Governmental Funds.

G. CONTINGENCIES: The annual budget may contain money set aside for contingency purposes not to exceed 10 percent of the total budget, less the amount set aside for contingency purposes, which monies may be expended for contingencies upon a majority vote of the corporate authorities then holding office.

H. BUDGET PRESENTATION: Before the close of each fiscal year the budget for the coming fiscal year shall be presented to the President and Board of Trustees for approval, as required by 65 ILCS 5/8-9.1 and 5/8-2-9.2 through 5/8-2-9.10.

I. PUBLIC INSPECTION, NOTICE AND HEARING: The corporate authorities shall make the tentative annual budget conveniently available to public inspection for at least 10 days prior to the passage of the annual budget, by announcement at a regular meeting of the corporate authorities.

Not less than one week after the tentative annual budget is available to public inspection, and prior to final action on the budget, the corporate authorities shall hold at least one public hearing on the tentative annual budget, after which hearing or

hearings the tentative budget may be further revised and passed without any further inspection, notice or hearing.

Notice of the budget hearing shall be given by publication in a newspaper having a general circulation in the Village at least one week prior to the time of the hearing.

3.14 BUILDING COMMISSIONER OR INSPECTOR

A. CREATION OF OFFICE AND APPOINTMENT: There is hereby created the office of Building Commissioner. The Building Commissioner, also known as the Building Inspector or Building Official, shall be appointed by the President, with the advice and consent of the Village Board. The Building Commissioner shall hold office for a one year term which coincides with the Village's fiscal year and shall serve until a successor has been appointed and qualified. The Building Commissioner need not be a resident or a qualified elector of the Village.

B. DUTIES: Under the direction of the Director of Community Development, it shall be the duty of the Building Commissioner to enforce the Zoning Ordinance and Building Codes of the Village and supervise the construction, re-construction, alteration and moving of all structures or buildings and approve the issuance of all building permits and occupancy permits.

3.15 EMPLOYEE ORGANIZATIONS

A. DEFINITIONS: Terms used in this section are defined in Appendix A.

B. EMPLOYEE ORGANIZATIONS, INFORMAL RECOGNITION: The Village shall accord an employee organization within any department informal recognition as a representative of its member employees where there is no certified exclusive negotiation agent as provided in Section 3.15-D herein. This informal recognition permits such employee organization to present to appropriate officials its view on matters of concern to its members to the extent consistent with efficiency and orderly conduct of the public business. The Village need not, however, consult with an employee organization so recognized in the formulation of personnel or other policies, except as otherwise provided by ordinance.

C. EMPLOYEES' RIGHTS: Employees shall have the right of self-organization, to form, join or assist employee organizations, to bargain collectively through representatives of their own choosing and to engage in other concerted activities for the purpose of collective bargaining or other mutual aid or protection. Public employees shall also have the right to refrain from any or all such activities.

D. BARGAINING REPRESENTATIVE:

1. The Village Board shall certify an employee representative as the exclusive bargaining representative of the employee representative is designated by a majority vote of the employees in an appropriate bargaining unit, as hereafter provided.
2. An employee organization shall be recognized as an exclusive representative of all public employees and as appropriate negotiating unit subject to the following provisions:
 - a. A petition for a secret ballot election may be filed, no more frequently than once in any 12-month period, by an employee organization if it files authorization cards signed by at least 30 percent of the public employees in an alleged appropriate negotiating unit.
 - b. If the employee organization and/or its representative and the President shall not agree that the negotiating unit is proper, then the Committee on Personnel Policies and Procedures of the Village shall determine whether a particular unit is appropriate for purposes of collective bargaining.

However, the employee organization and/its authorized representative and the President shall take into consideration the following:

No unit may include managerial or supervisory employees or employees who occupy a position of special trust and confidence involving matters of a confidential nature. Supervisory personnel shall be considered as those who have authority to recommend hiring, firing, transferring, suspending, promoting, discharging, those who have authority to assign and those who direct work as well as adjust compensation.

The employee organization and/or its representative and President shall consider the principles of official administration of the Village government, whether there is a clear and identifiable interest among the employees concerned, geographical location and

other relevant factors in determining the appropriateness of a negotiating unit.

3. If the President voluntarily recognizes that a question of representation exists, and appoints a Committee on Personnel Policies and Procedure of the Village that ends a question of labor representation exists, the Committee on Personnel Policies and Procedures of the Village shall direct election by secret ballot to mediate the dispute and certify the results thereof to the Village Board. Such election shall be pursuant to the following rules
 - a. That no employee organization shall be placed on the ballot if such organization has encouraged or participated in a strike of the employees within the Village within five years of the date of its petition for recognition; or
 - b. If it asserts the right to strike against any public employer or to conduct, assist or participate in any such strike; or
 - c. Neither party shall make threats of any nature to influence employees voting; or
 - d. The Village shall not make promises of promotions, pay raises or other benefits to influence an employee vote. This shall in no way affect the right of the Village to implement any personnel program affecting all Village employees.
 - e. Neither party shall make misstatements of important facts to mislead and influence voting.
 - f. Neither party shall incite racial, religious or union discrimination prejudice by inflammatory appeals.
 - g. The Committee on Personnel Policies and Procedures of the Village will conduct the election and certify in writing to the parties the official results thereof. The Clerk may be designated by the committee as its agent for the conduct of the election, and said election shall be conducted in the same

manner, as nearly as is possible, as all other Village elections, with modifications as can be agreed upon by the parties.

h. A ballot will contain the name of that group or employee organization as well as provision for the selection of no bargaining representative. The intent being that each voter shall have an opportunity to vote "Yes" of "No" for an employee organization.

4. Any employee organization shall be certified as the exclusive negotiating agent for the public employees in an appropriate negotiating unit if it receives affirmative votes from a majority of the eligible voters in an appropriate negotiating unit.

E. EXCLUSIVE REPRESENTATIVE: Where an employee organization has been certified as the exclusive representative of employees in an appropriate unit, it is entitled to act for and to negotiate agreements concerning compensation, grievances, personnel practices and matters affecting general working conditions of employees in the unit, covering all employees in the unit. It shall be responsible for representing the interests of all such employees without discrimination and without regard to employee organization membership, provided that any Village employee at any time may present his grievance to the Village and have such grievance adjusted without the intervention of the exclusive negotiating representative, but the adjustment may not be inconsistent with the terms of a collective negotiating agreement then in effect. The parties shall meet at reasonable times to negotiate on such subjects, shall negotiate in good faith and be willing to execute a written agreement incorporating any agreement reached by the parties.

F. UNFAIR LABOR PRACTICES: The following requirements shall be strictly adhered to and enforced. Violations thereof shall be deemed to be unfair practices and are prohibited:

1. In the administration of all matters covered by the agreement, the Village and the employees are governed by the provisions of any existing or future laws or regulations which may be applicable and the agreement shall at all times be applied subject to such laws and regulations.

2. Management officials of the Village retain the right:

- a. To direct Village employees to maintain the efficiency of the Village's operations, to determine the methods, means and personnel with which operations are to be conducted; and
 - b. To exercise all other rights of management except where specifically provided otherwise in the agreement.
3. It shall be an unfair practice for the Village, their agents and representatives, to:
 - a. Interfere with, restrain or coerce public employees in the exercise of their rights guaranteed under the constitutions of the State of Illinois and the United States;
 - b. Dominate or interfere with the formation, existence or administration of any employee organization;
 - c. Discriminate in regard to hire or tenure of employment, or any term or condition of employment to encourage or discourage membership in any employee organization;
 - d. Discharge or otherwise discriminate against a public employee because he has signed or filed an affidavit, petition, complaint or given any information or testimony under this code or any bargaining agreement.
 - e. Refuse to bargain collectively in good faith with an employee representative which is the exclusive bargaining representative of its employees subject to the provisions of this agreement.
 - f. Refuse to reduce a collective bargaining agreement to writing and to sign such agreement;
 - g. Refuse to comply with a contractual agreement.
4. It shall be unfair practice for employee organizations, their agents or representatives and public employees, to:
 - a. Restrain or coerce employees in the exercise of their rights guaranteed under the

constitutions of the State of Illinois and the United States;

- b. Restrain or coerce the Village in the selection of its representative for the purposes of collective bargaining or the adjustment of grievances;
 - c. Refuse to bargain collectively in good faith with the Village, if the employee organization is the exclusive bargaining representative of employees in an appropriate unit;
 - d. Refuse to reduce a collective bargaining agreement to writing and to sign such agreement;
 - e. Violate any of the rules and regulations established by the Committee on Personnel Policies and Procedures of the Village regulating the conduct of representation elections;
 - f. Refuse to comply with a contractual agreement;
or
 - g. Fail to represent fairly all employees in the bargaining unit.
5. A charge of unfair practice may be filed by the Village, an employee organization, a public employee or their agents or representatives with the Committee on Personnel Policies and Procedures of the Village. All charges shall be supported by the charging party; however, the committee shall have authority to maintain independent investigations as it deems necessary and to develop rules and regulations therefore.

3.16 VILLAGE RECORDS

A. The Village shall keep and maintain records for public inspection in accordance with the Freedom of Information Act.

B. RECORD DEPOSITORIES: Village Records shall be kept in the Village Hall, Police Department or Public Works Department as appropriate, or such other depositories as designated by the Village Board.

C. POSSESSION OF VILLAGE RECORDS: Within five days after notification by the Village Administrator or Village Clerk, to be made by certified mail, return receipt requested, any person shall deliver to the Village all property, books and effects in his possession, belonging to the Village, or pertaining to the office he has held. Upon his refusal to do so, he shall be liable for all damages caused thereby and subject to a fine of not less than \$500.00 for each violation; each day that the violation continues shall be considered a separate offense. The Clerk shall deliver those records deemed necessary to the successor in office to carry out his duties.

D. LOCAL RECORDS ACT: The disposition of any Village Record shall be in accordance with the Local Records Act, 50 ILCS 205/1 et seq.

3.17 CODE OF ETHICS

A. DECLARATION OF POLICY: The proper operation of democratic government requires that officers and employees be independent, impartial and responsible to the people; that government decisions and policy be made in proper channels of the governmental structure; that public office not be used for personal gain; and that the public have confidence in the integrity of its government. In recognition of these goals, a Code of Ethics for all Village officers and employees is adopted. The purpose of this Code of Ethics is to establish guidelines for ethical standards of conduct for all Village officers and employees by setting forth those acts or actions that are incompatible with the best interest of the Village and by directing disclosure by such officers and employees of private financial or other interests in matters affecting Village life.

B. DEFINITIONS: In addition to the definitions found in Appendix A of this Code, the terms, whether capitalized or not, used in this Section 3.17 shall mean as follows:

Business entity means any business, proprietorship, firm, partnership, person in representation or fiduciary capacity, association, venture, trust or corporation.

Campaign for elective office means any activity in furtherance of an effort to influence the selection, nomination, election, or appointment of any individual to any federal, state or local public office or office in a political organization, or the selection, nomination or election of presidential or vice-presidential electors, but does not include activities (i) relating to the support or opposition of any executive, legislative or administrative action, (ii) relating to collective bargaining, or

(iii) that are otherwise in furtherance of the person's official duties.

Candidate means a person who has filed nominating papers or petitions for nomination or election to an elected office, or who has been appointed to fill a vacancy in nomination, and who remains eligible for placement on the ballot at a regular election, as defined in Section 5/1-3 of the Election Code (10 ILCS 5/1-3).

Collective bargaining has the same meaning as that term is defined in Section 3 of the Illinois Public Labor Relations Act (5 ILCS 315/3).

Compensated time means, with respect to an employee, any time worked by or credited to the employee that counts toward any minimum work time requirement imposed as a condition of his or her employment, but for purposes of this Section 3.17, does not include any designated holidays, vacation periods, personal time, compensatory time off or any period when the employee is on a leave of absence. With respect to officers or employees whose hours are not fixed, compensated time includes any period of time when the officer or employee is on premises under the control of the employer and any other time when the officer or employee is executing his or her official duties, regardless of location.

Compensatory time off means authorized time off earned by or awarded to an employee to compensate in whole or in part for time worked in excess of the minimum work time required of that employee as a condition of his or her employment.

Contribution has the same meaning as that term is defined in Section 5/9-1.4 of the Election Code (10 ILCS 5/9-1.4).

Employee means a person employed by the Village, whether on a full-time or part-time basis or pursuant to a contract, whose duties are subject to the direction and control of an employer with regard to the material details of how the work is to be performed, but does not include an independent contractor.

Employer means the Village.

Gift means any gratuity, discount, entertainment, hospitality, loan, forbearance or other tangible or intangible item having monetary value including, but not limited to, cash, food and drink, and honoraria for speaking engagements related to or attributable to government employment or the official position of an officer or employee.

Interest means the direct or indirect pecuniary or material benefit accruing to an officer or employee as a result of a contract or transaction which is or may be subject of an official act or action by or with the Village except for such contracts or transactions which by their terms and by the substance of their provisions confer the opportunity and the right to realize the accrual of similar benefits to all other persons and/or property similarly situated.

For purposes of this Code of Ethics, an officer or employee shall be deemed to have an interest in the affairs of:

1. Any person related to him or her by blood or marriage in a degree closer than fourth degree of consanguinity or affinity (determined by the civil law method) and a separation between spouses shall not be deemed to terminate any such relationship;
2. Any person or business entity with whom a contractual relationship exists with an officer or employee;
3. Any business entity in which the officer or employee is an officer, director or member having a financial interest in, or employed by;
4. Any business entity in which the stock of, or legal or beneficial ownership of, in excess of 7.5 percent of the total stock or total legal and beneficial ownership, is controlled or owned directly or indirectly by the officer or employee.

Intra-office gift means any gift given to an officer or employee of the Village from another officer or employee of the Village.

Inter-office gift means any gift given to an officer or employee of the Village from a member or employee of the legislative branch of the government of the State, a judge or employee of the judicial branch of the government of the State, an officer or employee of the executive branch of the government of the State, an officer or employee of a unit of local government, home rule unit or school district, or an officer or employee of any other governmental entity.

Leave of absence means any period during which an employee does not receive (i) compensation for employment, (ii) service credit towards pension benefits, and (iii) health insurance benefits paid for by the employer.

Officer means a person who holds, by election or appointment, an office created by statute or ordinance, regardless of whether the officer is compensated for service in his or her official capacity.

Official act, action means any legislative, administrative, appointive or discretionary act of any officer or employee of the Village or any agency, board, committee or commission thereof.

Political activity means any activity in support of or in connection with any campaign for elective office or any political organization, but does not include activities (i) relating to the support or opposition of any executive, legislative, or administrative action, (ii) relating to collective bargaining, or (iii) that are otherwise in furtherance of the person's official duties.

Political organization means a party, committee, association, fund, or other organization (whether or not incorporated) that is required to file a statement of organization with the State Board of Elections or a county clerk under Section 5/9-3 of the Election Code (10 ILCS 5/9-3), but only with regard to those activities that require filing with the State Board of Elections or a county clerk.

Prohibited political activity means:

1. Preparing for, organizing or participating in any political meeting, political rally, political demonstration or other political event.
2. Soliciting contributions, including but not limited to the purchase of, selling, distributing or receiving payment for tickets for any political fundraiser, political meeting or other political event.
3. Soliciting, planning the solicitation of, or preparing any document or report regarding anything of value intended as a campaign contribution.
4. Planning, conducting or participating in a public opinion poll in connection with a campaign for elective office or on behalf of a political organization for political purposes or for or against any referendum question.
5. Surveying or gathering information from potential or actual voters in an election to determine probable vote outcome in connection with a campaign for elective officer or on behalf of a political organization for political purposes or for or against any referendum question.

6. Assisting at the polls on election day on behalf of any political organization or candidate for elective office or for or against any referendum question.
7. Soliciting votes on behalf of a candidate for elective office or a political organization or for or against any referendum question or helping in an effort to get voters to the polls.
8. Initiating for circulation, preparing, circulating, reviewing or filing any petition on behalf of a candidate for elective office or for or against any referendum question.
9. Making contributions on behalf of any candidate for elective office in that capacity or in connection with a campaign for elective office.
10. Preparing or reviewing responses to candidate questionnaires.
11. Distributing, preparing for distribution or mailing campaign literature, campaign signs or other campaign material on behalf of any candidate for elective office or for or against any referendum question.
12. Campaigning for any elective office or for or against any referendum question.
13. Managing or working on a campaign for elective office or for or against any referendum question.
14. Serving as a delegate, alternate or proxy to a political party convention.
15. Participating in any recount or challenge to the outcome of any election.

Prohibited source means any person or entity who:

1. is seeking official action (i) by an officer or (ii) by an employee, or by the officer or another employee directing that employee;
2. does business or seeks to do business (i) with the officer or (ii) with an employee, or with the officer or another employee directing that employee;

3. conducts activities regulated (i) by the officer or (ii) by an employee, or by the officer or another employee directing that employee; or
4. Has interests that may be substantially affected by the performance or non-performance of the official duties of the officer or employee.

Relative means those people related to the officer or employee as father, mother, son, daughter, brother, sister, uncle, aunt, great aunt, great uncle, first cousin, nephew, niece, husband, wife, grandfather, grandmother, grandson, granddaughter, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, half sister, and including the father, mother, grandfather or grandmother of the officer's or employee's spouse and the officer's or employee's fiancé or fiancée.

C. CODE OF ETHICS: The requirements set forth herein shall constitute a Code of Ethics establishing reasonable standards and guidelines for the ethical conduct of officers and employees of the Village.

1. An officer or employee shall not be interested, directly or indirectly, in the officer or employee's own name or in the name of any other person, association, trust or corporation, in any contract, work or business of the Village or in the sale of any article whenever the expense, price or consideration of the contract, work, business of sale is paid either from the Village treasury or by an assessment levied by statute or ordinance. An officer or employee shall not be interested, directly or indirectly, in the purchase of any property that (i) belongs to the Village, (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the Village.
2. Any officer or employee may, however, provide materials, merchandise, property, services or labor if:
 - a. The contract is with a business entity in which the officer or employee has less than a 72 percent share in the ownership;
 - b. In the case of an elected or appointed member of the Village Board, the interested member publicly discloses the nature and extent of

the interest before or during deliberations concerning the proposed award of the contract;

- c. In the case of an elected or appointed member of the Village Board, the interested person abstains from voting on the award of the contract (though the member shall be considered present for the purposes of establishing a quorum);
 - d. The contract is approved by a majority vote of those members presently holding office;
 - e. The contract is awarded after sealed bids to the lowest responsible bidder if the amount of the contract exceeds \$1,500 (but the contract may be awarded without bidding if the amount is less than \$1,500); and
 - f. The award of the contract would not cause the aggregate amount of all contracts so awarded to the same business entity in the same fiscal year to exceed \$25,000.
3. In addition to the exemption in Section 3.17-C-2 herein, an officer or employee may provide materials, merchandise, property, service or labor if:
- a. The award of the contract is approved by a majority vote of the Village Board (provided that, in the case of an elected or appointed member of the Village Board, the interested member shall abstain from voting);
 - b. The amount of the contract does not exceed \$2,000;
 - c. The award of the contract would not cause the aggregate amount of all contracts so awarded to the same business entity in the same fiscal year to exceed \$4,000;
 - d. In the case of an elected or appointed member of the Village Board, the interested member publicly discloses the nature and extent of his or her interest before or during deliberations concerning the proposed award of the contract;

- e. In the case of an elected or appointed member of the Village Board, the interested member abstains from voting on the award of the contract (though the member shall be considered present for the purposes of establishing a quorum).
4. The contract for procurement of public utility services with a public utility company is not barred by this Section 3.17 by one or more members of the Village Board being an officer or employee of the public utility company, or holding an ownership interest in no more than 72 percent in the public utility company. An officer or employee having an interest described in this subsection does not have a prohibited interest under this Section 3.17.
5. Nothing contained in this Section 3.17, including the restrictions set forth in Sections 3.17-C2, 3 and 4 herein, shall preclude a contract of deposit of moneys, loans or other financial services by the Village with a local bank or local savings and loan association, regardless of whether an officer or employee is interested in the bank or savings and loan association as an officer or employee or as a holder of less than 72 percent of the total ownership interest. An officer or employee holding an interest described in this Section 3.17-C5 in a contract does not have a prohibited interest for purposes of this Section 3.17. The interested officer or employee must publicly state the nature and extent of the interest during deliberations concerning the proposed award of the contract but shall not participate in any further deliberations concerning the proposed award. The interested officer shall not vote on the proposed award. An officer abstaining from participation in deliberations and voting under this Section 3.17-C5 may be considered present for purposes of establishing a quorum. Award of the contract shall require approval by a majority vote of those members presently holding office. Consideration and award of a contract in which an officer is interested may only be made at a regularly scheduled public meeting of the Village Board.
6. DISCLOSURE OF INFORMATION: No officer or employee with respect to any contract or transaction which is or may be the subject of an official act or

action of the Village shall, without proper legal authorization, disclose confidential information concerning the property, government or affairs of the Village, or use such information to advance the financial or other private interest of him or her self or others.

7. INCOMPATIBLE SERVICE: No officer or employee shall engage in or accept private employment or render service, for private interest, when such employment or service is incompatible with the proper discharge of his or her official duties or would tend to impair his or her independence of judgment or action in his or her performance of his or her official duties, unless otherwise permitted by law and unless disclosure is made as provided in this Code of Ethics.
8. APPEARANCE: No officer or employee shall appear on behalf of any private person, other than him or her self, his or her spouse or minor children, before any Village Board, commission and/or committee other than on behalf of his or her constituents in the course of his or her duties as a representative of the electorate or in the performance of public or civic obligations.
9. PUBLIC PROPERTY: No officer or employee shall request or permit the unauthorized use of Village-owned vehicles, equipment, materials or property for personal convenience or profit.
10. SPECIAL TREATMENT: No officer or employee shall grant any special consideration, treatment or advantage to any citizen beyond that which is available to every other citizen.
11. LATER CASE INTEREST: No officer or employee shall, after the termination of service or employment with the Village, appear before any board, commission, committee or agency of the Village in relation to any case, proceeding or application in which he or she personally participated during the period of his or her service or employment, or which was under his or her active consideration for a period of six months after termination of services or employment.

D. DISCLOSURE OF INTEREST IN LEGISLATIVE ACTION: Any officer or employee who has a financial or personal interest in any

proposed legislative action of the Village Board and who participates in discussion with or gives an official opinion or recommendation to the Village Board, shall disclose on the record of the Village Board the nature and extent of such interest.

E. PROHIBITED POLITICAL ACTIVITIES:

1. No officer or employee shall intentionally perform any prohibited political activity during any compensated time, as defined herein. No officer or employee shall intentionally use any property or resources of the Village in connection with any prohibited political activity.
2. At no time shall any officer or employee intentionally require any other officer or employee to perform any prohibited political activity (i) as part of that officer or employee's duties, (ii) as a condition of employment, or (iii) during any compensated time off (such as holidays, vacation or personal time off).
3. No officer or employee shall be required at any time to participate in any prohibited political activity in consideration for that officer or employee being awarded additional compensation or any benefit, whether in the form of a salary adjustment, bonus, compensatory time off, continued employment or otherwise, nor shall any officer or employee be awarded additional compensation or any benefit in consideration for his or her participation in any prohibited political activity.
4. Nothing in this Section 3.17-E prohibits activities that are permissible for an officer or employee to engage in as part of his or her official duties, or activities that are undertaken by an officer or employee on a voluntary basis which are not prohibited by this Section 3.17-E.
5. No person either (i) in a position that is subject to recognized merit principles of public employment or (ii) in a position the salary for which is paid in whole or in part by federal funds and that is subject to the Federal Standards for a Merit System of Personnel Administration applicable to grant-in-aid programs, shall be denied or deprived of employment or tenure solely because he or she is a member or an officer of a political committee, of a

political party or of a political organization or club.

F. GIFT BAN:

1. Except as permitted by this Section 3.17, no officer or employee, and no spouse of or immediate family member living with any officer or employee (collectively referred to herein as "recipients"), shall intentionally solicit or accept any gift from any prohibited source, or which is otherwise prohibited by law or ordinance. No prohibited source shall intentionally offer or make a gift that violates this Section 3.17-F.
2. EXCEPTIONS: Section 3.17-F-1 herein is not applicable to the following:
 - a. Opportunities, benefits and services that are available on the same conditions as for the general public.
 - b. Anything for which the officer or employee, or his or her spouse or immediate family member, pays the fair market value.
 - c. Any (i) contribution that is lawfully made under the Election Code or (ii) activities associated with a fund-raising event in support of a political organization or candidate.
 - d. Educational materials and missions.
 - e. Travel expenses for a meeting to discuss business.
 - f. A gift from a relative.
 - g. Anything provided by an individual on the basis of a personal friendship unless the recipient has reason to believe that, under the circumstances, the gift was provided because of the official position or employment of the recipient or his or her spouse or immediate family member and not because of the personal friendship. In determining whether a gift is provided on the basis of personal friendship, the recipient shall consider the circumstances under which the gift was

offered, such as (i) the history of the relationship between the individual giving the gift and the recipient of the gift, including any previous exchange of gifts between those individuals; (ii) whether to the actual knowledge of the recipient the individual who gave the gift personally paid for the gift or sought a tax deduction or business reimbursement for the gift; and (iii) whether to the actual knowledge of the recipient the individual who gave the gift also at the same time gave the same or similar gifts to other officers or employees, or their spouses or immediate family members.

- h. Food or refreshments not exceeding \$75 per person in value on a single calendar day; provided that the food or refreshments are (i) consumed on the premises from which they were purchased or prepared or (ii) catered. For the purposes of this Section 3.17-F2h, "catered" means food or refreshments that are purchased ready to consume which are delivered by any means.
- i. Food, refreshments, lodging, transportation and other benefits resulting from outside business or employment activities (or outside activities that are not connected to the official duties of an officer or employee), if the benefits have not been offered or enhanced because of the official position or employment of the officer or employee, and are customarily provided to others in similar circumstances.
- j. Intra-office and inter-office gifts.
- k. Bequests, inheritances and other transfers at death.
- l. Any item or items from any one prohibited source during any calendar year having a cumulative total value of less than \$100.

Each of the exceptions listed in this Section 3.17-F2 is mutually exclusive and independent of every other.

3. DISPOSITION OF GIFTS: An officer or employee, his or her spouse or an immediate family member living with the officer or employee, does not violate this Section 3.17-F if the recipient promptly takes reasonable action to return a gift from a prohibited source to its source or gives the gift or an amount equal to its value to an appropriate charity that is exempt from income taxation under Section 501(c)(3) of the Internal Revenue Code of 1986, as now or hereafter amended, renumbered or succeeded.

G. ETHICS ADVISOR:

1. The Village Administrator shall be the Ethics Advisor for the Village.
2. The Ethics Advisor shall provide guidance to the officers and employees of the Village concerning the interpretation of and compliance with the provisions of this Section 3.17 and State ethics laws. The Ethics Advisor shall perform such other duties as may be delegated by the Village Board.

H. ETHICS COMMISSION:

1. There is hereby created an Ethics Commission for the Village ("Commission" for purposes of this Section 3.17). The Commission shall be comprised of three members appointed by the Village President with the advice and consent of the Village Board. No person shall be appointed as a member of the Commission who is related, either by blood or marriage up to the degree of first cousin, to any elected officer of the Village.
2. At the first meeting of the Commission, the initial appointees shall draw lots to determine their initial terms. Two commissioners shall serve two-year terms and the third commissioner shall serve a one-year term. Thereafter, all commissioners shall be appointed to two-year terms. Commissioners may be re-appointed to serve subsequent terms.

At the first meeting of the Commission, the commissioners shall choose a chairperson from their number. Meetings shall be held at the call of the chairperson or any two commissioners. A quorum shall consist of two commissioners, and official

action by the Commission shall require the affirmative vote of two members.

3. The Village President, with the advice and consent of the Village Board, may remove a commissioner in case of incompetency, neglect of duty or malfeasance in office after service on the commissioner by certified mail, return receipt requested, of a copy of the written charges against the commissioner and after providing an opportunity to be heard in person or by counsel upon not less than 10 days' notice. Vacancies shall be filled in the same manner as original appointments.
4. The Commission shall have the following powers and duties:
 - a. To promulgate procedures and rules governing the performance of its duties and the exercise of its powers.
 - b. Upon receipt of a signed, notarized, written complaint, to investigate, conduct hearings and deliberations, issue recommendations for disciplinary actions, impose fines in accordance with this Section 3.17-H and refer violations of Section 3.17-E and Section 3.17-F to the Village Attorney for prosecution. The Commission shall, however, act only upon the receipt of a written complaint alleging a violation of this Section 3.17 and not upon its own prerogative.
 - c. To receive information from the public pertaining to its investigations and to require additional information and documents from persons who may have violated the provisions of this Section 3.17.
 - d. To compel the attendance of witnesses and to compel the production of books and papers pertinent to an investigation. It is the obligation of all officers and employees of the Village to cooperate with the Commission during the course of its investigations. Failure or refusal to cooperate with requests by the Commission shall constitute grounds for discipline or discharge.

- e. To prepare and publish such manuals and guides as the Commission deems appropriate explaining the duties of the individuals covered by this Section 3.17.
- f. To prepare such public information materials to facilitate compliance, implementation, and enforcement of this Section 3.17.
- g. To prepare an annual statistical report for each year consisting of (i) the number of complaints filed, (ii) the number of complaints deemed to sufficiently allege a violation of this Section 3.17, (iii) the recommendation, fine or decision issued for each complaint, (iv) the number of complaints resolved, and (v) the status of pending complaints.
- h. The powers and duties of the Commission are limited to matters clearly within the purview of this Section 3.17-H.

5. Complaints:

- a. Complaints alleging a violation of this Section 3.17 shall be filed with the Ethics Commission.
- b. Within three business days after the receipt of a complaint, the Commission shall send by certified mail, return receipt requested, a notice to the respondent that a complaint has been filed against him or her and a copy of the complaint. A copy of the notice and the complaint shall also be provided to the Village President and the Village Administrator. The Commission shall send by certified mail, return receipt requested, a confirmation of the receipt of the complaint to the complainant within three business days after receipt by the Commission. The notices to the respondent and the complainant shall also advise them of the date, time, and place of the meeting to determine the sufficiency of the complaint and to establish whether probable cause exists to proceed.
- c. Upon not less than 48 hours' public notice, the Commission shall meet to review the

sufficiency of the complaint and, if the complaint is deemed sufficient to allege a violation of this Section 3.17, to determine whether there is probable cause, based on the evidence presented by the complainant, to proceed. The meeting may be closed to the public to the extent authorized by the Open Meetings Act (5 ILCS 120/2(c) et seq.). The Commission shall issue notice to the complainant and the respondent of the Commission's ruling on the sufficiency of the complaint and, if necessary, on probable cause to proceed within seven business days after receiving the complaint. If the complaint is deemed not sufficient to allege a violation or if there is no determination of probable cause, then the Commission shall send by certified mail, return receipt requested, a notice to the parties of the decision to dismiss the complaint, and that notice shall be made public.

If the complaint is deemed sufficient to allege a violation of Section 3.17-F herein and there is a determination of probable cause, then the Commission's notice to the parties shall include a hearing date scheduled within four weeks after the complaint's receipt. Alternatively, the Commission may elect to notify, in writing, the Village Attorney to prosecute such actions and request that the complaint be adjudicated judicially and the Commission's notice to the parties shall indicate this fact.

If the complaint is deemed sufficient to allege a violation of Section 3.17-E herein, then the Commission shall notify, in writing, the Village Attorney to prosecute such actions and shall transmit to the Village Attorney the complaint and all additional documents in the custody of the Commission concerning the alleged violation. The Commission's notice to the parties shall indicate these facts.

- d. On the scheduled date and upon at least 48 hours' public notice of the meeting, the Commission shall conduct a hearing on the complaint and shall allow both parties the opportunity to present testimony and evidence.

The hearing may be closed to the public only if authorized by the Open Meetings Act (5 ILCS 120/2(c) *et seq.*).

- e. Within 30 days after the date, the hearing or any recessed hearing is concluded, the Commission shall either (i) dismiss the complaint or (ii) issue a recommendation for discipline to the alleged violator and to the Village Administrator or other officer having authority to discipline the officer or employee, or impose a fine upon the violator, or both. The particular findings in the case, any recommendation for discipline, and any fine imposed shall be a matter of public information.
- f. If the hearing was closed to the public, the respondent may file a written demand for a public hearing on the complaint within seven business days after the issuance of the recommendation for discipline or imposition of a fine, or both. The filing of the demand shall stay the enforcement of the recommendation or fine. Within 14 days after receiving the demand, the Commission shall conduct a public hearing on the complaint upon at least 48 hours' public notice of the hearing and allow both parties the opportunity to present testimony and evidence. Within seven days thereafter, the Commission shall publicly issue a final recommendation to the alleged violator and to the Village Administrator or other officer having authority to discipline the officer or employee or impose a fine upon the violator, or both.
- g. If a complaint is filed during the 60 days preceding the date of any election at which the respondent is a candidate, the Commission shall render its decision as required in Section 3.17-H6e herein within seven days after the complaint is filed, and during the seven days preceding that election, the Commission shall render such decision before the date of that election, if possible.

A complaint alleging the violation of this Section 3.17 must be filed within one year after the alleged violation.

- i. In the event a member of the Commission is the subject of an alleged violation of this Section 3.17, such commissioner shall immediately recuse himself or herself from the investigation of such alleged violation, and shall take no part in the final action of the Commission regarding such alleged violation.

I. ADVISORY OPINIONS:

1. Where any officer or employee has a doubt as to the applicability of any provision of this Code of Ethics to a particular situation, or as to the definition of terms used herein, he or she may apply to the Commission for an advisory opinion. The officer or employee shall have the opportunity to present his or her interpretation of the facts at issue and of the applicability of provisions of the Code of Ethics before such advisory opinion is made.
2. Such opinion, until amended or revoked, shall be binding on the Village and the Village Board in any subsequent actions concerning the officer or employee who sought the opinion and acted in good faith, unless material facts were omitted or misstated in the request for the advisory opinion. Such opinion shall not be binding in any action initiated by any private citizen.
3. Any advisory opinion prepared by the Commission shall be made public. However, the name of the person requesting the opinion and the names of all persons or business entities mentioned in the opinion shall be deemed confidential information and shall not be disclosed by the Commission unless the officer or employee waives such confidentiality or where the Commission deems the officer or employee to have failed to act in good faith in requesting the opinion or to have failed to act in conformance with the opinion.

J. PENALTIES:

1. A person who intentionally violates any provision of Section 3.17-E herein may be punished by a term

of incarceration in a penal institution other than a penitentiary for a period of not more than 364 days, and may be fined in amount not to exceed \$5,000.

2. A person who intentionally violates any provision of Section 3.17-F herein is subject to a fine in an amount on not less than \$1,001 and not more than \$5,000.
3. A person who intentionally violates any of the other provisions of Section 3.17 herein is subject to a fine in the amount of \$750 per violation.
4. Any person who intentionally makes a false report alleging a violation of any provision of Section 3.17 to the Commission, the State's Attorney or any other law enforcement official, may be punished by a term of incarceration in a penal institution other than a penitentiary for a period of not more than 364 days, and may be fined in an amount not to exceed \$5,000.
5. The Commission may impose an administrative fine of up to \$5,000 against any person who violates Section 3.17-E or Section 3.17-F, or who intentionally makes a false, frivolous or bad faith allegation.
6. A violation of this Section 3.17-E shall be prosecuted as a criminal offense by the Village Attorney by filing in the circuit court an information, or sworn complaint, charging such offense. The prosecution shall be under and conform to the rules of criminal procedure. Conviction shall require the establishment of the guilt of the defendant beyond a reasonable doubt.

A violation of Section 3.17-F herein may be prosecuted as a quasi-criminal offense by the Commission through the designated administrative procedure.

7. In addition to any other penalty that may be applicable, whether criminal or civil, an officer or employee who intentionally violates any provision of this Section 3.17 is subject to discipline or discharge.

8. Any contract or transaction which was the subject of an official act or action of the Village in which there is an interest prohibited by this Code of Ethics, or which involved the violation of this Code of Ethics, shall be void at the option of the Village Board.
9. The Village Attorney shall have the power, where a violation of the provisions of this Code of Ethics is threatened or has occurred, to bring civil actions or proceedings at law or in equity for a judgment enjoining any violation of the provisions of this Section 3.17 or requiring the relinquishment of any prohibited interest or the voiding of any such contract or transaction, taking into account the interest of the Village and any third persons who may be injured thereby. Where the Village Attorney determines that the public interest may be best served by not voiding the contract or transaction entered into in violation of this Section 3.17, such contract or transaction may be enforced and an action or proceeding may be brought against any officer or employee found in violation of the provisions of this Section 3.17 for damages not to exceed twice the profit or gain realized by the officer or employee, whichever is greater.

K. DISTRIBUTION OF CODE OF ETHICS: The Village Administrator shall cause a copy of this Code of Ethics to be distributed to every officer and employee of the Village within 30 days after enactment of this Code of Ethics. Each officer and employee elected, appointed or engaged hereafter shall be furnished a copy before entering upon the duties of his or her office or employment.

Recodified 03-08-01
Amended 04-10-03
Amended 05-13-04
Amended 12-09-04
Amended 03-11-10
Amended 12-08-11