

CITY OF LeROY  
ILLINOIS

---

ORDINANCE NO. 230  
FINANCIAL SYSTEMS PROCEDURES IN REGARD TO COMMUNITY DEVELOPMENT  
ASSISTANCE PROGRAM GRANT AND REVOLVING LOAN FUND.

---

ADOPTED BY THE  
CITY COUNCIL  
OF THE  
CITY OF LeROY

THIS 10th DAY OF December, 1984.

---

Published in pamphlet form by authority of the  
City Council of the City of LeRoy, McLean County,  
Illinois, this 10th day of December,  
1984.

FINANCIAL SYSTEMS PROCEDURES IN REGARD TO COMMUNITY DEVELOPMENT ASSISTANCE PROGRAM GRANT AND REVOLVING LOAN FUND.

WHEREAS, the Mayor and City Council of the City of LeRoy, Illinois, have received notification that the Illinois Department of Commerce and Community Affairs did approve a Community Development Assistance Program grant to said City effective August 16, 1984, to be utilized in the making of a loan to LeRoy Auto/Truck Plaza Associates, a partnership, for the purpose of assisting said firm in undertaking the construction and development of an economic development project to be known as LeRoy Auto/Truck Plaza near the intersection of Chestnut Street and Interstate Route 74 in the City of LeRoy, Illinois; and

WHEREAS, one of the conditions required to be fulfilled in order to obtain said grant is that certain financial management and accounting procedures be followed by the City of LeRoy in accordance with rules and regulations set forth by the Illinois Department of Commerce and Community Affairs; and

WHEREAS, the Mayor and City Council of the City of LeRoy have determined that it is appropriate and necessary that the aforesaid financial procedures for monitoring the aforesaid loan and accounting for disbursements and receipts under said loan be adopted by the City of LeRoy, Illinois,

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF LEROY, ILLINOIS, in lawful meeting assembled, as follows:

Section 1. That new Section 3.07A amending Chapter 3, City Administration, Municipal Code of LeRoy, Illinois 1975 (as amended), is hereby adopted in words and figures as follows:

3.07A - SPECIAL FINANCIAL SYSTEM PROCEDURES APPLICABLE TO ACCOUNTING FOR AND MONITORING OF COMMUNITY DEVELOPMENT ASSISTANCE PROGRAM GRANT RECEIVED BY CITY OF LEROY, ILLINOIS, FROM ILLINOIS DEPARTMENT OF COMMERCE AND COMMUNITY AFFAIRS FOR PURPOSE OF BEING LOANED TO LEROY AUTO/TRUCK PLAZA ASSOCIATES, AND FOR SUBSEQUENT USE IN A REVOLVING LOAN FUND AS SET FORTH IN A RECAPTURE STRATEGY STATEMENT CONTAINED AS PART OF THE DOCUMENTS IN THE COMMUNITY DEVELOPMENT ASSISTANCE PROGRAM GRANT DOCUMENTS.

A. There shall be established by the City Clerk and the City Treasurer a system of books, ledgers and accounts for the proper documentation of all receipts and disbursements in regard to the Community Development Assistance Program grant received by the City from the Illinois Department of Commerce and Community Affairs, said funds then being loaned by the City to LeRoy Auto/Truck Plaza Associates for purpose of assisting said firm in the development of an auto/truck stop facility located in LeRoy, Illinois, the following ledgers and registers:

1. Cash Receipts Ledger
2. Cash Disbursements Ledger
3. Federal Funds Register

B-1. The Receipts ledger shall show the following accounts in columnar fashion with the following headings:

Date  
Received:

Line Item:  
(with explanation as  
to where received from)

Amount:

Remaining  
Balance:

2. The Disbursements ledger shall show the following accounts in columnar fashion with the following headings:

Date                      Line Item: (with                      Amount:                      Balance:  
Disbursed:              explanation as to who  
                                 paid and what for)

3. The Funds register shall show the following accounts in columnar fashion with the following headings:

Date:      What              Amount \*              Amount              Date & Amount              Remaining  
                 Requested:              Requested:              Received:              Expended:              Balance:

C. There will be kept by the City Treasurer and City Clerk a separate record showing the bank reconciliation with the fund at the end of each month.

D. There will be maintained an inventory accounting showing the items purchased by the borrower with the loan funds drawn by borrower from City from time to time, said inventory account having those headings as follows:

Item and                      Installation              Freight                      Total  
Serial Number:              Cost:                      Cost:                      Cost:

E. The Community Development Assistance Program grant loan fund, as herein described, shall be utilized on a "draw down" basis by the borrower, and draws shall be made against the loan account in the following manner:

1. A purchase request with invoice proof or other necessary documentation establishing the cost of the item to be purchased from the loan funds shall be delivered to the City Clerk by the borrower or its appropriate agent. Upon receipt of such purchase request information and documentation substantiating the same the City Clerk shall promptly forward a pay request for withdrawal of funds against the Community Development Assistance Program grant fund to the Illinois Department of Commerce and Community Affairs. Upon receipt of the check or other form of payment transferring the monies from Illinois Department of Commerce and Community Affairs to the City of LeRoy, the City Clerk shall immediately account for the same, and request the City Treasurer prepare a check made payable to the borrower, obtain execution of the check as hereinafter set forth, and forward the same promptly to the borrower. The borrower shall then promptly follow up the receipt of said monies by returning to the City Clerk within

at a reasonable time after receipt of the payment, proof of the expenditure of the funds for the purpose designated and for the specific item for which the draw was made against the loan fund, and proof that the item has been delivered to the borrower and all freight costs and installation costs paid.

2. Monies received from time to time by the Illinois Department of Commerce and Community Affairs under the Community Development Assistance Program grant shall be deposited immediately upon their receipt from the Illinois Department of Commerce and Community Affairs and shall be deposited in a non-interest bearing account maintained by the City at LeRoy State Bank, LeRoy, Illinois. Checks or drafts shall be restrictively endorsed for deposit to the named account only. The City Clerk shall promptly notify the project manager of receipt of the monies and shall keep a copy of the deposit slip, "goldenrod" copy of the check received from the Illinois Department of Commerce and Community Affairs, and a photocopy of the check when executed and prepared for delivery to the borrower forwarding the funds for the particular purchase. Disbursements of monies received from time to time from Illinois Department of Commerce and Community Affairs shall be made to the borrower within 20 days after receipt by the City. All checks shall be countersigned by the project manager and the mayor or treasurer of the City of LeRoy. Said individuals shall have their signatures placed on file with the depository for purposes of maintaining a record of such signatures to verify checks when presented to the depository for honoring.
3. The treasurer shall "void" any check prepared or executed which is incorrect or is otherwise not utilized for forwarding funds to the borrower, and shall void such check in the following manner: by writing the word "VOID" in large, capital letters across the face of the check, mutilating the signatures, if any, placed on the check, and stapeling or otherwise permanently securing the check to that portion of the check register bearing the copy of the check or information showing what was placed on the check.
4. No checks shall be made payable to "cash", "bearer", or shall be countersigned in advance by any of the necessary parties.
5. The City Clerk and City Treasurer shall maintain with their records all cancelled checks on the fund along with the following documents which shall be secured with or otherwise placed next to each of the cancelled checks: (a) requisition or purchase request for equipment purchased; (b) freight bill and proof of payment; (c) installation cost itemized and proof of payment; and (d) proof of payment of the equipment purchased and receipt of same.

F. Duties for management and accounting procedures in regard to the Community Development Assistance Program grant fund and its monitoring and oversight shall be as follows:

1. The project manager, who shall be appointed by the Mayor with the approval and consent of the City Council, shall be responsible to carry out all duties as set forth under the accounting and monitoring procedures regulations and requirements established by Illinois Department of Commerce and Community Affairs, and shall further prepare written reports as frequently as required, but not less often than monthly for the City Council setting forth all activities of the fund insofar as receipts and disbursements are concerned, and said project manager shall also examine all requests for payment by borrower and shall monitor all receipts by the City and disbursements to the borrower, and shall follow-up to establish that the borrower has, in fact, expended the sums received from time to time for the proper purposes and in the proper manner.

2. The City Clerk shall be responsible for receiving purchase requests and draw down requests as aforesaid, and shall process such requests as outlined in the procedures herein. The City Council shall approve all purchase requests and shall direct the Mayor or City Treasurer, and project manager, to execute all appropriate checks forwarding monies to the borrower from time to time in accordance with purchase requests as received by the City Clerk, and upon the receipt of funds on a draw down basis from the Illinois Department of Commerce and Community Affairs for payment to borrower. Upon approval of the purchase request by the City Council and upon receipt of the monies from the Illinois Department of Commerce and Community Affairs, the Treasurer shall prepare the check or checks for execution by the project manager and by either the Treasurer or the Mayor. The project manager shall then finally review all documentation as to the purchase request to ascertain that all is in accordance with these financial system procedures and shall then authorize the City Clerk to forward the same to the borrower.

G. The Treasurer shall maintain among the books and records kept in regard to the Community Development Assistance Program grant fund and its activities an account or record showing the current balance of grant funds on a "year to date" (YTD) basis. The City Clerk and City Treasurer shall maintain in the city records complete documentation of all expenditure in order to establish a full and complete "audit trail" in order to enable a full and complete examination of the books and records from time to time as may be necessary to monitor the activities of the fund receipts and disbursements and the purposes for which such disbursements are being used.

Section 2. The City Clerk and City Treasurer shall obtain bonds in additional amounts to those already maintained by them in such amounts as may be required by Illinois Department of Commerce and Community Affairs regulations regarding the administration of the Community Development Assistance Program grant, and the project manager shall obtain such bond as may be required by the Illinois Department of Commerce and Community Affairs for the regulation and administration of the Community Development Assistance Program grant fund.

Section 3. This ordinance shall be in full force and effect from and after its passage and approval in pamphlet form as required by law.

PASSED by the Mayor and City Council of the City of LeRoy, Illinois, on the 10th day of December, 1984.

Aldermen elected 6  
Aldermen present 6

AYES Patrick Derby, Gary Builta, Michael Hanafin, Jon Winston, Michael Hillard, David King

NAYS None

Juanita Dagley  
Juanita Dagley, City Clerk  
of the City of LeRoy, IL  
By Sue Marcum, Asst City Clerk

APPROVED by the Mayor of the City of LeRoy, Illinois, on the 10th day of December, 1984.

Jack Moss  
Jack Moss, Mayor of the City  
of LeRoy, IL

ATTEST:

(seal)

Juanita Dagley  
Juanita Dagley, City Clerk of  
the City of LeRoy, IL

By Sue Marcum,  
Assistant City Clerk

CERTIFICATE

I, JUANITA DAGLEY, certify that I am the duly elected and acting municipal clerk of the City of LeRoy, McLean County, Illinois.

I further certify that on December 10th, 1984, the Corporate Authorities of such municipality passed and approved Ordinance No. 230, entitled:

FINANCIAL SYSTEMS PROCEDURES IN REGARD TO COMMUNITY DEVELOPMENT ASSISTANCE PROGRAM GRANT AND REVOLVING LOAN FUND,

which provided by its terms that it should be published in pamphlet form.

The pamphlet form of Ordinance No. 230, including the Ordinance and a cover sheet thereof was prepared, and a copy of such Ordinance was posted in the municipal building, commencing on December 10th, 1984, and continuing for at least ten days thereafter. Copies of such Ordinance were also available for public inspection upon request in the office of the municipal clerk.

Dated at LeRoy, Illinois, this 10th day of December, 1984.

(seal)

Juanita Dagley  
Municipal Clerk  
By Joe Marcum  
Assistant City Clerk

