

Chapter 3
VILLAGE ADMINISTRATION

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3.01 CLERK *Amended, Ord. 377*

A. APPOINTMENT: The Village Clerk (“Clerk”) shall be filled by appointment by the President, with the advice and consent of the Village Board. Because the position of Clerk requires special expertise, the appointment need not be a resident. The Clerk shall be an at will employee of the Village.

B. GENERAL DUTIES, OATH, BOND: The Clerk shall have all powers and perform all duties provided by the laws of the State 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 paid by the Village.

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

1. Attend all meetings of the corporate authorities and keep a full and accurate record of their proceedings.
2. 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. Deliver to the President all ordinances or resolutions to be approved or otherwise acted upon by the President.
4. 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. 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 or her removal or resignation or the expiration of the term of office, deliver all such effects to the successor in the office of the Clerk.
6. Sign and keep a record of all licenses and permits issued by and on behalf of the Village and the applications that are not the responsibility of any other officer or official.
7. 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. 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.
9. 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 as Clerk Pro Tem; such appointment shall not prohibit such Trustee from also acting in the capacity of Trustee.

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 more than \$750 for each record destroyed.

F. SALARY: The annual salary of the Clerk shall be that sum established pursuant to this Code.

G. DEPUTY CLERK: The President and Village Board 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. The salary of the Deputy Clerk shall be set by the Village Board. The Deputy Clerk shall report to the President.

3.02 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, by and with the advice and consent of the Village Board, and shall serve at the pleasure of the President and Village Board. The Treasurer shall report to the President.

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

1. Receive all money paid into the Village, either directly or from other Village officers. Make out all checks of the Village and pay out Village funds only on vouchers, orders or checks properly signed by the Treasurer and President, verifying that the signatures are authentic or hand-stamped by the individual whose name is represented.
2. Deposit all Village funds in such legal depositories as may be designated by the Village Board by resolution or ordinance, and keep the Village funds separate and distinct from his own funds and any others with the Village funds, and not make private or personal use of the Village funds. Depositories designated by the Village Board are: Illinois Public Treasurers’ Investment Pool (IPTIP); First Midwest Bank, McHenry; US Bank, Crystal Lake; and Home State Bank/National Association, Crystal Lake.
3. In coordination with Village Hall staff, keep and maintain accurate books and records of account showing all moneys received and keep a record showing the ongoing and current financial condition of the Village. Make monthly reports to the Village Board showing the funds received and disbursed during the month, and an annual report to the Board between the 15th and 31st day of May of each fund, showing the total amount of all receipts and expenditures of the Village, showing all transactions as Treasurer during the preceding year.
4. 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. In coordination with Village Hall staff, pay recurring and routine bills. The amount of each bill shall not exceed \$1,000. Village Board payment approval shall be required for those recurring and routine bills that exceed \$1,000.
6. 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 at the next regular meeting of the President and Village Board, the Treasurer shall obtain ratification of the action.
7. 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.

3.03 ATTORNEY

A. APPOINTMENT: The Village Attorney shall be retained by the President, by and with the advice and consent of the Village Board. The Village Attorney need not be a resident nor 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 the President, Chief of Police or upon authorization of the Village Board. The Village Attorney shall prosecute or defend any and all suits or actions at law or in equity to 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.

3.04 ENGINEER

A. APPOINTMENT: The Village Engineer shall be retained by the President, with the advice and consent of the Village Board.

B. DUTIES: The Village Engineer shall perform the duties set forth in this Code and such other duties as may be prescribed by the Village Board.

3.05 BUILDING INSPECTOR

A. OFFICE ESTABLISHED: There is hereby created and established in and for the Village the office of Building Inspector, also known as the Building Official or Building and Zoning Officer.

B. APPOINTMENT: The Building Inspector shall be appointed by the President, with the advice and consent of the Village Board.

C. DUTIES: It shall be the duty of the Building Inspector to enforce the Building Code of the Village and other applicable Village regulations and to supervise the construction, reconstruction and alteration and moving of all buildings and approve the issuance of all building permits.

D. QUALIFICATIONS: The duties of the Building Inspector require technical training and knowledge. No person shall be appointed Building Inspector unless such person has the requisite technical training and knowledge to discharge the duties of this office.

3.06 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 Village Board, which shall be subject to the approval of the Village Board, 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 and to do business in the State. 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 be pursuant to the Bond Position Schedule of the Village's insurer.

3.07 OFFICERS AND EMPLOYEES OF THE VILLAGE

A. EFFECT OF SECTION: The provisions of this Section shall apply equally 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.

B. APPOINTMENTS: The President, by and with the advice and consent of the Village Board, shall make appointments to fill all appointive offices. The respective department heads shall select all employees and fill all positions of employment of the Village, with the advice and consent of the Village Board.

C. TERMS OF OFFICE, VACANCIES: Every appointed officer of the Village shall hold office for a period of 1 year from the date of appointment and until a successor is appointed and qualified.

D. 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.

E. 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 Village Board at all reasonable times, whether or not such records are required to be kept by statute or ordinance.

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

G. 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.

H. SALARIES AND WAGES: All officers and employees of the Village shall receive such salaries or wages 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.

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 or the Clerk all goods, books and records which may be the property of the Village.

J. **AT WILL EMPLOYMENT: All Village employees are at will employees whose employment may be terminated for any reason or no reason at all by the President, with the advice and consent of the Village Board.**

3.08 VILLAGE RECORDS

A. **DEFINITIONS:** Except as provided in Appendix A, terms used in this Section mean as follows:

Act: Freedom of Information Act, 5 ILCS 140.1 *et seq.*

Village record: An original, not a copy, of all records, reports, forms, writings, letters, memoranda, books, papers, maps, photographs, microfilms, cards, tapes, recordings, electronic data processing records, recorded information and all other documentary materials, regardless of physical form or characteristics, having been prepared, or having been or being used, received, possessed or under the control of the Village. A Village record includes, but is expressly not limited to: administrative manuals, procedural rules and instructions to staff unless exempted by the Act; final opinions and orders made in the adjudication of cases, except employee grievance or disciplinary cases; substantive rules; statements and interpretations of policy which has been adopted by the Village Board; final planning policies, recommendations and decisions; factual reports, inspections reports and studies prepared by or for the Village; all information in any account, voucher or contract dealing with the receipt or expenditure of Village funds; the names, salaries, titles and dates of employment or election of all employees and officers of the Village; materials containing opinions concerning the rights of the Village or of any other person; the name of every official and the final records of voting in all proceedings of the Village; applications for any contract, permit, grant or agreement except as exempted from disclosure by the Act; each report, document, study or publication prepared by independent consultants or other independent contractors for the Village; all other information required by law to be made available for public inspection or copying; and information relating to any grant or contract made by or between the Village and another public body or private organization.

B. **RECORD DEPOSITORIES:** Village records shall be kept in the Village's official place of business, the Village Hall or Village maintenance building, as appropriate, or such other depositories as designated by the Village Board, and be available for public inspection or copying, pursuant to the Act, during Village Hall business hours.

C. **POSSESSION OF VILLAGE RECORDS:** Within 5 days after notification by the President or Clerk, to be made by certified mail, return receipt requested, any person shall deliver to the Clerk any Village records in his possession, belonging to the Village. 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 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.*

3.09 CORPORATE SEAL

The corporate seal of the Village shall be as follows: A circular disc with the words “Village of Prairie Grove, Prairie Grove, Illinois” inscribed on the outer circle.

3.10 FISCAL YEAR

The fiscal year of the Village shall begin on May 1st of each year and end on April 30th of the following year.

3.11 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 officials, officers and employees is adopted. The purpose of this Code of Ethics is to establish guidelines for ethical standards of conduct for all Village officials, 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 officials, officers and employees of private financial or other interests in matters affecting Village life.

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

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

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 10 ILCS 5/1-3.

Collective bargaining has the same meaning as that term is defined in 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, 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 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 of Prairie Grove.

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.

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

Inter-governmental 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.

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 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 fund-raiser, 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 office 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.

D. 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 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.
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.

E. GIFT BAN:

1. Except as permitted by this Section, 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, as defined herein, or which is otherwise prohibited by law or ordinance. No prohibited source shall intentionally offer or make a gift that violates this Section.
2. EXCEPTIONS: Section 3.11-E1 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 “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-governmental and inter-governmental 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 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 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.

F. ETHICS ADMINISTRATOR:

1. The President shall designate an appropriate Village employee to serve as the Ethics Administrator for the Village.
2. The Ethics Administrator shall provide information to the officers and employees of the Village concerning the existence and content of this Section. This may be done by incorporating the contents of this Code of Ethics into the Village of Prairie Grove Employee Guidelines and Policy Manual and by providing this manual to all officers and employees of the Village.
3. The Ethics Administrator shall refer any inquiries regarding the application or interpretation of this Section to the Village Attorney.

G. ETHICS COMMISSION:

1. There is hereby created a commission to be known as the Village of Prairie Grove Ethics Commission (“Commission” for purposes of this Section). The Commission shall be comprised of 3 members appointed by the President with the advice and consent of the Village Board. No person shall be appointed as a commissioner 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 2-year terms, and the third commissioner shall serve a 1-year term. Thereafter, all commissioners shall be appointed to 2-year terms. Commissioners may be re-appointed to serve subsequent terms.
3. 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 2 commissioners. A quorum shall consist of 2 commissioners, and official action by the Commission shall require the affirmative vote of 2 members.
4. The 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.
5. 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 and refer violations of Sections 3.11-D and 3.11-E 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 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.
- 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 to facilitate compliance with the terms of this Section.
- f. The powers and duties of the Commission are limited to matters clearly within the purview of this Section.

6. COMPLAINTS:

- a. Complaints alleging a violation of this Section shall be filed with the Ethics Commission.
- b. Within 3 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. The Commission shall send by certified mail, return receipt requested, a confirmation of the receipt of the complaint to the complainant within 3 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, 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. Within 7 business days after receiving the complaint, 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. 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.

- d. If the complaint is deemed sufficient to allege a violation of Section 3.11-E and there is a determination of probable cause, then the Commission's notice to the parties shall include a hearing date scheduled within 4 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.
- e. If the complaint is deemed sufficient to allege a violation of Section 3.11-D, 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.
- f. If the Commission elects to hear a case brought under Section 3.11-E, 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.
- g. Within 30 days after the date the hearing or any recessed hearing of a case brought under Section 3.11-E is concluded, the Commission shall either: (i) dismiss the complaint; or (ii) issue a recommendation for discipline to the alleged violator and to the President 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.
- h. If the hearing on a case brought under Section 3.11-E was closed to the public, the respondent may file a written demand for a public hearing on the complaint within 7 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 7 days thereafter, the Commission shall publicly issue a final recommendation to the alleged violator and to the President or other officer having authority to discipline the officer or employee or impose a fine upon the violator, or both.

- i. 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 under Section 3.11-G6g within 7 days after the complaint is filed, and during the 7 days preceding that election, the Commission shall render such decision before the date of that election, if possible.
- j. A complaint alleging the violation of this Section must be filed within 1 year after the alleged violation.
- k. In the event a member of the Commission is the subject of an alleged violation of this Section, such commissioner shall immediately be recused from the investigation of such alleged violation, and shall take no part in the final action of the Commission regarding such alleged violation. A substitute commissioner shall be appointed pursuant to the terms of Section 3.11-G1 above for purposes relating to this matter only.

H. PENALTIES:

- 1. A person who intentionally violates any provision of Section 3.11-D 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 \$2,500.
- 2. A person who intentionally violates any provision of Section 3.11-E is subject to a fine in an amount not less than \$1,001 and not more than \$5,000.
- 3. The Commission may levy an administrative fine of up to \$5,000 against any person who violates this Code of Ethics or who intentionally makes a false, frivolous, or bad faith allegation.
- 4. In addition to any administrative fines imposed pursuant to Section 3.11-H3 above, any person who intentionally makes a false report alleging a violation of any provision of this Section to the Ethics 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 \$2,500.

5. A violation of Section 3.11-D 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.
6. A violation of Section 3.11-E may be prosecuted as a quasi-criminal offense by an attorney for the Village, or 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 is subject to discipline or discharge.

I. **DISTRIBUTION OF CODE OF ETHICS:** The Ethics Administrator shall cause a copy of this Code of Ethics to be distributed to every officer and employee of the Village within 90 days after enactment of this Code of Ethics. Thereafter, this Code of Ethics shall be incorporated in the Village of Prairie Grove Employee Guidelines and Policy Manual.

3.12 INVESTMENT POLICY

A. **POLICY:** It is the policy of the Village to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Village and conforming to all State and local statutes governing the investment of public funds. The State statutes will take precedence except where this investment policy (“Policy” for purposes of this Section) is more restrictive wherein this Policy will take precedence.

B. **SCOPE:** The Policy includes all funds governed by the Village.

C. **PRUDENCE:** Investments shall be made with judgement and care, under circumstances then prevailing which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital, as well as the probable income to be derived.

The standard of prudence to be used by investment officials shall be the “prudent person” standard and shall be applied in the context of managing an overall portfolio.

D. **OBJECTIVE:** The primary objective, in order of priority shall be:

- * Legality, conformance with federal, State and other legal requirements.
- * Safety, preservation of capital and protection of investment principal.
- * Liquidity, maintenance of sufficient liquidity to meet operating requirements.
- * Yield, attainment of market rates of return.

The portfolio shall be reviewed annually, by external auditors, as to its effectiveness in meeting the Village's needs for safety, liquidity, rate of return, diversification and its general performance.

E. **DELEGATION OF AUTHORITY:** Management and administrative responsibility for the investment program is delegated to the Treasurer who, under the delegation of the Village Board, shall establish written procedures for the operation of the investment program.

F. **ETHICS AND CONFLICTS OF INTEREST:** Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions.

G. **AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS:** The Village Board shall have the sole responsibility to select which financial institutions (IPTIP, banks, savings and loan, credit unions and other non-banks) will be the depositories for the Village. Any financial institution, upon meeting the applicable requirements, may request to become a depository for Village funds. The Village will take into consideration security, size, location, financial condition, service, fees, competitiveness and the community relations involvement of the financial institution when choosing depositories.

H. **AUTHORIZED AND SUITABLE INVESTMENTS:** Investments may be made in any type of security allowed for in State statutes regarding the investment of public funds. Investments shall be made that reflect the cash flow needs of the fund type being invested.

I. **COLLATERALIZATION:** At all times, in order to meet the objective of safety of capital, the Treasurer will require deposits in excess of the federally insured amount to be collateralized to the extent of 110 percent and evidenced by an approved written agreement. Maturity of acceptable collateral shall not exceed 120 months. The ratio of fair market value of collateral to the amount of funds secured shall be reviewed weekly and additional collateral will be requested when the ratio declines below the required level.

J. **SAFEKEEPING AND CUSTODY:** All security transactions, including collateral for repurchase agreements, entered into by the Village, shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held by an independent third party custodian designated by the Treasurer and evidenced by safekeeping receipts and a written custodial agreement.

K. **DIVERSIFICATION:** The Village shall diversity its investments to the best of its ability based on the type of funds invested and the cash flow needs of those funds. Diversification can be by type of investment, number of institutions invested in, and length of maturity.

L. **MAXIMUM MATURITIES:** To the extent possible, the Village shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the Village will not directly invest in securities maturing more than 10 years from the date of purchase. Reserve funds may be invested in securities exceeding 10 years, if the maturity of such investments are made to coincide as nearly as practicable with the expected use of the

funds.

M. INTERNAL CONTROL: The Treasurer is responsible for establishing and maintaining an internal control structure designed to insure that the assets of the entity are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The internal controls shall address the following points: control of collusion; separation of transaction authority from accounting, whenever possible; custodial safekeeping; and written conformation of telephone transactions for investments and wire transfers, when fees for doing so are reasonable.

N. PERFORMANCE STANDARDS: This Policy will be managed in accordance with the parameters specified within this Policy. The portfolio should obtain a comparable rate of return during a market/economic environment of stable interest rates. Portfolio performance should be compared to benchmarks with similar maturity, liquidity and credit quality as the portfolio (i.e., 90-day treasury bill).

O. REPORTING: The Treasurer shall prepare an investment report at least monthly. The report should be provided to the Village Board and be available upon request. The report should be in a format suitable for review by the general public. An annual report should also be provided to the Village Board.

P. MARKING TO MARKET: A statement of the market value of the portfolio shall be issued to the Village Board quarterly.

Q. POLICY REVIEW: This Policy shall be reviewed on an annual basis by the Treasurer and any modifications must be approved by the Village Board.

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