

GLENBARD WASTEWATER AUTHORITY  
Executive Oversight Committee  
Agenda

June 9, 2022

8:00 a.m.

**Meeting will be held at the Glenbard Wastewater Plant  
945 Bemis Rd, Glen Ellyn, IL**

1. Call to Order
2. Pledge of Allegiance
3. Roll Call
4. Public Comment
5. Consent Agenda – The following items are considered to be routine by the Executive Oversight Committee and will be approved with a single vote in the form listed below:

*Motion the EOC to approve the following items including Payroll and Vouchers for part of the month of April 2022 \$567,772.04 (Trustee Christiansen).*

- 5.1 Executive Oversight Committee Meeting Minutes:  
April 14, 2022 EOC Meeting
  - 5.2 Vouchers Previously Reviewed:  
April 2022 – Trustee Christiansen
6. Approval of CY2021 Audit

2021 Audited Financial Statements

Attached is the Annual Audited Financial Statements for the Glenbard Wastewater Authority for the fiscal year that ended December 31, 2021.

Financial highlights for the Authority's fiscal year 2021 (FY2021) are presented on pages 6-7 of the report. A complete narrative summary of the Authority's operations and financial position is found in Management's Discussion and Analysis on pages 5-14. I will present highlights of the financial report during the EOC meeting and our audit partner, Jamie Wilkey, will present the auditor's opinion.

The Authority again received an unmodified audit opinion from the auditing firm, Lauterbach & Amen LLP, which is the highest and best opinion.

Operating Fund Surplus

The Operating Fund Surplus, before the long-term pension adjustment, was \$155,452. We annually adjust the partners' contributions to match expenses. Using this measure,

the Village of Lombard is owed \$92,634 and Glen Ellyn is owed \$62,818 for the fiscal year ended December 31, 2021.

As of December 31, 2021, the Authority's working cash was 30.6% of operating expenses, or \$252,323 above minimum 25% as set in the current intergovernmental agreement. A complete schedule detailing the working cash calculation may be found in the notes to the financial statements (page 31-32). As the year end amount is below the working cash minimum, we can distribute the entire amount.

The operating surplus may be either rebated back to each community or may be distributed to the Capital Fund. In the past, the operating surplus has been distributed to the Capital Fund and has been used for either specific projects or to offset future Capital Fund rate increases to both Villages.

#### Other Communications

There are two other communications that are included as attachments to this memo.

SAS114 Letter: This letter is a required communication between the auditors and those charged with governance. It highlights certain areas that auditors are required to disclose each year to those charged with governance.

Management Letter: This letter only highlights forthcoming accounting standards for the coming year. There are no internal control matters reported in the letter.

#### Proposed Action Items:

Motion to accept the Audited Financial Statements of the Glenbard Wastewater Authority for the fiscal year ended December 31, 2021 and to forward the audit report to the full Authority Board for final approval at the next annual meeting.

#### **Motion to allocate the 2021 operating surplus of \$155,452 to the Capital Fund.**

#### 7. Request for Approval for House Demolition Services

In 2018 the Authority purchased the house/property adjacent to the main treatment plant at 1S641 Sunnybrook Road. The property was acquired to provide for any future needs, but at this time mainly is providing a buffer zone between the treatment plant and neighboring residents. The existing house on the site is vacant, and now can be viewed as a liability to the Authority. Therefore, in preparation for future use, and to lower any liability to the Authority, a bid invitation was advertised to have the house demolished.

Based on qualifications, reference checks, and price, it is requested the EOC authorize the Authority to award the project to **Anthem Excavation & Demo** in the amount of **\$38,650**. The Authority budgeted \$60,000 in the CY2022 budget for this work. If approved, the House Demolition Services shall be invoiced to Fund 40-580120.

## 8. Request for Authorization to Approve Fire Monitoring System Upgrade

Siemens Fire Monitoring System located throughout the Authority's buildings and remote sites has reached the end of its useful service life, and many parts/repairs are becoming obsolete. This equipment was initially installed via the Bio-Solids Project in 2004, and monitors the Primary Diversion Structure & Scum Building, Sludge Pump & Metering Building, Anaerobic Digester Building, Sludge Dewatering Building, Maintenance Garage, and Administration Building. Parts of the system were replaced during the 2021 Biosolids Dewatering Improvements Project, as the building permit issuance was reliant on the system being brought up to standards, however, the remainder of the plant and remote sites still need to be upgraded to current technology.

A quote was obtained in 2021 for this work, coming in at \$235,365.87. Therefore, funds for this expenditure "Fire Alarm System Upgrade" were included in the CY-22 Budget, Fund 40, Small Capital account 580120, in the amount of \$235,000. Since some of the work was completed with the Biosolids project, an updated quote was received. As this purchase is for a highly specialized piece of equipment, the Authority is requesting to waive competitive bidding for this purchase based on Section C.1.f of the purchasing policy, which waives competitive bidding for "Standardization purchases, defined as technical nature of certain items or services may result in the standardization of a particular supplier's specifications being necessary or desirable to Village operations. Competitive bidding may be waived if the Village requires compatibility with existing software, machinery, or other existing equipment." This item has been discussed with the TAC and all are in agreement.

Therefore, the Authority recommends the EOC authorize the Authority to award Siemens with a notice to proceed in the amount of \$190,500 to complete this work. This work will be sourced from the 2022 GWA Capital budget 40-580120.

## 9. Electric Rehabilitation Project Settlement

Throughout the course of the 2020 Electrical Service Distribution System Rehabilitation and Upgrades project, the contractor and their subcontractors have submitted numerous requests for change orders due to material price escalations. The underlying reason for the material price increases is due to the large amount of inflation that has occurred in materials since this project was originally bid in February 2020, just prior to the pandemic. The Authority has continually rejected the requests due to contract language that states the material prices are at the risk of the contractor, except in rare circumstances, which the pandemic did not fit under. However, after numerous rejections, the contractor formally filed a claim, of which the Authority again rejected. In March 2022, the Authority received a letter from the contractor's legal representation stating reasons they felt the material price escalation claims were per contract, and requested to meet with the Authority. The Authority, its legal representation, the contractor, and their legal representation met in April 2022 and discussed these matters.

Essentially, the contractor was threatening litigation, as they felt there are allowances in the contract to allow for such price increases.

After consulting with the Authority's legal representation, although it was felt that the case would not have been in the contractor's favor if it proceeded to litigation, for a number of reasons it was agreed to settle with the contractor. However, the settlement would only meet the contractor half way on the dollar amount being requested. Benefits to agreeing on the settlement are to avoid legal fees in litigation, avoid the possibility of the contractor pulling off the job prior to completion and the Authority having to pull performance bonds, avoid excessive use of staff time for litigation purposes, and to continue the Authority's positive reputation in the industry (in order to continue receiving good, competitive bids on future projects).

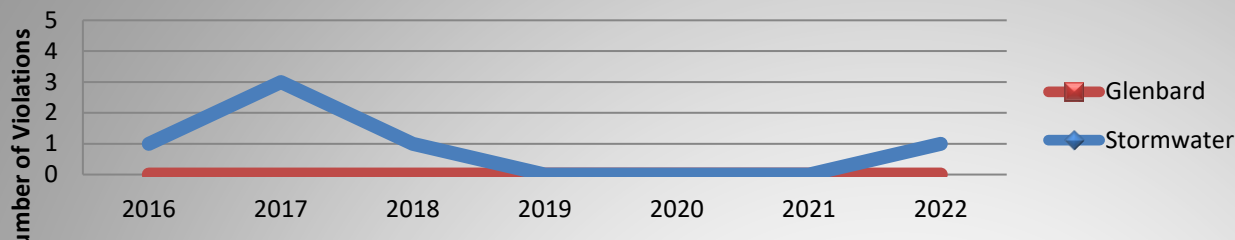
Therefore, the original requested price escalation from the contractor of \$172,641.00 was negotiated down to the releasing of the remaining \$13,141 in cash allowances that were not used in the project but approved by the EOC, and accept a change order increasing the overall contract cost by \$74,859 – totaling \$88,000. The Authority also included that the contractor be liable for \$1,000 per day for every day they go past the Final Completion date of May 27, 2022, as part of the settlement. Both parties agreed to these terms.

**It is requested that the EOC authorize the Authority to sign the enclosed settlement agreement with Broadway Electric, Inc. to allow for the release of the remaining \$13,141 in cash allowances that were not used in the project but approved by the EOC, and accept a change order increasing the overall contract cost by \$74,859 – totaling \$88,000.**

10. Discussion
  - 10.1 Capital Improvement Projects Update
  - 10.2 5/3/2022 CSO Excursion Report
  - 10.3 CHP Discussion
11. Other Business
  - 11.1 Technical Advisory Committee Updates
12. ***Next EOC Meeting*** – The next regularly scheduled EOC Meeting is set for ***Thursday, July 14, 2022 at 8:00 a.m.***



## NPDES Permit Violations



### Glenbard Plant: \*Current Record

3403 Days February 4, 2013 through May 31, 2022

Previous excursion free operating record:

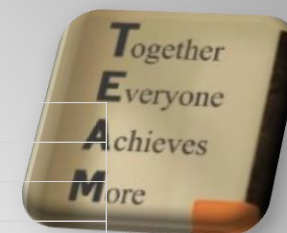
1058 Days September 8, 2007 – April 10, 2010

### Stormwater Facility: \* Current Record

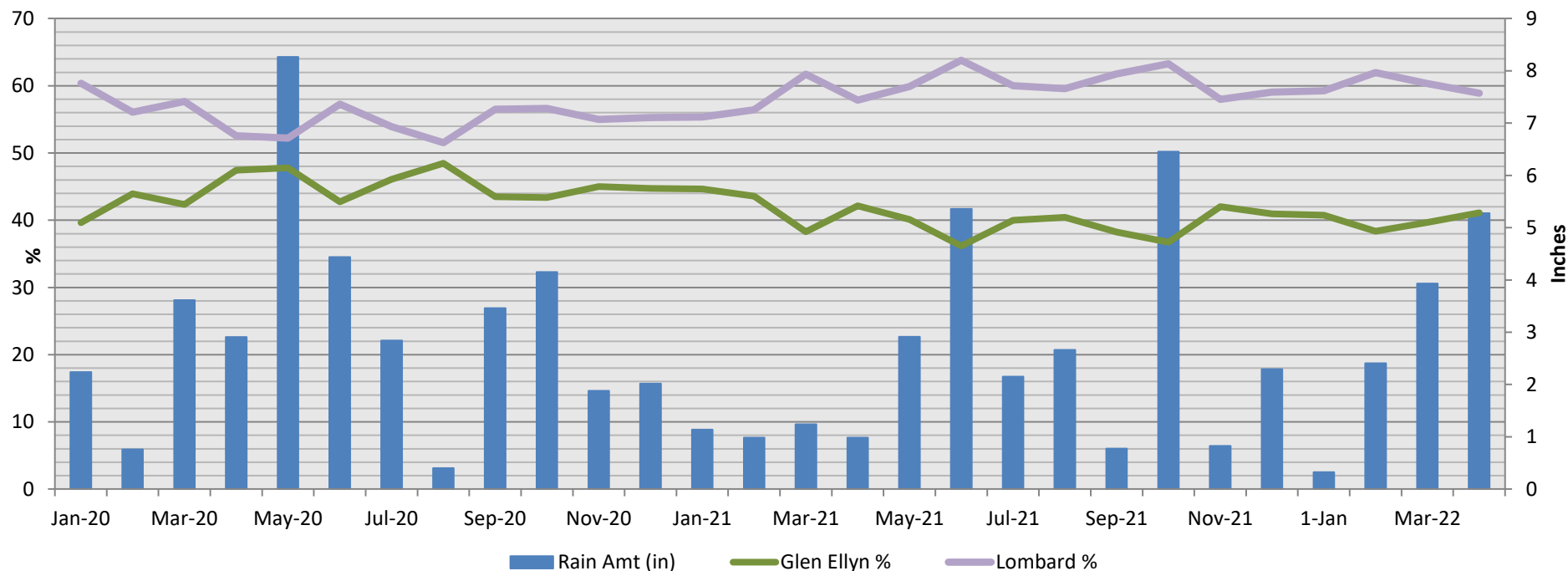
28 Days May 3 through May 31, 2022

Previous excursion free operating record:

1140 Days July 11, 2009 through August 27, 2012



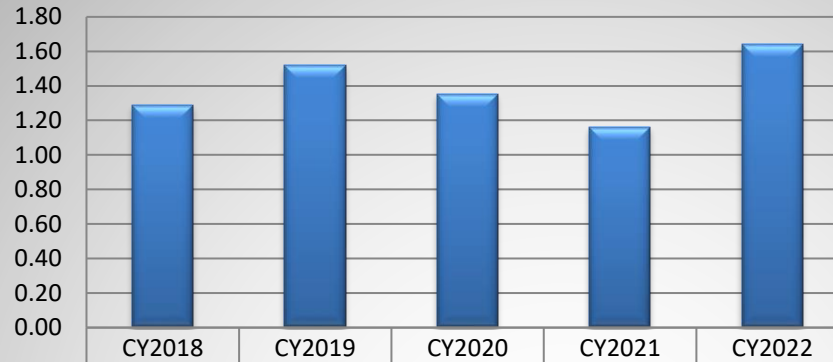
## Flow Billing Comparison



	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	1-Dec	1-Jan	1-Feb	Mar-22	Apr-22
Glen Ellyn %	39.6412	43.931	42.3567	47.418	47.7942	42.7287	46.0736	48.4668	43.5073	43.3642	45.0223	44.7414	44.6336	43.579	38.2972	42.152	40.098	36.19	39.988	40.41	38.26	36.74	42.03	40.93	40.75	38.35	39.66	41.11
Lombard %	60.3588	56.069	57.6433	52.582	52.2058	57.2713	53.9264	51.5332	56.4927	56.6358	54.9777	55.2586	55.3664	56.421	61.7028	57.848	59.903	63.81	60.011	59.59	61.74	63.26	57.97	59.07	59.25	61.96	60.34	58.89
Rain Amt (in)	2.24	0.76	3.615	2.91	8.265	4.44	2.84	0.4	3.46	4.15	1.88	2.02	1.14	0.985	1.242	0.985	2.915	5.36	2.15	2.665	0.775	6.455	0.825	2.295	0.325	2.405	3.93	5.275



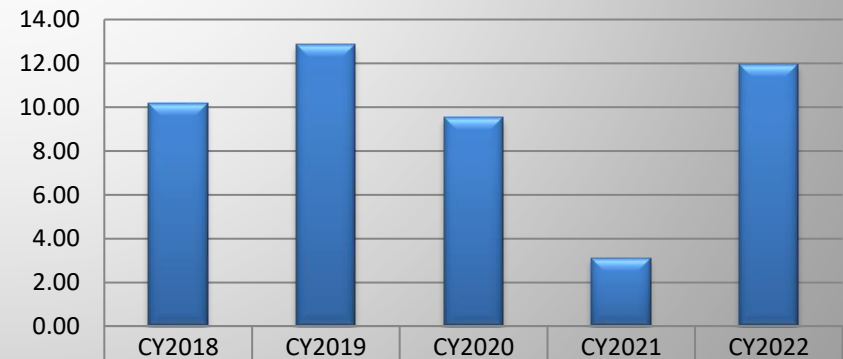
## Billion Gallons Treated Per Year as of April 30, 2022



■ Billion Gallons Treated Per Year as of April 30, 2022

CY2018	CY2019	CY2020	CY2021	CY2022
1.29	1.52	1.35	1.16	1.64

## Total Rainfall in Inches as of April 30, 2022



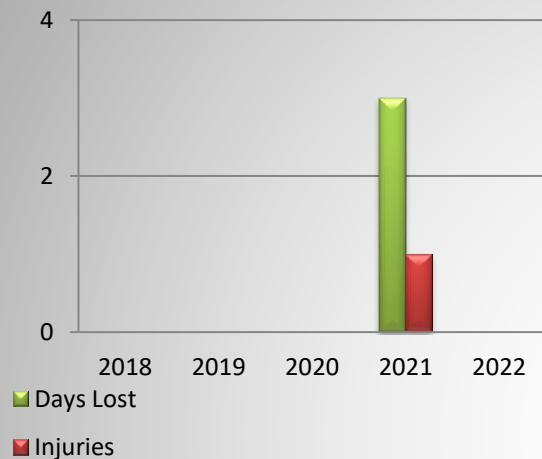
■ Total Rainfall in Inches as of April 30, 2022

CY2018	CY2019	CY2020	CY2021	CY2022
10.20	12.86	9.53	3.10	11.94



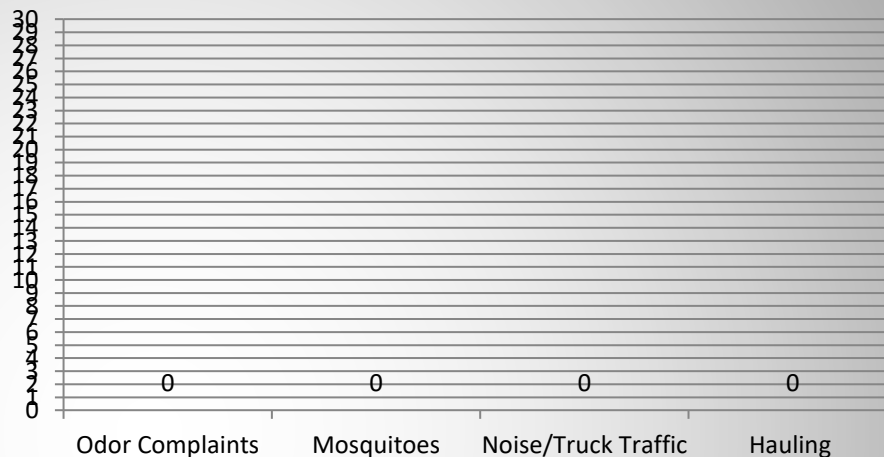
# The Authority Key Performance Indicators Regarding Safety and Neighborhood Impacts

## Injuries + Lost Time

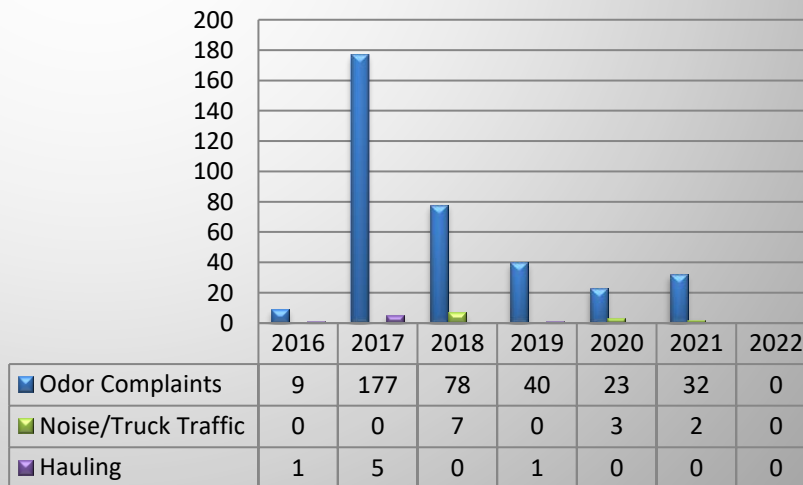


Year	2018	2019	2020	2021	2022
Injuries	0	0	0	1	0
Days Lost	0	0	0	3	0

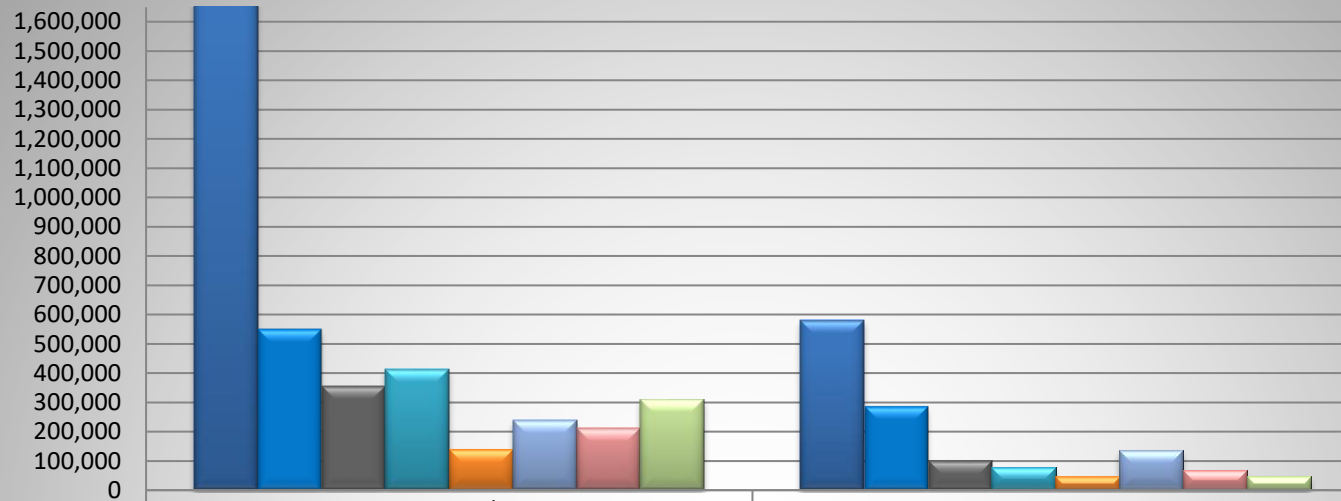
## April 2022 Complaints



## Annual Complaint Comparison



# April 2022 O&M Expense \$ Reporting



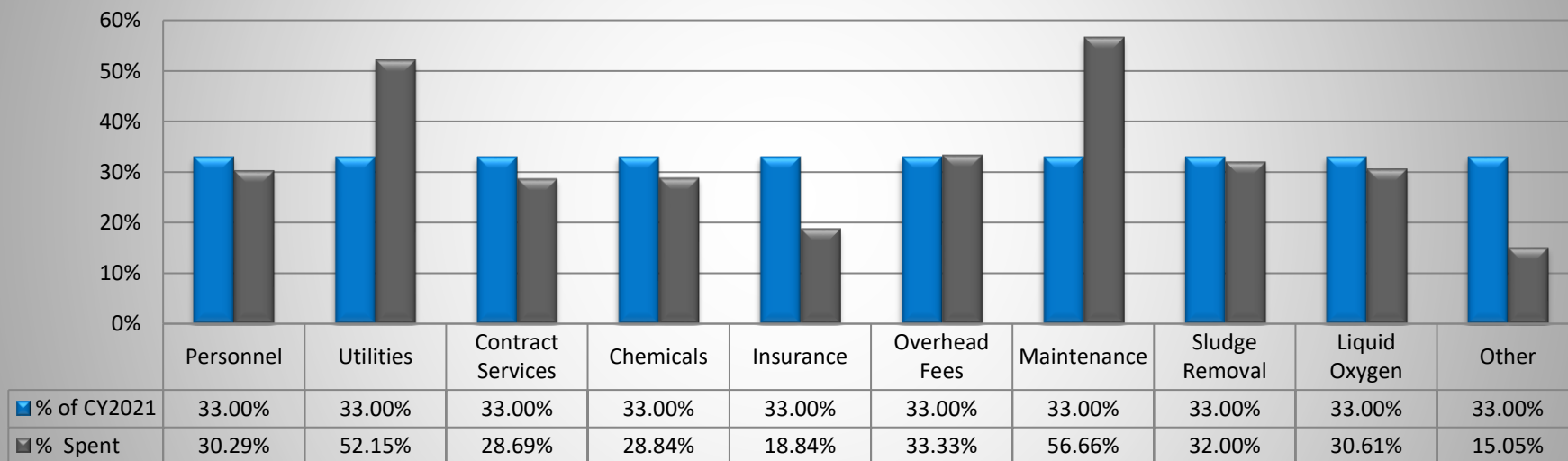
	CY2022 Budget	Spent Year to Date
Personnel	\$1,912,464	\$579,207
Utilities	\$548,600	\$286,114
Contract Services	\$354,325	\$101,652
Insurance	\$413,900	\$77,965
Overhead Fees	\$139,238	\$46,413
Maintenance	\$239,106	\$135,473
Sludge Removal	\$211,656	\$67,738
Other	\$308,929	\$46,499

	Personnel	Utilities	Contract Services	Chemicals	Insurance	Overhead Fees	Maintenance	Sludge Removal	Liquid Oxygen	Other
<b>CY2022 Budget</b>	\$1,912,464	\$548,600	\$354,325	\$210,000	\$413,900	\$139,238	\$239,106	\$211,656	\$325,000	\$308,929
<b>Spent Year to Date</b>	\$579,207	\$286,114	\$101,652	\$60,560	\$77,965	\$46,413	\$135,473	\$67,738	\$99,493	\$46,499
<b>% of CY2022</b>	33%	33%	33%	33%	33%	33%	33%	33%	33%	33%
<b>% Spent</b>	30.29%	52.15%	28.69%	28.84%	18.84%	33.33%	56.66%	32.00%	30.61%	15.05%

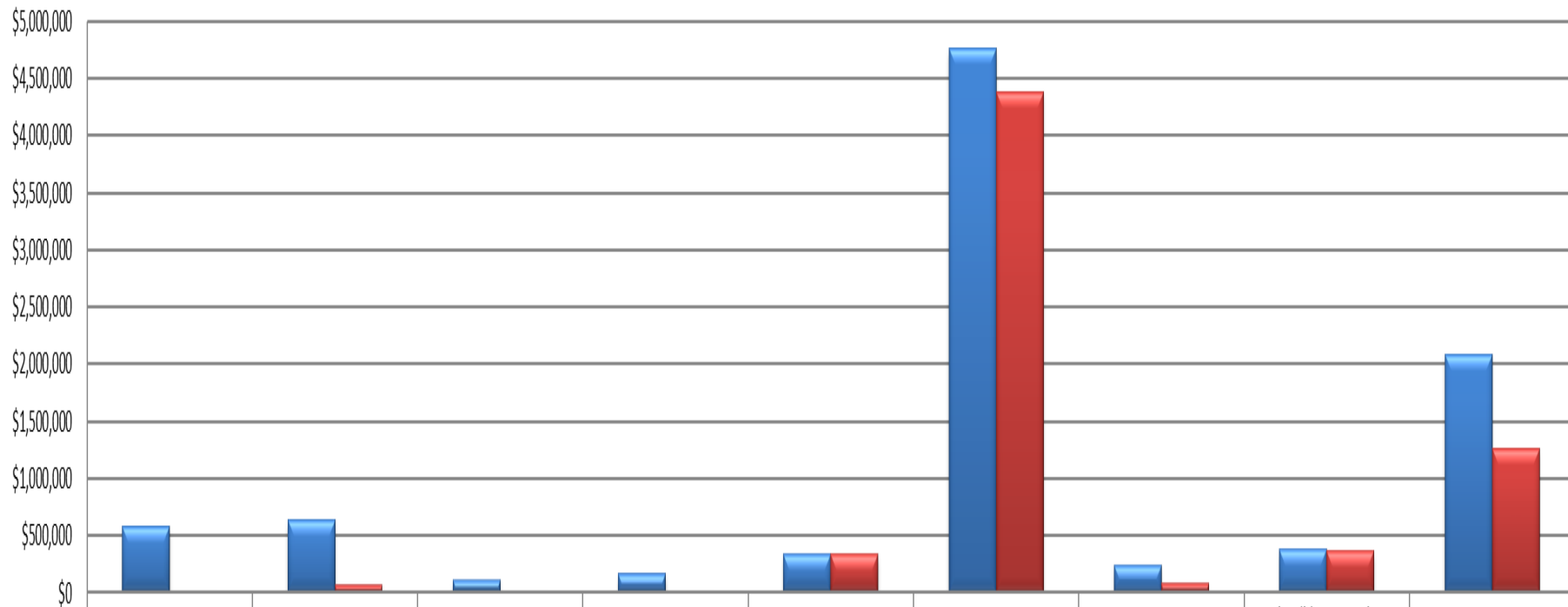




## April 2022 O&M Expense % Reporting



## Feburary 2022 Project Updates



■ Project Budget Amount	\$578,000	\$635,000	\$110,500	\$165,000	\$331,900	\$4,758,000	\$243,100	\$374,100	\$2,085,000
■ Spent to Date	\$12,872	\$65,922	\$2,180	\$0	\$331,900	\$4,383,994	\$78,743	\$363,779	\$1,253,963



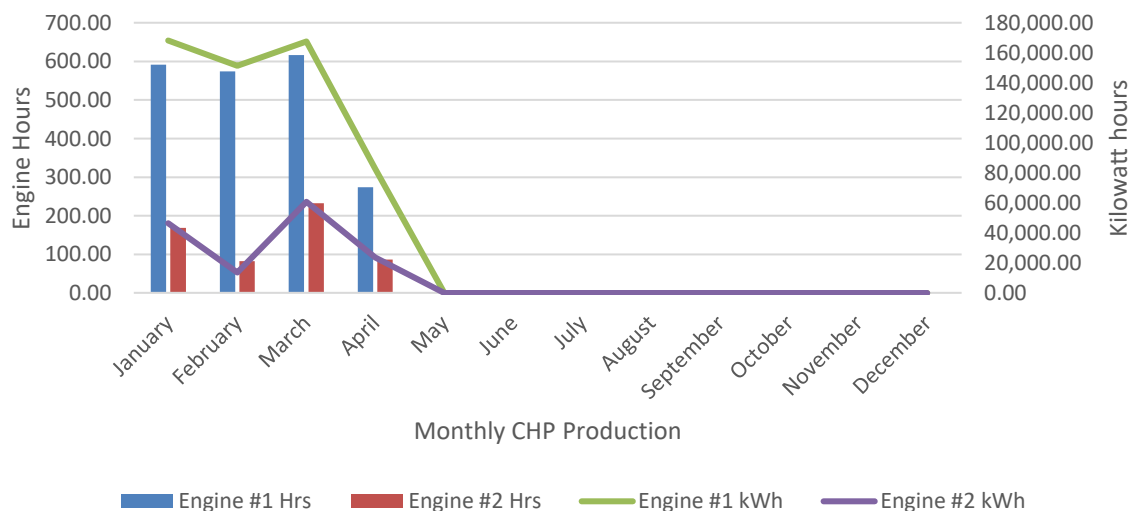
# CY2022 Capital Projects

Description	Project Budget Amount	Spent to Date	Updates
Small Capital Projects	\$578,000	\$12,872	May 24, 2022
Plant Equipment Rehabilitation	\$635,000	\$65,922	May 24, 2022
Infrastructure	\$110,500	\$2,180	May 24, 2022
Rolling Stock	\$165,000	\$0	May 24, 2022
Electrical Grid Engineering	\$331,900	\$331,900	May 24, 2022
Electrical Grid Construction	\$4,758,000	\$4,383,994	May 24, 2022
Primary Clarifier Improvements	\$243,100	\$78,743	May 24, 2022
Biosolids Dewatering Improvements (BDIP) Engineering	\$374,100	\$363,779	May 24, 2022
BDIP Construction	\$2,085,000	\$1,253,963	May 24, 2022

# Combined Heat & Power Production Report



## Road to Net Zero



Monthly CHP Production 2022 = \$0.08/kWh						
	Engine #1 Hrs	Engine #2 Hrs	Engine #1 kWh	Engine #2 kWh	\$ Saved	% Electricity Generated
January	592.00	168.50	168,293.00	46,570.00	\$16,410.92	36%
February	574.10	82.40	151,479.00	13,536.00	\$12,603.61	29%
March	616.60	232.40	167,593.00	60,716.00	\$17,437.91	42%
April	273.70	86.20	82,776.00	23,745.00	\$8,135.92	#DIV/0!



# Return on Investment Monetary Breakdown

	RECS	HSW/FOG Gallons Received	HSW Tipping Fees	Elec Energy Produced @ \$0.07/kWh	Maintenance Costs	Total + or -	Target to meet 8.8 Year Repayment Schedule	Hit + or Miss -
<b>Calendar Year 2021</b>								
January		235,008	\$11,750.40	\$14,997.41	\$1,247.28	\$25,500.53	\$29,251.31	(3,750.78)
February		201,730	\$9,276.50	\$21,180.89	\$1,108.06	\$29,349.33	\$29,251.31	98.02
March		244,483	\$11,974.50	\$31,950.21	\$19,660.08	\$24,264.63	\$29,251.31	(4,986.68)
April	\$47,040.99	129,772	\$6,488.60	\$19,180.64	\$620.00	\$25,049.24	\$29,251.31	(4,202.06)
May		247,017	\$12,350.85	\$28,636.96	\$2,928.82	\$38,058.99	\$29,251.31	8,807.68
June		289,711	\$14,485.55	\$10,156.14	\$28,696.78	-\$4,055.09	\$29,251.31	(33,306.40)
July		248,491	\$12,424.55	\$19,475.42	\$619.67	\$31,280.30	\$29,251.31	2,028.99
August		220,450	\$11,022.50	\$7,957.05	\$2,021.03	\$16,958.52	\$29,251.31	(12,292.79)
September		289,424	\$14,471.20	\$3,065.11	\$399.44	\$17,136.87	\$29,251.31	(12,114.44)
October		369,790	\$18,489.50	\$7,092.35	\$649.63	\$24,932.22	\$29,251.31	(4,319.09)
November		341,230	\$17,061.50	\$16,404.27	\$79,950.00	-\$46,484.23	\$29,251.31	(75,735.54)
December		237,479	\$11,873.95	\$17,829.79	\$0.00	\$29,703.74	\$29,251.31	452.44
<b>Annual Totals</b>	\$47,040.99	3,054,585	\$151,669.60	\$197,926.25	\$137,900.79	\$211,695.06		
<b>Repayment Balance</b>	\$3,088,938.04							
<b>Annual Payback on Investment</b>	\$234,963.86							
<b>Current Return on Investment in Years</b>	13.1							
	RECS	HSW/FOG Gallons Received	HSW Tipping Fees	Elec Energy Produced @ \$0.07/kWh	Maintenance Costs	Total + or -	Target to meet 8.8 Year Repayment Schedule	Hit + or Miss -
<b>Calendar Year 2022</b>								
January		203,200	\$10,160.00	\$16,410.92	\$0.00	\$26,570.92	\$29,251.31	(2,680.38)
February		202,792	\$10,139.60	\$12,603.61	\$0.00	\$22,743.21	\$29,251.31	(6,508.10)
March		159,801	\$7,990.05	\$17,437.91	\$0.00	\$25,427.96	\$29,251.31	(3,823.35)
April		241,062	\$12,053.10	\$8,135.92	\$0.00	\$20,189.02	\$29,251.31	(9,062.29)
May			\$0.00	\$0.00		\$0.00	\$29,251.31	(29,251.31)
June			\$0.00	\$0.00		\$0.00	\$29,251.31	(29,251.31)
July			\$0.00	\$0.00		\$0.00	\$29,251.31	(29,251.31)
August			\$0.00	\$0.00		\$0.00	\$29,251.31	(29,251.31)
September			\$0.00	\$0.00		\$0.00	\$29,251.31	(29,251.31)
October			\$0.00	\$0.00		\$0.00	\$29,251.31	(29,251.31)
November			\$0.00	\$0.00		\$0.00	\$29,251.31	(29,251.31)
December			\$0.00	\$0.00		\$0.00	\$29,251.31	(29,251.31)
<b>Annual Totals</b>	\$0.00	806,855	\$40,342.75	\$54,588.36	\$0.00	\$94,931.11		
<b>Repayment Balance</b>	\$2,994,006.93							
<b>Annual Payback on Investment</b>	\$230,075.86							
<b>Current Return on Investment in Years</b>	13.0							

**SECTION 5.0**

**CONSENT AGENDA**

**SECTION 5.1**

**MINUTES –**

**APRIL 14, 2022**

**MEETING**

**GLENBARD WASTEWATER AUTHORITY  
Executive Oversight Committee  
MINUTES  
April 14, 2022  
Meeting held at the Glenbard Wastewater Plant  
945 Bemis Road, Glen Ellyn, IL**

**Members Present:**

Keith Giagnorio	President, Village of Lombard
Robert Bachner	Trustee, Village of Lombard
Kelli Christiansen	Trustee, Village of Glen Ellyn
Mark Franz	Village Manager, Village of Glen Ellyn
Dave Buckley	Public Works Director, Village of Glen Ellyn
Carl Goldsmith	Public Works Director, Village of Lombard

**Others Present:**

Matthew Streicher	Executive Director, GWA
Thomas Romza	Assistant Director, GWA
Jon Braga	Maintenance Superintendent, GWA
Andy Pakosta	Operations Superintendent, GWA
Ashley Staat	Environmental Resources Coordinator, GWA
Patrick Brankin	Assistant Finance Director, Village of Glen Ellyn

1. Call to Order at 8:00 a.m.
2. Pledge of Allegiance
3. Roll Call: President Giagnorio, Trustee Bachner, Trustee Christiansen, Mr. Franz, Mr. Goldsmith and Mr. Buckley answered “Present”. President Senak and Mr. Niehaus were excused.
4. Public Comment
5. Staffing Update

*Mr. Streicher advised that Mr. Romza left GWA to return to the private sector and an advertisement for an Assistant Director/Engineer has been posted with some of the qualifications being changed to be directed not only at engineers, but basically anyone with a related Bachelor’s Degree. Mr. Streicher noted that this was done as right now, engineers are a particularly hot commodity in the industry and to get one is going to be extremely difficult. Mr. Streicher indicated that the advertisement is due to expire this Friday and based on the type of responses, he may need to revise the job description. Mr. Streicher noted that changing the job description is something he wants to take some time to consider before reposting.*



*Mr. Streicher advised that as Andy Pakosta was promoted to the Operations Superintendent position and another Operator, left GWA to pursue opportunities elsewhere after being passed over, leaving the Operations staff down a person as well. Mr. Streicher advised that there is a second interview scheduled in the afternoon with a qualified candidate and hopes to have that position filled soon.*

*Mr. Buckley asked if there were any applicants for the Assistant Director/Engineer position. Mr. Streicher advised there were none. Mr. Buckley shared that he has been in touch with two (2) employment recruiting firms that a consultant engineer he has worked with has used in the past recommended to see if one of these firms can assist with finding candidates to fill the engineer positions at Public Works, Community Development and at GWA. Mr. Buckley noted that he was not sure what the cost structure would be, but feels this may be the best option to fill the vacant engineering positions.*

6. Consent Agenda - The following items are considered to be routine by the Executive Oversight Committee and will be approved with a single vote in the form listed below:

*Motion the EOC to approve the following items including Payroll and Vouchers for part of the month of February 2022 and March 2022 \$2,156,271.43 (Trustee Christiansen).*

**Trustee Christiansen motioned and Mr. Buckley seconded the *MOTION that the following items, on the Consent Agenda be approved. President Giagnorio, Trustee Bachner, Trustee Christiansen, Mr. Franz, Mr. Goldsmith and Mr. Buckley responded “Aye” during a roll vote. The motion carried.***

- 6.1 Executive Oversight Committee Meeting Minutes
  - February 10, 2022 meeting
- 6.2 Vouchers previously reviewed by Trustee Christiansen
  - February 2022
  - March 2022
- 6.3 Approval to purchase CHP Media

Prior to digester gas being used in the CHP's, the gas needs to be “scrubbed” in order to remove siloxanes and hydrogen sulfide, in order to help preserve the life of the engines. Although the life of the media is tracked, due to varying usage and gas conditions, it is difficult to exactly predict when the media will be reaching its useful life. Since there is little expiration notice, and the media has a long shelf life, we prefer to have the media onsite and available to keep the down time of the engines to a minimum. Therefore, staff obtained pricing ahead of schedule so that the purchase can be made, and available for use when needed.

In the 2021 GWA budget, staff allocated \$100,000 for the purchase of this media in budget category Plant Equipment Rehabilitation account 40-580150. The budget amount was taking into account at least two purchases of the hydrogen sulfide media (similar to current request), and one purchase of the siloxane media. Therefore, we motion the EOC to authorize approval to purchase CHP media from Unison Solutions in the amount of \$24,498.00. This has been discussed with the TAC, and all are in agreement with the recommendation.

7. Request to Authorization to Approve Proposal for National Pollutant Discharge Elimination System (NPDES) Permit Special Condition Assistance

In early 2022 the Authority received it's renewed NPDES Permit's for both the main plant and the Combined Sewer Outfall (CSO) plant. The NPDES permits are mandated at a federal level by the United States Environmental Protection agency, who delegates authority to the Illinois Environmental Protection Agency (IEPA). These permits essentially dictate the operation of the Authority, by setting pollutant removal requirements, water quality standards, operating requirements, special condition projects, and other various requirements.

Traditionally, these permits are renewed every 5 years, at which time the IEPA (through the USEPA) may impose new permit requirements or special conditions. The Authority's previous permits had expired August 31, 2020. Many of the special conditions were being negotiated over the two years it took to issue the new permit. Although most of the pollutant removal requirements and water quality standards have not changed in the new permits, many of the special conditions require studies, evaluations, or other written reports to be completed each permit cycle. In addition, several new requirements in the special conditions have been added.

Although many of the special condition requirements will be completed in-house by Authority staff, due to both the complexity and the volume of work to complete several of the requirements, Authority staff will need assistance from a consulting engineer familiar with the NPDES process.

There are three major components of this project; the local limits evaluation, the Capacity, Management, Operations, and Maintenance (CMOM), and the Combined Sewer Outfall Plan Updates. The CMOM Plan and CSO Plans will begin immediately and are due back to the IEPA at the beginning of the 2023. Those two components (total of \$19,400) will be charged to CY2022's budget Fund 270-520816, which has \$20,000 budgeted currently. The local limits evaluation (\$24,000) will begin in 2023, and will be charged to CY2023's budget Fund 270-530107 (once approved by the EOC).

Therefore, it is recommended that the EOC allow waiving of the RFP process for selecting a consultant, and authorize the Authority to award Baxter & Woodman, Inc. the contract for the National Pollutant Discharge Elimination System (NPDES) Permit Special

Condition Assistance in the amount not to exceed \$43,400. This has been discussed with the TAC, and all are in agreement with the recommendation.

***Mr. Goldsmith motioned and Trustee Bachner seconded the motion to award Baxter & Woodman, Inc. the contract for National Pollutant Discharge Elimination System (NPDES) Permit Special Condition Assistance in the amount not to exceed \$43,400 with \$19,400 charged to CY 2022 Budget account 270-520816 and \$24,000 to be charged to CY2023 Budget, once approved, budget account 270-530107. President Giagnorio, Trustee Bachner, Trustee Christiansen Mr. Franz, Mr. Goldsmith, and Mr. Buckley responded “Aye” during a roll vote. The motion carried.***

*Mr. Streicher advised that he was going to ask Ashley Staat, GWA’s Environmental Resources Coordinator, to provide the information for this agenda item.*

*Ms. Staat explained that there are special conditions associated with the new NPDES permit, which GWA requires assistance completing, namely local limits evaluation, CMOM, and completing a CSO plan. Ms. Staat added that as Baxter & Woodman has been working with other members of the DuPage River Salt Creek Workgroup on these items, it makes sense to contract with them to assist GWA. Ms. Staat explained that the total contract is \$43,400, with \$19,400 for the CMOM and CSO plan work to be done in CY2022 and \$24,000 in 2023 for the local limits evaluation, which is mainly laboratory testing fees.*

*Mr. Franz asked if these costs were in addition to the costs GWA has been paying for the DRSCWG. Mr. Streicher explained that these costs are not related to the work group and that everyone in the work group has received similar special conditions and as Baxter & Woodman is assisting other work group members with the same work, it makes sense to have them assist GWA.*

8. Discussion

8.1 Capital Improvement Projects Update

Medium Voltage Electrical Grid Project

*Mr. Streicher advised that the project was granted substantial completion status on March 28, 2022 with the remaining items being a combination of punch list items, demolition and restoration work, with the latter items originally designated to be completed prior to substantial completion; however, GWA agreed to add them to the punch list. Mr. Streicher advised that the contract had \$38,000 in allowances and only \$25,000 was used over the course of the project to date and typically a contract reduction is sought when closing out the contract if there is a surplus of allowance funds. Mr. Streicher noted that Strand did a lot of work to keep the project in line.*

*Mr. Streicher did note that the Contractor has made a claim for price escalation costs, which staff is still in discussions with the contractor.*

Biosolids Dewatering Improvement Project

*Mr. Streicher advised that both belt filter presses have been refurbished and change orders are in the negative, with only \$16,000 of the \$30,000 allowance being used. Mr. Streicher stated that he anticipates a final change order that will lower the final contract amount by the remaining allowance balance. Mr. Streicher added that at this time, the substantial completion has not yet been issued as the manufacturer of the belt presses is scheduled to be onsite the following week to do some fine tuning on the equipment, after which, GWA anticipates issuing the substantial completion notice. Mr. Streicher added that a punch list has been compiled and the contractor is working to address the items. Mr. Streicher added that the project has gone relatively smoothly overall, while there were some delays relating to supply chain issues, which GWA cannot pin on the contractor. Mr. Streicher indicated that there are some liquidated damages; however, GWA is able to stay out of this one as the consulting engineer is working directly with the manufacturer on the supply chain issues and will not affect GWA's contract.*

RAS/Return Activated Sludge Header Replacement

*Mr. Streicher advised that this project was a hybrid, with a contractor and GWA's Maintenance staff working together to get the project completed in one day, as well as recognition to the Operations staff for their adaptability to keep the plant operating as the project required shutting down part of the process so the replacement work could be completed. Mr. Streicher added that the Maintenance team is also handling the replacement of actuators that were installed in 1977, and the Maintenance and Electrical groups working together to replace the mag meters that were in need of replacement.*

Primary Clarifier/Gravity Thickener Improvements

*Mr. Streicher stated that the project is still in the planning stages; and that staff did make a site visit to St. Charles to evaluate tank covers as the current cover will most likely be replaced with a flat cover. Mr. Streicher advised that IEPA funding is being pursued for this project and noted that Senators Duckworth and Durbin were able to appropriate \$211 million dollars for infrastructure projects, so GWA submitted an application for \$2 million dollars that would basically be a grant as it would be eligible for loan forgiveness. Mr. Streicher explained that when the project was originally budgeted, it was budgeted as a \$2 million project; however, due to inflation and supply chain issues, the project is more in the ballpark of \$4 million dollars and believes the purpose of the \$211 million appropriation was to help fund these types of infrastructure projects that are being impacted by pandemic and other conditions. Mr. Streicher noted that he is hopeful, but as GWA is not an environmental justice area, he is not confident that funding for the project will be received.*

## 8.2 Fire Monitoring Panel Future Approval Discussion

Siemens Fire Monitoring System located throughout the Authority's buildings and remote sites has reached the end of its useful service life, and many parts/repairs are becoming obsolete. Parts of the system were replaced during the 2021 Biosolids Dewatering Improvements Project, as the building permit issuance was reliant on the system being brought up to standards, however, the remainder of the plant and remote sites still need to be upgraded to current technology. A quote was obtained in 2021 for this work, coming in at \$235,365.87. Therefore, that amount was inserted into the approved CY2022 budget. Since some of the work was completed with the Biosolids project, a new quote was requested, however, it has not been received. As this purchase is for a highly specialized piece of equipment, I am requesting to waive competitive bidding for this purchase based on Section C.1.f of the purchasing policy, which waives competitive bidding for "Standardization purchases, defined as technical nature of certain items or services may result in the standardization of a particular supplier's specifications being necessary or desirable to Village operations. Competitive bidding may be waived if the Village requires compatibility with existing software, machinery, or other existing equipment." This item has been discussed with the TAC during a meeting in 2021.

The intent of this discussion is to make the EOC aware of the future request for approval, in event timing between EOC meetings becomes a hindering issue.

*Mr. Streicher noted that he wanted discuss this item in the event an approval is needed prior to the next meeting or in the event there is no May meeting. Mr. Streicher highlighted that the main panel in the Admin Building and the panel in the Biosolids Dewatering Building were both replaced during the Biosolids project; however, the remainder of the panels need updating as they have reached the end of their useful life and the Electrical Department has been procuring replacements parts from E-bay in order to keep the system operating. Mr. Streicher noted that the panels are no longer manufactured, and support services are no longer available as well. Mr. Streicher added that there had been a meeting with the Glen Ellyn Fire Department to insure that GWA is meeting all of their requirements. Mr. Streicher added that Mr. Freeman budgeted \$235,000 for the project, but staff does not anticipate the cost being that high as the quote included replacement of the Admin Building panel, which has already been replaced.*

*Mr. Streicher explained that the quote was supposed to be delivered to GWA the previous week, but it has yet to be submitted and depending on the timing*

*of when it actually arrives and how long the pricing will be held, he may need to do a quick phone poll to get approval for the project to proceed.*

9.0 Other Business

9.1 Technical Advisory Committee Update

10. ***Next EOC Meeting*** – The next regularly scheduled EOC Meeting is set for ***Thursday, May 12, 2022 at 8:00 a.m.***

*Mr. Streicher noted that depending on agenda items, the May meeting could be cancelled, but he does anticipate the June meeting taking place as the Assistant Finance Director, Patrick Brankin, will have the CY2021 Audit report to present to the EOC Committee for acceptance and recommendation to the Full Board for approval.*

*Mr. Streicher requested the EOC Committee meeting be adjourned and move into Executive Session for the purpose of discussing potential litigation under 5 ILCS 120/2(c)(11).*

***Mr. Franz made the motion to adjourn the April 14, 2022 EOC Committee meeting and adjourn to Executive Session for the purposes of discussion and will not return to open meeting, and Mr. Goldsmith seconded the MOTION. President Giagnorio, Trustee Bachner, Trustee Christiansen, Mr. Franz, Mr. Buckley and Mr. Goldsmith responded “Aye” during a roll call. The motion carried. The meeting adjourned at 8:21 a.m.***

Submitted by:

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Gayle A. Lendabarker  
GWA Administrative Secretary

**SECTION 5.2**

**VOUCHER REPORTS**

**APRIL 2022**

**GLENBARD WASTEWATER AUTHORITY  
APPROVAL OF VOUCHERS  
For the meeting in June 2022**

<b>EXPENDITURES:</b>	<b>Check Date</b>	<b>Paid Amount</b>		
Accounts Payable Warrant 0422-1	4/14/2022	\$ 157,746.57		
Accounts Payable Warrant 0422-2	4/28/2022	\$ 157,736.43		
			<b>\$ 315,483.00</b>	<b>\$ 315,483.00</b>

<b>PAYROLL EXPENDITURES:</b>	<b>April 8, 2022</b>	<b>April 22, 2022</b>	<b>May 6, 2022</b>	<b>May 20, 2022</b>	
<b>Net Employee Payroll Checks</b>	<b>\$ 37,635.14</b>	<b>\$ 39,206.48</b>	<b>\$ 34,371.97</b>	<b>\$ 33,973.54</b>	
<b><u>Employee &amp; Employer Payroll Deductions:</u></b>					
Employee Deductions*	\$ 19,246.32	\$ 21,276.98	\$ 18,162.55	\$ 18,247.40	
IMRF - Employer contribution	\$ 3,362.61	\$ 3,861.01	\$ 3,319.84	\$ 3,388.47	
Social Security/Medicare Tax Withheld - Employer portion	\$ 4,148.06	\$ 4,438.91	\$ 3,831.14	\$ 3,818.62	
<b>Total Payroll</b>	<b>\$ 64,392.13</b>	<b>\$ 68,783.38</b>	<b>\$ 59,685.50</b>	<b>\$ 59,428.03</b>	<b>\$ 252,289.04</b>
			<b>GRAND TOTAL</b>		<b>\$ 567,772.04</b>

\* Employee deductions include contributions for pensions, health insurance, union dues and other employee directed deductions such as tax withholdings, 457 & 125 plan contributions and supplemental life insurance.



## VENDOR INVOICE LIST

DOCUMENT	P.O.	INV DATE	VOUCHER	WARRANT	CHECK #	INVOICE NET DUE DATE	TYPE	STS	INVOICE DESCRIPTION
1268 JP MORGAN CHASE NA									
1906933		04/15/2022		0422-2	3215	500.00 04/30/2022	DIR	PD	MIDWAY TRAILER - DEPOSIT
1946739		04/05/2022		0422-2	3216	700.00 04/30/2022	DIR	PD	ESRI - GIS SOFTWARE LICEN
25229		04/05/2022		0422-2	3217	12.74 04/30/2022	DIR	PD	ZOOM - SUBSCRIPTION
1946544		04/05/2022		0422-2	3218	13.79 04/30/2022	DIR	PD	AMAZON - MAINT. WELDING W
25230		04/05/2022		0422-2	3219	17.49 04/30/2022	DIR	PD	JEWEL - NEIGHBORS FAREWEL
25231		04/05/2022		0422-2	3220	41.52 04/30/2022	DIR	PD	STAPLES - COPIES OF PLANT
25232		04/05/2022		0422-2	3221	122.53 04/30/2022	DIR	PD	AMAZON - WEIGHT ROOM EQUI
25233		04/05/2022		0422-2	3222	51.88 04/30/2022	DIR	PD	AMAZON - WEIGHT ROOM EQUI
25234		04/05/2022		0422-2	3223	100.00 04/30/2022	DIR	PD	CHICAGO TRIBUNE - BI-MONT
25235		04/05/2022		0422-2	3224	20.00 04/30/2022	DIR	PD	CSWEA - SEMINAR REGISTRAT
25236		04/05/2022		0422-2	3225	133.76 04/30/2022	DIR	PD	BRANDTECH SUPPLIES - PART
25237		04/05/2022		0422-2	3226	232.75 04/30/2022	DIR	PD	PIPETTE SUPPLIES - PARTS
25238		04/05/2022		0422-2	3227	20.00 04/30/2022	DIR	PD	CSWEA - SEMINAR REGISTRAT
25239		04/05/2022		0422-2	3228	224.00 04/30/2022	DIR	PD	IAWWA - SEMINAR REG - CHE
25240		04/05/2022		0422-2	3229	89.00 04/30/2022	DIR	PD	AT&T- BACK-UP INTERNET SE
25241		04/05/2022		0422-2	3230	370.87 04/30/2022	DIR	PD	QDOBA - FAREWELL LUNCHEON
1946641		04/05/2022		0422-2	3231	18.99 04/30/2022	DIR	PD	AMAZON - PROTECTIVE SCREE
25242		04/05/2022		0422-2	3232	869.99 04/30/2022	DIR	PD	AMAZON - LENOVO THINK PAD
25243		04/05/2022		0422-2	3233	463.77 04/30/2022	DIR	PD	VERIZON - JAN-FEB 2022 MO
293 VILLAGE OF GLEN ELLYN									
10131100		04/15/2022		0422-2	3234	14,861.50 04/30/2022	DIR	PD	MONTHLY IFT TRANSFER
1136 ADVANCE STORES COMPANY, INCORPORATED									
25157		04/06/2022		0422-1	960705	13.58 04/15/2022	INV	PD	#1872150873-MAINT SUPPLIE
881 AIRGAS, INC									
25159	20220004	04/02/2022		0422-1	960706	1,500.00 04/15/2022	INV	PD	LEASE OF ATMOSPHERIC VAPO
25115		03/19/2022		0422-1	960706	6,820.36 03/31/2022	INV	PD	#2024961-LIQUID OXYGEN -
25139		03/26/2022		0422-1	960706	4,853.96 03/31/2022	INV	PD	2024961 - LIQ OXY - MAR 2
25160		04/02/2022		0422-1	960706	6,603.44 04/15/2022	INV	PD	#2024961-LIQUID OXYGEN MA

## VENDOR INVOICE LIST

DOCUMENT	P.O.	INV DATE	VOUCHER	WARRANT	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
25189		04/09/2022		0422-1	960706	8,723.65	04/15/2022	INV	PD	#2024961-LIQUID OXYGEN MA
25158		04/02/2022		0422-1	960706	80.41	04/15/2022	INV	PD	#2024961-ELECTRICAL GAS C
						28,581.82				
9 ALEXANDER CHEMICAL CORPORATION										
25224		04/05/2022		0422-1	960707	9,449.08	04/15/2022	INV	PD	#100255-CSO CHEMICALS - A
1260 APPLIED INDUSTRIAL TECHNOLOGIES INC										
25190		04/07/2022		0422-1	960708	336.94	04/15/2022	INV	PD	#1251999-MAINT SUPPLIES -
768 CINTAS FIRST AID & SAFETY										
25191		04/08/2022		0422-1	960709	365.65	04/15/2022	INV	PD	#10127979-FIRST AID SUPPL
1218 COLLEY ELEVATOR CO.										
25192		04/01/2022		0422-1	960710	206.00	04/15/2022	INV	PD	#BE0945-ELEVATOR SVCS - A
50 COMMONWEALTH EDISON COMPANY										
25156		03/14/2022		0422-1	960711	13.84	03/31/2022	INV	PD	6243526021 0322
490 COMCAST CABLE COMMUNICATIONS, LLC										
25161		03/25/2022		0422-1	960712	269.71	04/15/2022	INV	PD	#8771200570017919-INTERNE
1138 CONSTELLATION ENERGY SERVICES INC										
25225		04/11/2022		0422-1	960713	-219.22	04/11/2022	CRM	PD	#BG-11933-USAGE ADJUST-RE
25121		03/17/2022		0422-1	960713	10,895.71	03/31/2022	INV	PD	#BG-11933-NATURAL GAS USA
25227		04/12/2022		0422-1	960713	8,953.28	04/15/2022	INV	PD	#BG-11933-NATURAL GAS BIL
						19,629.77				
994 DIRECT ENERGY MARKETING, INC.										
25122		03/18/2022		0422-1	960714	52,634.00	03/31/2022	INV	PD	#1152328-ELECTRIC USAGE -
1209 ENVIRONMENAL SAMPLING SUPPLY, INC.										
25162		03/03/2022		0422-1	960715	247.29	04/15/2022	INV	PD	#1472440-GAS TESTING SUPP
1167 KOR KLEEN INC.										
25163		03/28/2022		0422-1	960716	22.50	04/15/2022	INV	PD	6307901901-LAUNDRY SVCS -
293 VILLAGE OF GLEN ELLYN										
25216		04/01/2022		0422-1	960717	62.36	04/15/2022	INV	PD	#432720-JAN/FEB 2022
297 W.W. GRAINGER, INC.										
25167		03/29/2022		0422-1	960718	276.70	04/15/2022	INV	PD	#801764762-JANITORIAL SUP
25166		03/29/2022		0422-1	960718	200.76	04/15/2022	INV	PD	#801764762-ELECTRICAL SUP

## VENDOR INVOICE LIST

DOCUMENT	P.O.	INV DATE	VOUCHER	WARRANT	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
25164		03/31/2022		0422-1	960718	49.20	04/15/2022	INV	PD	#801764762-MAINT SUPPLIES
25165		03/31/2022		0422-1	960718	112.38	04/15/2022	INV	PD	#801764762-ELECTRICAL SUP
25195		04/06/2022		0422-1	960718	268.69	04/15/2022	INV	PD	#801764762-ELECTRICAL TOO
25194		04/06/2022		0422-1	960718	52.60	04/15/2022	INV	PD	#701764762-ELECTRICAL SUP
25193		04/08/2022		0422-1	960718	176.21	04/15/2022	INV	PD	#801764762-MICROWAVE-LUNC
						1,136.54				
743 GROOT, INC										
25168		04/01/2022		0422-1	960719	407.97	04/15/2022	INV	PD	#310769434-001-REFUSE SVC
119 HACH COMPANY										
25169		03/21/2022		0422-1	960720	142.24	04/15/2022	INV	PD	#71607-ANALYZER SUPPLIES
124 HOME DEPOT USA, INC										
25197		04/06/2022		0422-1	960721	17.49	04/15/2022	INV	PD	#7114-MAINT SUPPLIES- APR
25196		04/07/2022		0422-1	960721	11.37	04/15/2022	INV	PD	#7114-MAINT SUPPLIES - AP
25198		03/31/2022		0422-1	960721	43.38	04/15/2022	INV	PD	#7114-ELECTRICAL PARTS -
						72.24				
1166 IDEA MARKETING GROUP, INC										
25171		04/01/2022		0422-1	960722	95.00	04/15/2022	INV	PD	MONTHLY WEBSITE HOSTING F
1147 ILLINOIS AMERICAN WATER COMPANY										
25172		03/23/2022		0422-1	960723	139.27	04/15/2022	INV	PD	#1025220008432566-VVLS WA
136 JACKSON-HIRSH INC										
25173		03/29/2022		0422-1	960724	98.40	04/15/2022	INV	PD	#9800499-LAMINATING SUPPL
185 KONICA MINOLTA BUSINESS SOLUTIONS INC										
25174		03/25/2022		0422-1	960725	65.26	04/15/2022	INV	PD	#146316-COPIER USAGE MAR
157 LEN'S ACE HARDWARE, INC.										
25127		03/15/2022		0422-1	960726	12.78	03/31/2022	INV	PD	#331050-OPERATIONS SUPPLI
25126		03/24/2022		0422-1	960726	37.58	03/31/2022	INV	PD	#331050-OPERATIONS SUPPLI
25175		03/28/2022		0422-1	960726	2.39	04/15/2022	INV	PD	#331050-MAINT SUPPLIES -
						52.75				
517 LIPKE-KENTEX CORP.										
25176		03/31/2022		0422-1	960727	438.73	04/15/2022	INV	PD	#G01901-LAUNDRY SUPPLIES
1333 LOGSDON STATIONERS, INC										
25178		03/25/2022		0422-1	960728	-43.48	04/15/2022	CRM	PD	#135872-01-CREDIT FOR RET
25177		03/25/2022		0422-1	960728	203.46	04/15/2022	INV	PD	#135272-01-OFFICE SUPPLI

## VENDOR INVOICE LIST

DOCUMENT	P.O.	INV DATE	VOUCHER	WARRANT	CHECK #	INVOICE	NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
295 VILLAGE OF LOMBARD						159.98					
25218		04/01/2022		0422-1	960729	458.87	04/15/2022	INV	PD	#30042-001-WATER SVC - FE	
25219		04/01/2022		0422-1	960729	15.35	04/15/2022	INV	PD	#31774-001-WATER SVC - FE	
171 MCMASTER-CARR SUPPLY CO.						474.22					
25182		03/22/2022		0422-1	960730	113.38	04/15/2022	INV	PD	#7735700-MAINT REPAIR KIT	
25181		03/24/2022		0422-1	960730	207.71	04/15/2022	INV	PD	#7735700-ELECTRICAL SUPPL	
25179		03/31/2022		0422-1	960730	55.57	04/15/2022	INV	PD	#7735700-MAINT SUPPLIES -	
25180		03/31/2022		0422-1	960730	102.83	04/15/2022	INV	PD	#7735700-MAINT TOOLS - MA	
190 SID TOOL CO, INC						479.49					
25199		04/06/2022		0422-1	960731	4.01	04/15/2022	INV	PD	#1622985-MAINT TOOLS - AP	
574 NEENAH FOUNDRY CO.											
25228		04/06/2022		0422-1	960732	522.71	04/15/2022	INV	PD	#G46950-MAINT PARTS - APR	
199 NEUCO, INC.											
25223		04/11/2022		0422-1	960733	1,784.25	04/15/2022	INV	PD	#GL016-MAINT REPAIR KITS	
206 NORTHERN ILLINOIS GAS COMPANY											
25220		04/11/2022		0422-1	960734	187.90	04/15/2022	INV	PD	#95412930760-SUNNYBROOK G	
209 NCL OF WISCONSIN INC											
25130		03/18/2022		0422-1	960735	755.68	03/31/2022	INV	PD	#17348-LAB SUPPLIES - MAR	
25145		03/24/2022		0422-1	960735	658.57	03/31/2022	INV	PD	17348 - OP SUPPLIES - MAR	
759 NORTHERN SAFETY CO., INC.						1,414.25					
25200		04/06/2022		0422-1	960736	690.69	04/15/2022	INV	PD	#10970382-PPE GLOVES- APR	
1168 NORTHERN TOOL & EQUIPMENT											
25202		04/06/2022		0422-1	960737	199.00	04/15/2022	INV	PD	#199902-MAINT TOOL-APR 20	
1340 PETRARCA, GLEASON, BOYLE & IZZO LLC											
25204		03/31/2022		0422-1	960738	1,196.00	04/15/2022	INV	PD	#G2700-LEGAL SVCS MISC. P	
224 POLYDYNE INC											
25183		03/21/2022		0422-1	960739	3,381.00	04/15/2022	INV	PD	#103379-CHEMICALS - MAR 2	
412 NESTLE WATERS NORTH AMERICA											

## VENDOR INVOICE LIST

DOCUMENT	P.O.	INV DATE	VOUCHER	WARRANT	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
25205		04/06/2022		0422-1	960740	112.92	04/15/2022	INV	PD	#8100616302-BOTTLED WATER
										180 RELADYNE -MID-TOWN PETROLEUM INC.
25206		04/08/2022		0422-1	960741	238.88	04/15/2022	INV	PD	#11-0002836-MAINT SUPPLIE
25185		04/01/2022		0422-1	960741	296.23	04/15/2022	INV	PD	#11-0002836-MAINT SUPPLIE
						535.11				1212 RJN GROUP, INC
25207	20220002	04/06/2022		0422-1	960742	9,649.00	04/15/2022	INV	PD	FLOW MONITORING SERVICES
										939 STAPLES CONTRACT & COMMERCIAL INC.
25208		04/06/2022		0422-1	960743	35.88	04/15/2022	INV	PD	#DET1680518-OFFICE SUPPLI
										738 SUBURBAN LABORATORIES, INC.
25186		03/30/2022		0422-1	960744	1,141.25	04/15/2022	INV	PD	LAB SERVICES - MAR 2022
25187		03/31/2022		0422-1	960744	420.00	04/15/2022	INV	PD	LAB SERVICES - MAR 2022
25188		03/31/2022		0422-1	960744	750.00	04/15/2022	INV	PD	LAB SERVICES - MAR 2022
25209		04/07/2022		0422-1	960744	1,360.00	04/15/2022	INV	PD	LANDFILL SLUDGE TESTING -
						3,671.25				1271 SYNAGRO-WWT
25222		04/01/2022		0422-1	960745	17,203.20	04/15/2022	INV	PD	#3430-SLUDGE HAULING-MAR
										271 TERRACE SUPPLY COMPANY
25210		03/31/2022		0422-1	960746	61.07	04/15/2022	INV	PD	#315850-WELDING GAS CYLIN
										477 UNITED PARCEL SERVICE, INC
25211		03/26/2022		0422-1	960747	59.31	04/15/2022	INV	PD	#9YF103-ELECTRICA SHIPPIN
										289 HD SUPPLY FACILITIES MAINT LTD
25212		03/26/2022		0422-1	960748	53.27	04/15/2022	INV	PD	#222656-SAFETY SUPPLIES-L
										1344 VEGA BUILDING MAINTENANCE & SUPPLIES INC
25213	20220001	03/31/2022		0422-1	960749	1,148.00	04/15/2022	INV	PD	JANITORIAL SERVICES
										988 VERIZON WIRELESS SERVICES LLC
25214		04/01/2022		0422-1	960750	243.12	04/15/2022	INV	PD	#842065533-00001-REMOTE S
										881 AIRGAS, INC
25244		04/16/2022		0422-2	960751	2,851.78	04/30/2022	INV	PD	2024961-LIQ OXYGEN - 04/2
25277		04/23/2022		0422-2	960751	7,340.03	04/30/2022	INV	PD	#2024961-LIQUID OXYGEN-AP

## VENDOR INVOICE LIST

DOCUMENT	P.O.	INV DATE	VOUCHER	WARRANT	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
						10,191.81				
218 PATTEN INDUSTRIES, INC.										
25257		04/18/2022		0422-2	960752	2,005.00	04/30/2022	INV	PD	#1512901-VVLS ANNUAL LOAD
25271		04/20/2022		0422-2	960752	2,005.00	04/30/2022	INV	PD	#1512901-ST CHAS GENERATO
						4,010.00				
33 CALCO, LTD.										
25258		04/14/2022		0422-2	960753	162.00	04/30/2022	INV	PD	#8061-CHEMICALS - APR 202
1160 CHICAGO METROPOLITAN FIRE PREVENTION CO.										
25272		04/16/2022		0422-2	960754	177.00	04/30/2022	INV	PD	#6799-VVLS ALARM MONITORI
50 COMMONWEALTH EDISON COMPANY										
25259		04/12/2022		0422-2	960755	14.05	04/30/2022	INV	PD	#6243526021-14.05-SUNNYBR
1248 CONCENTRIC INTEGRATION										
25283		04/22/2022		0422-2	960756	1,913.06	04/30/2022	INV	PD	PROJECT 202166.00-T&M SUP
62 PADDOCK PUBLICATIONS, INC										
25247		04/10/2022		0422-2	960757	58.65	04/30/2022	INV	PD	112117 - LEGAL NOTICE - 0
994 DIRECT ENERGY MARKETING, INC.										
25260		04/15/2022		0422-2	960758	48,092.52	04/30/2022	INV	PD	#1152328-ELECTRIC USAGE -
97 FIRST ENVIRONMENTAL LABORATORIES, INC.										
25261		01/04/2022		0422-2	960759	50.40	04/30/2022	INV	PD	#GLENBD-LAB SERVICES - JA
293 VILLAGE OF GLEN ELLYN										
25215		04/01/2022		0422-2	960760	664.81	04/15/2022	INV	PD	#610130-WATER SVC - FEB 2
297 W.W. GRAINGER, INC.										
25250		04/13/2022		0422-2	960761	82.40	04/30/2022	INV	PD	801764762-AIR FILTERS-04/
25249		04/13/2022		0422-2	960761	485.58	04/30/2022	INV	PD	801764762-HIGH WATER ALAR
25248		04/14/2022		0422-2	960761	7.76	04/30/2022	INV	PD	801764762 - MTNCE SUP - 0
25252		04/15/2022		0422-2	960761	395.50	04/30/2022	INV	PD	801764762 - FLUOR BULBS -
25251		04/15/2022		0422-2	960761	141.62	04/30/2022	INV	PD	801764762-FLOAT-04/22
						1,112.86				
124 HOME DEPOT USA, INC										
25273		04/18/2022		0422-2	960762	80.26	04/30/2022	INV	PD	#7714-MAINT SUPPLIES -APR
1278 TYCO FIRE & SECURITY (US) MANAGEMENT, INC.										

## VENDOR INVOICE LIST

DOCUMENT	P.O.	INV DATE	VOUCHER	WARRANT	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
25263		04/09/2022		0422-2	960763	164.31	04/30/2022	INV	PD	#1300-133259417-ST CHAS A
25262		04/09/2022		0422-2	960763	138.00	04/30/2022	INV	PD	#1300133268280-ALARM MONI
157 LEN'S ACE HARDWARE, INC.						302.31				
25266		04/15/2022		0422-2	960764	4.79	04/30/2022	INV	PD	#331050-MAINT SUPPLIES -
25284		04/25/2022		0422-2	960764	11.18	04/30/2022	INV	PD	#331050-OPERATIONS SUPPLI
25264		04/13/2022		0422-2	960764	16.47	04/30/2022	INV	PD	#331050-OPERATIONS SUPPLI
1184 MATTHEW STREICHER						32.44				
25276		04/13/2022		0422-2	960765	25.00	04/29/2022	INV	PD	CSWEA EDUCATIONAL SEMINAR
171 MCMASTER-CARR SUPPLY CO.										
25253		04/12/2022		0422-2	960766	88.09	04/30/2022	INV	PD	7735700 - OPER SUPPL - 04
209 NCL OF WISCONSIN INC										
25254		04/13/2022		0422-2	960767	127.96	04/30/2022	INV	PD	17348 - GLASS FLASK - 04/
25255		04/14/2022		0422-2	960767	694.64	04/30/2022	INV	PD	17348 - OPER SUPPL - 04/2
759 NORTHERN SAFETY CO., INC.						822.60				
25285		04/20/2022		0422-2	960768	174.12	04/30/2022	INV	PD	#10970382-EYEWASH REPLACE
1168 NORTHERN TOOL & EQUIPMENT										
25267		04/12/2022		0422-2	960769	538.00	04/30/2022	INV	PD	#199902-MAINT TOOLS - APR
25268		04/15/2022		0422-2	960769	334.98	04/30/2022	INV	PD	#199902-MAINT TOOLS - APR
1372 PEERLESS NETWORK, INC.						872.98				
25203		04/15/2022		0422-2	960770	1,130.22	04/15/2022	INV	PD	#1209792-PHONE SVCS - APR
233 PVS MINIBULK, INC										
25256		04/04/2022		0422-2	960771	11,400.50	04/30/2022	INV	PD	42485 (175912 SHIP ID) -
1212 RJN GROUP, INC										
25269	20220003	04/08/2022		0422-2	960772	23,857.85	04/30/2022	INV	PD	ENGINEERING SERVICES FOR
1346 SEBERT LANDSCAPING										
25274	20220006	04/01/2022		0422-2	960773	3,299.00	04/30/2022	INV	PD	LANDSCAPE MAINTENANCE
939 STAPLES CONTRACT & COMMERCIAL INC.										
25275		03/05/2022		0422-2	960774	10.00	04/30/2022	INV	PD	#DET1680518-OFFICE SUPPLI
25281		04/19/2022		0422-2	960774	23.99	04/30/2022	INV	PD	DET1680518-OFFICE SUPPLIE

## VENDOR INVOICE LIST

DOCUMENT	P.O.	INV DATE	VOUCHER	WARRANT	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
25280		04/19/2022		0422-2	960774	11.49	04/30/2022	INV	PD	#DET1680518-OFFICE SUPPLI
25279		04/19/2022		0422-2	960774	77.94	04/30/2022	INV	PD	#DET1680518-OFFICE SUPPLI
						123.42				
1001 TROTTER AND ASSOCIATES, INC.										
25282	20220005	04/19/2022		0422-2	960775	29,752.50	04/30/2022	INV	PD	ENGINEERING SERVICES 2022
988 VERIZON WIRELESS SERVICES LLC										
25286		04/18/2022		0422-2	960776	463.40	04/30/2022	INV	PD	#687026363-00001-CELL SVC
133 INVOICES						315,483.00				

\*\* END OF REPORT - Generated by Colette Ameche \*\*



**SECTION 6.0**

**CY2021 AUDIT**

**APPROVAL**

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## MEMORANDUM

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**TO:** Executive Oversight Committee

**FROM:** Patrick Brankin, Assistant Finance Director

**DATE:** June 9, 2022

**RE:** 2021 Audited Financial Statements

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### 2021 Audited Financial Statements

Attached is the Annual Audited Financial Statements for the Glenbard Wastewater Authority for the fiscal year that ended December 31, 2021.

Financial highlights for the Authority's fiscal year 2021 (FY2021) are presented on pages 6-7 of the report. A complete narrative summary of the Authority's operations and financial position is found in Management's Discussion and Analysis on pages 5-14. I will present highlights of the financial report during the EOC meeting and our audit partner, Jamie Wilkey, will present the auditor's opinion.

The Authority again received an unmodified audit opinion from the auditing firm, Lauterbach & Amen LLP, which is the highest and best opinion.

### Operating Fund Surplus

The Operating Fund Surplus, before the long-term pension adjustment, was \$155,452. We annually adjust the partners' contributions to match expenses. Using this measure, the Village of Lombard is owed \$92,634 and Glen Ellyn is owed \$62,818 for the fiscal year ended December 31, 2021.

As of December 31, 2021, the Authority's working cash was 30.6% of operating expenses, or \$252,323 above minimum 25% as set in the current intergovernmental agreement. A complete schedule detailing the working cash calculation may be found in the notes to the financial statements (page 31-32). As the year end amount is below the working cash minimum, we can distribute the entire amount.

The operating surplus may be either rebated back to each community or may be distributed to the Capital Fund. In the past, the operating surplus has been distributed to the Capital Fund and has been used for either specific projects or to offset future Capital Fund rate increases to both Villages.

### Other Communications

There are two other communications that are included as attachments to this memo.

**SAS114 Letter:** This letter is a required communication between the auditors and those charged with governance. It highlights certain areas that auditors are required to disclose each year to those charged with governance.

**Management Letter:** This letter only highlights forthcoming accounting standards for the coming year. There are no internal control matters reported in the letter.

Proposed Action Items:

Motion to accept the Audited Financial Statements of the Glenbard Wastewater Authority for the fiscal year ended December 31, 2021 and to forward the audit report to the full Authority Board for final approval at the next annual meeting.

Motion to allocate the 2021 operating surplus of \$155,452 to the Capital Fund.

GLENBARD WASTEWATER AUTHORITY,  
GLEN ELLYN, ILLINOIS

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ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED  
DECEMBER 31, 2021

# GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS

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## **FINANCIAL SECTION**

This section includes:

Independent Auditors' Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Other Supplementary Information

## **INDEPENDENT AUDITORS' REPORT**

This section includes the opinion of the Authority's independent auditing firm.



## **INDEPENDENT AUDITORS' REPORT**

May 31, 2022

The Honorable Chairman  
Members of the Board of Directors  
Glenbard Wastewater Authority  
Glen Ellyn, Illinois

### **Opinions**

We have audited the accompanying financial statements of the business-type activities, each major fund, and the aggregate remaining fund information of the Glenbard Wastewater Authority, Illinois, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, each major fund, and the aggregate remaining fund information of the Glenbard Wastewater Authority, Illinois, as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.



## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Glenbard Wastewater Authority, Illinois' basic financial statements. The other supplementary information is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Prior-Year Comparative Information**

We have previously audited Glenbard Wastewater Authority's December 31, 2020 financial statements, and we expressed an unmodified audit opinions on the respective financial statements of the business-type activities, and the aggregate remaining fund information in our report dated May 17, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Lauterbach & Amen, LLP*  
LAUTERBACH & AMEN, LLP

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

# **GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS**

## **Management's Discussion and Analysis**

**December 31, 2021**

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This discussion and analysis of the Glenbard Wastewater Authority (the “Authority”) is designed to provide the reader an objective and easily readable analysis of the Authority’s financial activities for the fiscal year 2021 which began on January 1, 2021 and concluded on December 31, 2021. Also highlighted in this analysis are significant financial transactions and issues, comparisons to prior year activities, any relevant trend information, and changes in the Authority’s financial position.

This discussion and analysis is an integral part of the Authority’s financial statements and should be read in conjunction with the financial statements, which can be found in the financial section of this report.

### **Background and Overview of the Financial Statements**

The Authority was established by an intergovernmental agreement dated November 28, 1977 between the neighboring Villages of Lombard and Glen Ellyn, Illinois for the purpose of jointly treating and processing wastewater. Prior to creation of the Authority, wastewater processing was decentralized. The Authority processes wastewater for the Villages of Lombard and Glen Ellyn as well as certain other areas in DuPage County.

The four principal components of the Authority are the Glenbard Plant, the Lombard Combined Sewerage Treatment Facility (LCSTF) facility, the North Regional Interceptor (NRI) and the South Regional Interceptor (SRI). The original construction cost of these facilities was approximately \$43 million, with \$32 million contributed by a grant from the United States Environmental Protection Agency (USEPA) and the remaining \$11 million contributed by Lombard and Glen Ellyn.

The Board of Directors of the Authority consists of the Village President and six Trustees from each of the Villages of Lombard and Glen Ellyn. The Executive Oversight Committee (EOC) is responsible for overseeing the operational aspects of the Authority’s activities and is composed of both Village Presidents, both Village Managers, one Trustee representative from each Village Board and one staff member, traditionally the Public Works Director, of each Village. The Committee meets monthly and reviews operational and staff reports, approves Authority expenditures, awards various contracts for services, reviews the financial statements, reviews and recommends an annual budget to the full Authority Board and performs other functions as defined in the intergovernmental agreement.

The Village of Glen Ellyn is identified by the intergovernmental agreement as the “operating” or lead agency of the Authority. In its capacity as lead agency, Glen Ellyn performs operational supervision, accounting, personnel and administrative services for the Authority on a contractual basis.

The Authority’s accounting and financial transactions are recorded in two separate funds - the Operating Fund and the Equipment Replacement Fund.

The Operating Fund pays for the day-to-day operating costs of the Glenbard Plant, LCSTF, NRI and SRI and includes costs such as staff salaries and benefits, contractual services, sludge removal, utilities, insurance and related expenses. Operating costs are allocated between the Lombard and Glen Ellyn partners based on a five year rolling average of the percentage of wastewater flow contributed by each community.

# **GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS**

## **Management's Discussion and Analysis**

**December 31, 2021**

---

### **Background and Overview of the Financial Statements - Continued**

Each Village contributes a monthly amount to the Authority based on the adopted Operating Fund budget for the year. These contributions are adjusted two times per fiscal year based on actual wastewater flow share between the parties. Also, an adjustment is made after the conclusion of the fiscal year so that total year-end operating revenues are equivalent to total year-end operating expenses, excluding the adjustment for the IMRF pension obligation.

The Equipment Replacement Fund was established to accumulate funds for the repair and replacement of plant components as needed and was a required element for the initial grant assistance received from the Federal EPA. The two partners contribute a budgeted amount to the Equipment Replacement Fund each year based the wastewater flow split percentage of the Glenbard Plant and associated infrastructure.

### **Financial Highlights**

1. The Authority's overall cash position at December 31, 2021 decreased by \$2,949,822 or by 32.1% compared to balances at the close of the prior fiscal year. The Operating Fund experienced a decrease in cash balance of \$51,324, while the Equipment Replacement Fund's cash balance decreased by \$2,898,498. The Equipment Replacement Fund received loan proceeds from the Illinois Environmental Protection Agency (IEPA) in the amount of \$1.2 million and has incurred capital costs of \$5.7 million. The main project undertaken is the Facility Improvement Project (FIP), which entails a series of updates to the facility. See the financial section of this report for detailed cash flow information.
2. Total Operating Fund expenses for fiscal year 2021 were \$4,055,600, an increase of \$35,767 or 0.9% compared to the previous fiscal year. For additional information concerning changes in operating costs compared to the prior fiscal year, the Operating Fund Expenses chart in this Management's Discussion and Analysis.
3. Total Operating Fund expenses were under the approved budget of \$4,704,680 by \$649,080 or 13.8%. Additional budget comparison information is located in the financial section of this report.
4. Amounts due from/(to) each of the Villages as of December 31, 2021, include following components:

# GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS

## Management's Discussion and Analysis

December 31, 2021

### Financial Highlights - Continued

	Village of Lombard	Village of Glen Ellyn	Totals
Billing Adjustment for the Fiscal Year Ended on December 31, 2021	\$ (92,634)	(62,818)	(155,452)
Billing Adjustment - July 2021 to December 2021	14,425	(14,425)	—
Cumulative Balance Due from (to) Villages	(78,209)	(77,243)	(155,452)

\*This balance is the end result of actual expenses compared to actual fiscal flow splits on an accrual basis after any necessary audit adjustments are made.

1. The percentage of wastewater flow contributed by each of the partners to the Glenbard Plant for 2019 compared to the previous three years is shown below:

	FY 2019	FY 2020	FY 2021
Village of Lombard	59.41%	59.28%	59.94%
Village of Glen Ellyn	40.59%	40.72%	40.06%

A history of annual flow data is presented on Schedule of Allocation Costs.

2. The Authority has a minimum working cash policy for its Operating Fund equal to 25% of operating expenses (see Note 3). The Authority's net working cash balance of \$1,388,273 as of December 31, 2021 is equivalent to a 30.6% reserve level, above the minimum 25% level by \$252,323.
3. The Authority invested significantly in capital projects during 2021. The Authority completed the Facility Improvement Project (FIP) in 2021. This project includes improvements to the raw sewage pump building, improvements and modifications to the filter building, modification of the non-potable water system, improvements to the natural gas system serving the treatment facility and improvements to the final clarifiers. As of December 31, 2021, \$20.5 million had been expended on this project.

# GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS

## Management's Discussion and Analysis

December 31, 2021

### Authority's Financial Analysis

#### *Net Position*

The Statement of Net Position includes all of the Authority's assets/deferred outflows and liabilities/deferred inflows and provides information about the nature and amount of investments in resources and the obligations to creditors. This statement provides the basis for evaluating the capital structure and assessing the liquidity and financial flexibility of the Authority.

A summary of the Authority's Statement of Net Position is presented on the next page.

	FY 2019	FY 2020	FY 2021
Current and Other Assets	\$ 9,767,599	10,049,485	8,443,969
Capital Assets	50,675,581	52,497,950	55,142,459
Total Assets	60,443,180	62,547,435	63,586,428
Deferred Outflows	169,825	82,533	53,318
Total Assets & Deferred Outflows	60,613,005	62,629,968	63,639,746
Long Term Debt	18,060,570	18,450,374	17,279,315
Other Liabilities	2,322,276	2,576,779	2,637,053
Total Liabilities	20,382,846	21,027,153	19,916,368
Deferred Inflows	424,894	818,225	1,346,275
Total Liabilities & Deferred Inflows	20,807,740	21,845,378	21,262,643
Net Investment in Capital Assets	32,218,654	49,802,689	51,618,425
Restricted	7,586,611	(9,018,099)	(9,241,322)
Total Net Position	39,805,265	40,784,590	42,377,103

The total net position of the Authority increased \$1,592,513 to \$42,377,103, an increase of 3.9% from the prior fiscal year, due to the contribution by the Villages of the previous year operating surplus to the Equipment Replacement Fund as well as other revenue streams such as connection fees, FOG (fats, oils, and grease) revenue and leachate revenue. The Illinois Municipal Retirement Fund (IMRF) pension expense/(revenue) in the Operating Fund also decreased from a negative \$228,113 in 2020 to a negative \$360,627, a decrease of \$132,514. This is due to positive investment returns for IMRF which positively impacted pension expense/(revenue).

# GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS

## Management's Discussion and Analysis

December 31, 2021

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### Authority's Financial Analysis - Continued

#### *Activities*

The Statement of Revenues, Expenses and Changes in Net position provides an indication of the Authority's financial health. A summary of the Authority's Statement of Revenues, Expenses and Changes in Net Position is presented below.

	FY 2019	FY 2020	FY 2021
Operating Revenues	\$ 7,779,218	7,889,975	8,216,689
Non-Operating Revenues	1,344,347	748,882	889,839
Total Revenues	9,123,565	8,638,857	9,106,528
Depreciation Expense	2,464,158	2,453,593	2,424,262
Other Operating Expenses	4,995,218	4,457,538	4,699,312
Non-Operating Expenses	97,762	748,401	390,441
Total Expenses	7,557,138	7,659,532	7,514,015
Changes in Net Position	1,566,427	979,325	1,592,513
Net Position – Beginning	38,238,838	39,805,265	40,784,590
Net Position – Ending	39,805,265	40,784,590	42,377,103

#### *Revenues*

##### Operating Fund Revenues

Operating Fund operating revenues consist of contributions made by the Villages of Lombard and Glen Ellyn. These contributions are initially based on the adopted Operating Fund budget for the year and are adjusted so that total year-end operating revenues are equivalent to total year-end operating expenses, excluding depreciation expense and IMRF GASB 68 pension adjustment. Amounts that are contributed by the partners in excess of total year-end operating expenses are distributed based on each partner's five-year rolling average wastewater flow and are recorded in the Statement of Net Position as liabilities payable to the respective Villages.



# GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS

## Management's Discussion and Analysis

December 31, 2021

### Authority's Financial Analysis - Continued

#### *Revenues - Continued*

#### Operating Fund Revenues - Continued

A comparison of Operating Fund operating revenues from charges to the Villages for the fiscal year ended December 31, 2021 compared to the previous two years is shown in the table below.

Partner	FY 2019	FY 2020	FY 2021	\$ Change from 2020 to 2021	% Change from 2020 to 2021
Village of Lombard	\$ 2,521,328	\$ 2,518,863	\$ 2,720,707	\$ 201,844	8.01%
Village of Glen Ellyn	1,722,890	1,730,062	1,818,521	88,459	5.11%
Totals	4,244,218	4,248,925	4,539,228	290,303	

Operating revenues charged to the Villages are directly correlated to changes in operating costs. An analysis of operating costs can be found in the financial section of this report.

#### Equipment Replacement Fund Revenues

A comparison of Equipment Replacement Fund revenues for the fiscal year ended December 31, 2021 compared to the previous two years is shown in the table below:

Revenue	FY 2019	FY 2020	FY 2021	\$ Change from 2020 to 2021	% Change from 2020 to 2021
Lombard (1)	\$ 1,933,042	\$ 1,989,294	\$ 2,021,244	\$ 31,950	1.61%
Glen Ellyn (1)	1,601,958	1,651,756	1,656,217	4,461	0.27%
Excess Contributions	449,410	181,469	353,423	171,954	94.76%
Connection Fees (2)	299,462	142,566	84,682	(57,884)	(40.60%)
Leachate Revenue (3)	215,063	159,075	118,824	(40,251)	(25.30%)
Cell Tower Revenue (4)	54,958	57,157	59,443	2,286	4.00%
FOG Revenue (5)	99,009	105,174	151,735	46,561	44.27%
Investment Income (6)	139,792	37,937	6,543	(31,394)	(82.75%)
Other Income (7)	32,060	5,050	110,616	105,566	2090.42%
Total Revenues	4,824,754	4,329,478	4,562,727	233,249	

# **GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS**

## **Management's Discussion and Analysis**

**December 31, 2021**

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### **Authority's Financial Analysis - Continued**

#### ***Revenues - Continued***

##### **Equipment Replacement Fund Revenues - Continued**

1. Each partner contributes an annual amount to be allocated for reinvestment in plant infrastructure and rehabilitation. Contributions are determined annually as a part of the budget preparation process and are allocated based on the wastewater flows contributed by each partner at the Glenbard Plant.
2. As part of the closeout of the 2020 fiscal year, both Villages contributed their portion of the operating surplus in the Operating Fund to the Equipment Replacement Fund.
3. New connections to the respective sanitary sewer systems of the partners are charged a fee which is paid into the Equipment Replacement Fund. FY 2020 had greater fees than FY 2021 fees due to large development projects in 2020..
4. Leachate is the groundwater collected from around old/out of service garbage landfills. The revenue from leachate is dependent on how much leachate is received. As leachate generation is largely based off of rainfall, and as 2021 had less precipitation than both 2020 and 2019, the revenues for this category are lower.
5. Starting in 2016, the Authority began collecting Fats, Oils, and Grease (FOG) revenue. The Authority processes unwanted FOG from outside customers in the Authority's treatment process. This was a new revenue stream for the Authority. This process was halted at the end of FY17 as it caused an imbalance in the digester, resulting in a foul odor which disturbed neighboring subdivisions. The Authority resumed to receive FOG in 2018, however at a much reduced rate. The Authority increased its FOG treatment in 2019 and 2020 at a measured pace and by 2021 had significantly increased its ability to take in additional FOG, resulting in increased revenues.
6. During 2021, overall interest rates continued to decrease. For example, the Illinois Funds, a local government investment pool administered by the State Treasurer, paid an average interest rate for the month of January 2020 of 1.685%. By December 2020, its monthly average interest rate was 0.093% and by December 2021 the monthly average interest rate was 0.056%.
7. The Authority receives revenue for the EnerNoc Demand Response Program, which enables program participants to receive payment for being available to reduce or eliminate electricity consumption when the reliability of the electric grid is in jeopardy. \$18,000 related to this program was received in 2021. Additionally, in 2021 the Authority received \$61,500 from the sale of surplus energy credits and \$16,000 from the sale of capital assets.

# GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS

## Management's Discussion and Analysis

December 31, 2021

### Authority's Financial Analysis - Continued

#### *Expenses*

#### Operating Fund Expenses

A comparison of Operating Fund expenses for FY 2021 compared to the previous two years is shown in the table below:

	FY 2019	FY 2020	FY 2021	2021 Percent of Total	\$ Change from 2020 to 2021	% Change from 2020 to 2021
Personnel Services (1)	\$ 1,700,843	\$ 1,738,147	\$ 1,680,985	41.45%	\$ (57,162)	(3.29%)
IMRF Pension Expense/ (Revenue) (2)	63,511	(228,113)	(360,627)	(8.89)%	(132,514)	58.09%
Contractual Services						
Maintenance (3)	521,820	446,436	696,102	17.16%	249,666	55.92%
Service Charge (3)	131,726	134,228	137,316	3.39%	3,088	2.30%
Sludge Removal (3)	193,648	217,405	225,574	5.56%	8,169	3.76%
Utilities (4)	692,316	618,717	610,330	15.05%	(8,387)	(1.36%)
Insurance	397,451	397,787	406,833	10.03%	9,046	2.27%
Other	206,622	184,036	180,803	4.46%	(3,233)	(1.76%)
Commodities	442,487	511,190	478,284	11.79%	(32,906)	(6.44%)
Totals	4,350,424	4,019,833	4,055,600	100.00%	35,767	

1. Personnel services include salaries for 17 full-time and 7 part-time/seasonal staff positions, overtime, Social Security and Medicare employer costs, and required retirement contributions to the Illinois Municipal Retirement Fund (IMRF) for full-time employees. Costs of employee health plan benefits are reflected in the "Insurance" category
2. The agency recognized IMRF pension revenue of \$228,113 in 2020. In 2021, the agency recognized pension revenue of \$360,627, a difference of \$132,514. This is due to a positive change in the investment market when comparing 2020 to 2021, particularly in the equity markets. This positively impacts the IMRF pension expense/(revenue).
3. In 2021, the Authority contracted with the manufacturer of its combined heat and power engines to perform a 20,000 usage hour scheduled overhaul of its engines. This overhaul resulted in a significant increase in maintenance services as compared to 2019 and 2020.

# GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS

## Management's Discussion and Analysis

December 31, 2021

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### Authority's Financial Analysis - Continued

#### *Expenses - Continued*

#### Operating Fund Expenses - Continued

4. In addition to the Authority's continuing policy to implement energy efficient measures, 2021 and 2020 each had less precipitation than occurred in 2019. Less precipitation resulted in lower influent flows, so there was less pumping and treatment. As there was less electrical usage needed, utility costs were reduced.

#### Equipment Replacement Fund Expenses

The Authority invested over \$5.7 million in the continued replacement and rehabilitation of various capital equipment and plant upgrades during the fiscal year ended December 31, 2021. The major project undertaken during the year was the Facility Improvement Plan.

#### *Capital Assets*

A schedule of the Authority's capital asset balances is presented below.

	FY 2019	FY 2020	FY 2021
Nondepreciable Capital Assets	\$ 19,642,970	21,842,431	6,466,349
Depreciable Capital Assets	95,984,800	97,271,616	118,337,611
Less: Accumulated Depreciation	(64,952,189)	(67,297,295)	(69,661,501)
Total Net Depreciable Capital Assets	31,032,611	29,974,321	48,676,110
Total Net Capital Assets	50,675,581	51,816,752	55,142,459

For more detailed information, see Note 3.

# **GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS**

## **Management's Discussion and Analysis**

**December 31, 2021**

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### **Authority's Financial Analysis - Continued**

#### ***Long-Term Debt***

A schedule of the Authority's State of Illinois EPA loan balances at December 31, 2021 is presented below.

	<u>Amount</u>
Digester Project	\$ 2,122,081
Facility Improvement Project	15,704,409
Biosolids Dewatering Project	<u>652,653</u>
	<u>18,479,143</u>

The Authority is in process of drawing down funds for the Biosolids Dewatering Project Loan Payable of 2021 and the total approved loan amount is \$2,490,750. A final repayment schedule will not be available until construction is complete and final disbursements are reimbursed.

For more detailed information, see Note 3.

#### **Contacting the Authority's Financial Management**

This financial report is designed to provide the users of these financial statements an overview of the Authority's operations and finances and to demonstrate accountability for the funds it receives. Questions concerning these financial statements may be directed to the Authority at 945 Bemis Road, Glen Ellyn, IL 60137.

## **BASIC FINANCIAL STATEMENTS**

**GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS**

**Statement of Net Position**

**December 31, 2021**

**(with Comparative Information for December 31, 2020)**

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**See Following Page**

**GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS****Statement of Net Position****December 31, 2021****(with Comparative Information for December 31, 2020)**

	December 31, 2021	December 31, 2020
<b>ASSETS</b>		
Current Assets		
Restricted Cash and Investments		
Working Cash Account	\$ 1,388,273	1,439,597
Equipment Replacement Account	4,843,622	7,742,120
Receivables - Net of Allowances		
Accounts	48,133	45,912
Member Contributions	4,059	1,858
IEPA Loans	300,040	—
Prepays	113,172	98,753
Inventories	41,322	61,362
Total Current Assets	<u>6,738,621</u>	<u>9,389,602</u>
Noncurrent Assets		
Capital Assets		
Nondepreciable	6,466,349	22,523,629
Depreciable	118,337,611	97,271,616
Accumulated Depreciation	<u>(69,661,501)</u>	<u>(67,297,295)</u>
	55,142,459	52,497,950
Other Assets		
Net Pension Asset - IMRF	1,705,348	659,883
Total Noncurrent Assets	<u>56,847,807</u>	<u>53,157,833</u>
Total Assets	<u>63,586,428</u>	<u>62,547,435</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred Items - IMRF	53,318	82,533
Total Assets/Deferred Outflows of Resources	<u>63,639,746</u>	<u>62,629,968</u>

The notes to the financial statements are an integral part of this statement.



	December 31, 2021	December 31, 2020
<b>LIABILITIES</b>		
Current Liabilities		
Accounts Payable	\$ 946,199	1,521,611
Accrued Payroll	51,382	41,080
Accrued Interest Payable	82,888	28,381
Unearned Rental Revenue	25,906	24,909
Member Accounts Payable	159,511	355,281
Current Portion of Long-Term Debt	1,371,167	605,517
Total Current Liabilities	2,637,053	2,576,779
Noncurrent Liabilities		
Compensated Absences Payable	137,071	128,849
Digester Loan Payable	1,534,482	2,122,081
Facility Improvement Loan Payable	14,955,109	16,199,444
Biosolids Dewatering Loan Payable	652,653	—
Total Noncurrent Liabilities	17,279,315	18,450,374
Total Liabilities	19,916,368	21,027,153
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred Items - IMRF	1,346,275	818,225
Total Liabilities/Deferred Inflows of Resources	21,262,643	21,845,378
<b>NET POSITION</b>		
Net Investment in Capital Assets	51,618,425	49,802,689
Restricted	(9,241,322)	(9,018,099)
Total Net Position	42,377,103	40,784,590

The notes to the financial statements are an integral part of this statement.

**GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS****Statement of Revenues, Expenses and Changes in Net Position****For the Fiscal Year Ended December 31, 2021****(with Comparative Information for the Fiscal Year Ended December 31, 2020)**

	December 31, 2021	December 31, 2020
Operating Revenues		
Charges for Services	\$ 8,216,689	7,889,975
Operating Expenses		
Personnel Services	1,680,985	1,738,147
IMRF Pension Expense/(Revenue)	(360,627)	(228,113)
Contractual Services		
Maintenance	696,102	446,436
Service Charge	137,316	134,228
Sludge Removal	225,574	217,405
Utilities	610,330	618,717
Insurance	406,833	397,787
Other	180,803	184,557
Commodities	478,284	511,190
Maintenance of Capital Facilities and Equipment	6,393,681	4,351,098
Less: Capital Outlay	(5,749,969)	(3,913,914)
Depreciation	2,424,262	2,453,593
Total Operating Expenses	7,123,574	6,911,131
Operating Income	1,093,115	978,844
Nonoperating Revenues (Expenses)		
Surplus Contributions	353,423	181,469
Connection Fees	84,682	142,566
Enernoc Demand Response	17,757	19,631
Leachate Revenues	118,824	159,075
Renewable Energy Credits	61,511	—
Fats, Oil & Grease Waste Fees	151,735	105,174
Cell Tower Revenues	59,443	57,157
Other Income	31,348	46,852
Sale of Capital Assets	—	(61,433)
Investment Income	11,116	36,958
Interest Expense	(390,441)	(686,968)
	499,398	481
Change in Net Position	1,592,513	979,325
Net Position - Beginning	40,784,590	39,805,265
Net Position - Ending	42,377,103	40,784,590

The notes to the financial statements are an integral part of this statement.

**GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS****Statement of Cash Flows****For the Fiscal Year Ended December 31, 2021****(with Comparative Information for the Fiscal Year Ended December 31, 2020)**

	December 31, 2021	December 31, 2020
Cash Flows from Operating Activities		
Receipts from Customers and Villages	\$ 8,796,571	9,303,999
Payments to Employees	(1,320,358)	(1,510,034)
Payments to Suppliers	(4,562,377)	(2,920,235)
	<u>2,913,836</u>	<u>4,873,730</u>
Cash Flows from Capital and Related Financing Activities		
Purchase of Capital Assets	(5,749,969)	(4,337,395)
Interest Expense	(390,441)	(686,968)
Payment of Principal	(1,268,219)	(884,667)
Loan Proceeds	1,533,855	1,322,445
	<u>(5,874,774)</u>	<u>(4,586,585)</u>
Cash Flows from Investing Activities		
Investment Income	<u>11,116</u>	<u>36,958</u>
Net Change in Cash and Cash Equivalents	(2,949,822)	324,103
Cash and Cash Equivalents		
Beginning	<u>9,181,717</u>	<u>8,857,614</u>
Ending	<u><u>6,231,895</u></u>	<u><u>9,181,717</u></u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities		
Operating Income	1,093,115	978,844
Adjustments to Reconcile Operating Income to Net Income to Net Cash		
Provided by (Used in) Operating Activities:		
Depreciation Expense	2,424,262	2,453,593
Other Income	878,723	711,924
Other (Expense) - IMRF	(488,201)	(228,113)
(Increase) Decrease in Current Assets	(298,841)	702,100
Increase (Decrease) in Current Liabilities	<u>(695,222)</u>	<u>255,382</u>
Net Cash Provided by Operating Activities	<u><u>2,913,836</u></u>	<u><u>4,873,730</u></u>

The notes to the financial statements are an integral part of this statement.

# **GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS**

## **Notes to the Financial Statements**

**December 31, 2021**

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### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Glenbard Wastewater Authority, Glen Ellyn, Illinois, Illinois (the “Authority”) was created and established by an agreement dated November 28, 1977, between the Villages of Lombard, Illinois and Glen Ellyn, Illinois, for the purpose of jointly treating and processing wastewater. This agreement has been amended since inception. The last amendment was April 17, 2014. The wastewater is treated in two plants, known as the Glenbard Wastewater Authority and the Lombard Storm Water Facility.

Construction of the facilities was financed by monies appropriated by the Villages and by grants from the U.S. Environmental Protection Authority. The Village of Glen Ellyn, as the designated lead Authority, maintained the Glenbard Lead Authority Construction Fund, which included all transactions relating to planning, design, and construction of the wastewater treatment facilities. The cost of the facilities, which aggregated \$43,297,682, was contributed to the Authority by the Glenbard Lead Authority Construction Fund.

In accordance with the 1977 agreement, as amended in April 1998 and April 2014, the Village of Glen Ellyn provides certain management services (administration, personnel, payroll, data processing, and accounting services) to the Authority. The Village is reimbursed for such services and, therefore, receives a service charge (overhead fee) pursuant to the agreement.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Authority’s accounting policies established in GAAP and used by the Authority are described below.

#### **REPORTING ENTITY**

In evaluating how to define the Authority for financial reporting purposes, management has considered all potential component units. Criteria for including a component unit in the Authority’s reporting entity principally consist of the potential component unit’s financial interdependency and accountability to the Authority. Based on those criteria, there are no potential component units to be included in the reporting entity. The Authority itself is not a component unit of another governmental entity, but rather is considered to be a jointly governed organization.

#### **BASIS OF PRESENTATION**

In the Statement of Net Position, the Authority’s activities are reported on a full accrual, economic resources basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term obligations/deferred inflows.

The Authority uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

The Authority utilizes a single proprietary fund. Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities are provided to outside parties.

**Notes to the Financial Statements**

**December 31, 2021**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

**Measurement Focus**

All proprietary funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position, financial position, and cash flows. All assets/deferred outflows and liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

**Basis of Accounting**

The Authority’s basic financial statements are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the Authority are charges to customers for services. Operating expenses include the cost of services, administrative expenses, and depreciation and amortization on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY**

**Cash and Investments**

For the purpose of the Statement of Net Position, the cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of purchase.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All of the Authority’s investments are in 2a7-like investment pools that are measured at the net asset value per share determined by the pool.

# **GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS**

## **Notes to the Financial Statements**

**December 31, 2021**

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### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

#### **ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued**

##### **Restricted Cash and Investments**

Please refer to the working cash account and equipment replacement account sections in the Net Position note for details on assets restricted under intergovernmental and grant agreements.

##### **Receivables**

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. There is no allowance for uncollectible since these amounts are expected to be fully collectible. The Authority reports member contributions as its major receivable.

##### **Prepays/Inventories**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements. Prepays/inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method.

##### **Capital Assets**

Capital assets purchased or acquired are reported at historical cost or estimated historical cost. For movable property, the Authority's capitalization policy includes all items with a unit cost of \$20,000 or more, depending on asset class, and an estimated useful life that is greater than one year. Renovations to buildings and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are charged to operating expense in the year in which the expense was incurred. Donated capital assets are recorded at estimated acquisition value at the date of donation.

Depreciation has been provided using the straight-line method over the following estimated useful lives of the assets:

Vehicles	7 Years
Land Improvements	7 - 20 Years
Equipment	10 - 15 Years
Buildings and Improvements	10 - 45 Years
Sewer Lines	40 - 50 Years

**Notes to the Financial Statements**

**December 31, 2021**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued**

**Deferred Outflows/Inflows of Resources**

Deferred outflow/inflow of resources represents an acquisition/reduction of net position that applies to a future period and therefore will not be recognized as an outflow of resources (expense)/inflow of resources (revenue) until that future time.

**Compensated Absences**

The Authority grants a specific number of annual leave hours bi-weekly with pay to its employees. Earned annual leave and compensatory time may be accumulated and is payable to the employee upon termination of employment and, therefore, is accrued through year-end. Long-term accumulated sick leave is not reimbursable upon termination of employment and, therefore, is not accrued.

**Long-Term Obligations**

In the financial statements long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Loan premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Loans payable are reported net of the applicable loan premium or discount. Loan issuance costs are reported as expenses at the time of issuance.

**Net Position**

In the government-wide financial statements, equity is classified as net position and displayed in three components:

Net Investment in Capital Assets - Consists of capital assets, including restricted capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted - All other net position balances that do not meet the definition of "restricted" or "net investment in capital assets."

The Authority considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund position is available.

# **GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS**

## **Notes to the Financial Statements**

**December 31, 2021**

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### **NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

#### **BUDGETARY INFORMATION**

Budgeted amounts used for comparison in this report are obtained from the operating budget of the Authority, approved by Glenbard Wastewater Authority Board of Directors, which is prepared in accordance with generally accepted accounting principles, except that depreciation expense is not part of the operating budget, and note principal payments are budgeted as expenses. The budget amounts included in the supplemental information are from the final adopted budget, including all amendments, which were not significant. The budget lapses at the end of the fiscal year.

### **NOTE 3 - DETAIL NOTES ON ALL FUNDS**

#### **DEPOSITS AND INVESTMENTS**

Permitted Deposits and Investments - Statutes authorize the Authority to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds and Illinois Metropolitan Investment Fund investment pools.

Illinois Funds is an investment pool management by the Illinois Public Treasurer's Office, which allows governments within the state to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold.

The Illinois Metropolitan Investment Fund (IMET) is a non-for-profit investment trust formed pursuant to the Illinois Municipal Code. IMET is managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an Investment Company. Investments in IMET are valued at the share price, the price for which the investment could be sold.

#### **Interest Rate Risk, Credit Risk, Concentration of Credit Risk, and Custodial Credit Risk**

*Deposits.* At year-end, the carrying amount of the Authority's deposits totaled \$1,488,673 and the bank balances totaled \$1,844,988. The Authority also has \$2,386,373 invested in the Illinois Funds and \$2,356,849 in IMET at year end.

*Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Authority's investment policy states they will attempt to match its investments with anticipated cash flows requirements. Unless matched to a specific cash flow, the Authority will not directly invest in securities maturing more than five years from the date of purchase. Any investment purchased with a maturity longer than four years must be supported with written documentation explaining the reason for the purchase and must be supported with written documentation explaining the reason for the purchase and must be specifically approved by the Authority Board. The Authority's investments in the Illinois Funds and IMET have an average maturity of less than one year.



# GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS

## Notes to the Financial Statements

December 31, 2021

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### NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

#### DEPOSITS AND INVESTMENTS - Continued

##### Interest Rate Risk, Credit Risk, Concentration of Credit Risk, and Custodial Credit Risk - Continued

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Authority may invest in any type of security authorized by the State of Illinois Public Funds Investment Act (30 ILCS 235/) regarding the investment of public funds. The Authority's investments in the Illinois Funds is rated AAAM by Standard & Poor's and the Authority's investment in IMET is rated AAAF by Standard & Poor's.

*Concentration of Credit Risk.* This is the risk of loss attributed to the magnitude of the Authority's investment in a single issuer. At year-end, the Authority does not have any investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

*Custodial Credit Risk.* In the case of deposits, this is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority's policy requires that funds on deposit in excess of FDIC limits be secured by some form of collateral. The Authority will accept government securities, obligations of federal agencies, obligations of federal instrumentalities, and obligations of the State of Illinois. At year end, the entire bank balance was covered by collateral, federal depository or equivalent insurance.

For an investment, this is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At December 31, 2021, the Authority's investment in the Illinois Funds and IMET funds are not subject to custodial credit risk.

#### CONSTRUCTION COMMITMENTS

The Authority has entered into contracts for the construction or renovation of various facilities as follows:

Project	Expended to Date	Remaining Commitment
Electric Service Design	\$ 4,383,994	374,006
Electric Service Design	331,900	15,000
Roof Replacement - Buildings E and G	55,350	12,650
Biosolids Dewatering Improvement Project	355,816	18,284
Biosolids Dewatering Improvement Project	693,595	1,391,405
	<u>5,820,655</u>	<u>1,811,345</u>

**GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2021**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**CAPITAL ASSETS**

The following is a summary of capital asset activity for the year:

	Beginning Balances as Restated	Increases	Decreases	Ending Balances
<b>Nondepreciable Capital Assets</b>				
Land	\$ 943,212	—	—	943,212
Property Easement	168,607	—	—	168,607
Construction in Progress	20,730,612	5,613,460	20,989,542	5,354,530
	<u>21,842,431</u>	<u>5,613,460</u>	<u>20,989,542</u>	<u>6,466,349</u>
<b>Depreciable Capital Assets</b>				
Glenbard Plant	69,084,187	21,126,051	60,056	90,150,182
Stormwater Plant	11,865,247	—	—	11,865,247
North Regional Interceptor	10,751,759	—	—	10,751,759
South Regional Interceptor	5,570,423	—	—	5,570,423
	<u>97,271,616</u>	<u>21,126,051</u>	<u>60,056</u>	<u>118,337,611</u>
<b>Less Accumulated Depreciation</b>				
Glenbard Plant	45,669,171	1,628,801	60,056	47,237,916
Stormwater Plant	9,451,877	258,765	—	9,710,642
North Regional Interceptor	8,263,868	299,346	—	8,563,214
South Regional Interceptor	3,912,379	237,350	—	4,149,729
	<u>67,297,295</u>	<u>2,424,262</u>	<u>60,056</u>	<u>69,661,501</u>
<b>Total Net Depreciable Capital Assets</b>	<u>29,974,321</u>	<u>18,701,789</u>	<u>—</u>	<u>48,676,110</u>
<b>Total Net Capital Assets</b>	<u>51,816,752</u>	<u>24,315,249</u>	<u>20,989,542</u>	<u>55,142,459</u>

Depreciation was allocated to the members as follows:

Village of Lombard	\$ 1,324,617
Village of Glen Ellyn	<u>1,099,645</u>
	<u><u>2,424,262</u></u>

# GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS

## Notes to the Financial Statements

December 31, 2021

### NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

#### LONG-TERM DEBT

##### Loans Payable

The Authority has entered into loan agreements to provide low interest financing for capital improvements. Loans currently outstanding are as follows:

Issue	Beginning Balances as Restated	Issuances	Retirements	Ending Balances (a)
Anaerobic Digester Loan Payable dated October 10, 2007, due in annual installments of \$637,002, including interest at 2.500%, through July 31, 2024.	\$ 2,695,261	—	573,180	2,122,081
Facility Improvement Project Loan Payable dated September 23, 2016, due in annual installments of \$425,208, including interest at 1.750%, through October 10, 2039.	15,518,246	881,202	695,039	15,704,409
Biosolids Dewatering Project Loan Payable dated March 19, 2021, due in semi-annual installments, including interest at 1.35%, through February 12, 2042.	—	652,653	—	652,653 (b)
	18,213,507	1,533,855	1,268,219	18,479,143

(a) Includes construction interest.

(b) Amounts disbursed as of the date of the audit report is \$352,613. Total approved loan amount is \$2,490,750. The final repayment schedule for this loan will not be available until construction is complete and final disbursements are reimbursed.

**GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS****Notes to the Financial Statements****December 31, 2021****NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued****LONG-TERM DEBT - Continued****Long-Term Liability Activity**

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances as Restated	Additions	Deductions	Ending Balances	Amounts Due within One Year
Compensated Absences	\$ 161,186	20,307	10,153	171,340	34,268
Loans Payable	18,213,507	1,533,855	1,268,219	18,479,143	1,336,899
	<u>18,374,693</u>	<u>1,554,162</u>	<u>1,278,372</u>	<u>18,650,483</u>	<u>1,371,167</u>

**Debt Service Requirements to Maturity**

The annual debt service requirements to maturity, including principal and interest, are as follows:

Fiscal Year	Loans Payable	
	Principal	Interest
2022	\$ 1,336,899	322,572
2023	1,364,851	302,014
2024	1,393,406	264,460
2025	1,104,076	235,287
2026	803,386	217,478
2027	817,507	203,357
2028	831,876	188,988
2029	846,497	174,367
2030	861,376	159,488
2031	876,516	144,348
2032	891,921	128,941
2033	907,599	113,265
2034	923,551	97,313
2035	939,784	81,080
2036	956,302	64,561
2037	973,111	47,753
2038	990,215	30,649
2039	1,007,617	13,244
Totals	<u>17,826,490</u>	<u>2,789,165</u>

The Biosolids Dewatering Project Loan Payable of 2021 does not have final repayment schedule; therefore, is not included in the debt service requirements to maturity above.

# GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS

## Notes to the Financial Statements December 31, 2021

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### NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

#### NET POSITION

##### Net Position Classification

Net position consists of the following as of December 31, 2021 and December 31, 2020:

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Net Position		
Net Investment in Capital Assets	\$ 51,618,425	49,802,689
Equipment Replacement Account (Restricted)	-10,487,215	-9,775,791
Working Cash Account (Restricted)	<u>1,245,893</u>	<u>757,692</u>
Total Net Position	<u>42,377,103</u>	<u>40,784,590</u>

Net investment in capital assets was comprised of the following as of December 31, 2021 and December 31, 2020:

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Business-Type Activities		
Capital Assets - Net of Accumulated Depreciation	\$ 55,142,459	52,497,950
Less Capital Related Debt:		
Loans Payable	<u>(3,524,034)</u>	<u>(2,695,261)</u>
Net Investment in Capital Assets	<u>51,618,425</u>	<u>49,802,689</u>

##### Net Position Restatement

Beginning balances for capital assets was restated by (\$681,198) and long-term debt was restated by \$681,198 to correct an error in the recording of construction interest for an IEPA loan payable. There is no net effect to net position.

# GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS

## Notes to the Financial Statements

December 31, 2021

### NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

#### NET POSITION - Continued

##### Equipment Replacement Fund

The equipment replacement account is required under the grant agreement from the U.S. Environmental Protection Agency and represents accumulated funds held for plan and equipment replacement. The activities for the years ended December 31, 2021 and December 31, 2020 are as follows:

	December 31, 2021	December 31, 2020
Beginning Balance	\$ 40,026,898	39,275,686
Revenue and Expense Results within		
Equipment Replacement Sub-Fund	(508,853)	(655,651)
Surplus Contributions	353,423	181,469
Investment Income	6,543	37,937
Service Fees Charged to Villages	3,677,461	3,641,050
Depreciation	(2,424,262)	(2,453,593)
	41,131,210	40,026,898
Less: Net Investment in Capital Assets	(51,618,425)	(49,802,689)
Restricted for Future Plant and Equipment Replacement	(10,487,215)	(9,775,791)

##### Working Cash Account

The agreement dated November 28, 1977 and all amended agreements as of March 31, 1987 between the Villages were amended as of April 16, 1998. The purpose of the amendment was to provide the Authority the ability to maintain a working cash account as of the end of the fiscal year at a level not less than 25% of the annual operating and maintenance expenses exclusive of depreciation and equipment replacement. Working cash is calculated as the total general ledger cash and short-term investment balances less all current and prior open encumbrances (Operating Sub-Fund only). In the event the working cash balance at the end of the fiscal year is less than 25% of the annual operating expenses exclusive of depreciation and equipment replacement, each of the Villages will contribute an amount sufficient to adjust the working cash balance to the minimum amount required. The required contribution by the Villages is based upon their proportionate share of total operating expenses for the year. No additional funding is required by the Villages in the event the minimum 25% of operating expense working cash requirement is satisfied as of the end of the fiscal year. Additionally, the amendment also was designed to modify the payment process with the Villages. The following is the calculation of the working cash account required:

**GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2021**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**NET POSITION - Continued**

**Working Cash Account - Continued**

	Village of Lombard	Village of Glen Ellyn	December 31, 2021	December 31, 2020
Operating Expenses (as Defined in Intergovernmental Agreement)	\$ 2,723,447	1,820,354	4,543,801	4,247,946
Minimum Working Capital Balance (25% of Operating Expenses)	680,862	455,088	1,135,950	1,061,987
Cash and Investments - Operating Sub-Fund			1,388,273	1,439,597
Less: Outstanding Encumbrances			—	—
Working Cash			1,388,273	1,439,597
Less: Required Working Cash			(1,135,950)	(1,061,987)
Working Cash over Minimum Requirement			252,323	377,611

Working cash balance computation:

	Village of Lombard	Village of Glen Ellyn	Totals
Amount Required	\$ (680,862)	(455,088)	(1,135,950)
Amount Available	823,001	565,272	1,388,273
Cash Reserve Excess	142,139	110,184	252,323

**Notes to the Financial Statements**

**December 31, 2021**

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**NOTE 4 - OTHER INFORMATION**

**RISK MANAGEMENT**

The Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the Authority's employees. These risks are covered by commercial insurance. There has been no significant reduction in coverage in any program from coverage in the prior year. For all programs, settlement amounts have not exceeded insurance coverage for the past three years.

**Municipal Insurance Cooperative Association**

Effective January 1, 2003, the Authority joined together with other local governments in Illinois in the Municipal Insurance Cooperative Association (MICA). MICA is a public entity risk pool operating a common risk management and insurance program for its member governments. The Authority pays an annual premium to MICA based upon the Authority's prior experience within the pool. Amounts paid into the pool in excess of claims for any coverage year may be rebated back to members in subsequent periods. The Authority is not aware of any additional premiums owed to MICA for the current or prior year claims. The Authority pays the first \$5,000 for property, liability and crime claims. MICA maintains selective reinsurance contracts to cover potential claims to the total loss aggregate for all members of \$11,750,000. MICA also purchases excess coverage of \$400,000,000 for property liability and \$9,000,000 for other liability.

**Intergovernmental Risk Management Agency (IRMA)**

Prior to joining MICA, the Authority participated in the Intergovernmental Risk Management Agency (IRMA) through December 31, 2002. IRMA is an organization of municipalities and special districts in Northeastern Illinois which have formed an association under the Illinois Intergovernmental Cooperation's Statute to pool its risk management needs. The agency administers a mix of self-insurance and commercial insurance coverages; property/casualty and workers' compensation claim administration/litigation management services; unemployment claim administration; extensive risk management/loss control consulting and training programs; and a risk information system and financial reporting service for its members.

IRMA has actuarially calculated loss reserves for claims incurred while the Authority was an active member. The Authority has continuing responsibilities to IRMA for any open claims that exceed the reserved amounts. As of December 31, 2021, the Authority's has no member reserve balance with IRMA.

**Intergovernmental Personnel Benefit Cooperative (IPBC)**

Risks for medical and death benefits for employees and retirees are provided for through the Authority's participation in the Intergovernmental Personnel Benefit Cooperative (IPBC) (through the Village of Glen Ellyn). IPBC acts as an administrative agency to receive, process and pay such claims as may come within the benefit program of each member. IPBC maintains specific reinsurance coverage for claims in excess of \$50,000 per individual employee participant. The Authority pays premiums to IPBC based upon current employee participation and its prior experience factor with the pool. Current year overages or underages for participation in the pool are adjusted into subsequent years' experience factor for premiums.



Notes to the Financial Statements

December 31, 2021

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**NOTE 4 - OTHER INFORMATION - Continued**

**CONTINGENT LIABILITIES**

**Litigation**

The Authority does not have any pending or threatened litigation, claims or assessments as of the opinion date.

**Financial Impact from COVID-19**

In March 2020, the World Health Organization declared the COVID-19 virus a public health emergency. As of the date of this report, the extent of the impact of COVID-19 on the Authority's operations and financial position cannot be determined.

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN**

**Illinois Municipal Retirement Fund (IMRF)**

The Authority contributes to the Illinois Municipal Retirement Fund (IMRF), through the Village of Glen Ellyn's, a defined benefit agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local governments and school districts in Illinois. IMRF provides retirement, disability, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at [www.imrf.org](http://www.imrf.org). The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

**Plan Descriptions**

*Plan Administration.* All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

*Benefits Provided.* IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

Notes to the Financial Statements  
December 31, 2021

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NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

*Benefits Provided - Continued.* IMRF provides two tiers of pension benefits. Employees hired *before* January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired *on or after* January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

*Plan Membership.* As of December 31, 2021, the measurement date, the following employees were covered by the benefit terms:

Active Plan Members	<u>17</u>
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A detailed breakdown of IMRF membership for the Village, Library, and the Authority combined is available in the Village of Glen Ellyn's annual comprehensive financial report.

*Contributions.* As set by statute, the Authority's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended December 31, 2021, the Authority's contribution was 8.92% of covered payroll.

*Net Pension (Asset).* The Authority's net pension (asset) was measured as of December 31, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

# GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS

## Notes to the Financial Statements

December 31, 2021

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### NOTE 4 - OTHER INFORMATION - Continued

#### EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

##### Illinois Municipal Retirement Fund (IMRF) - Continued

##### Plan Descriptions - Continued

*Actuarial Assumptions.* The total pension liability was determined by an actuarial valuation performed, as of December 31, 2021, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	2.85% to 13.75%
Cost of Living Adjustments	2.25%
Inflation	2.25%

For nondisabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

# GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS

## Notes to the Financial Statements

December 31, 2021

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### NOTE 4 - OTHER INFORMATION - Continued

#### EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

##### Illinois Municipal Retirement Fund (IMRF) - Continued

##### Plan Descriptions - Continued

*Actuarial Assumptions - Continued.*

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	25.00%	2.00%
Domestic Equities	39.00%	4.50%
International Equities	15.00%	5.75%
Real Estate	10.00%	5.90%
Blended	10.00%	4.30% - 8.10%
Cash and Cash Equivalents	1.00%	1.70%

##### Discount Rate

The discount rate used to measure the total pension liability was 7.25%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Authority contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

##### Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension (asset) to changes in the discount rate. The table below presents the net pension (asset) of the Authority calculated using the discount rate as well as what the Authority's net pension (asset) would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension (Asset)	\$ (614,622)	(1,705,348)	(2,583,007)

**GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS****Notes to the Financial Statements****December 31, 2021****NOTE 4 - OTHER INFORMATION - Continued****EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued****Illinois Municipal Retirement Fund (IMRF) - Continued****Changes in the Net Pension (Asset)**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/(Asset) (A) - (B)
Balances at December 31, 2020	\$ 10,166,341	10,826,224	(659,883)
Changes for the Year:			
Service Cost	134,076	—	134,076
Interest on the Total Pension Liability	653,292	—	653,292
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	49,887	—	49,887
Changes of Assumptions	—	—	—
Contributions - Employer	—	127,573	(127,573)
Contributions - Employees	—	75,769	(75,769)
Net Investment Income	—	1,696,991	(1,696,991)
Benefit Payments, Including Refunds of Employee Contributions	(490,955)	(490,955)	—
Other (Net Transfer)	—	(17,613)	17,613
Net Changes	346,300	1,391,765	(1,045,465)
Balances at December 31, 2021	10,512,641	12,217,989	(1,705,348)

**GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS****Notes to the Financial Statements****December 31, 2021****NOTE 4 - OTHER INFORMATION - Continued****EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued****Pension Expense/(Revenue), Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions**

For the year ended December 31, 2021, the Authority recognized pension revenue of \$360,627. At December 31, 2021, the Authority reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience \$	53,318	—	53,318
Change in Assumptions	—	(21,664)	(21,664)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	—	(1,324,611)	(1,324,611)
Total Deferred Amounts Related to IMRF	53,318	(1,346,275)	(1,292,957)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense/(revenue) in future periods as follows:

Fiscal Year	Net Deferred (Inflows) of Resources
2022	\$ (274,865)
2023	(495,905)
2024	(325,503)
2025	(196,684)
2026	—
Thereafter	—
Total	(1,292,957)

**GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2021**

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**NOTE 4 - OTHER INFORMATION - Continued**

**OTHER POST-EMPLOYMENT BENEFITS**

The Authority has evaluated its potential other post-employment benefits liability. Former employees who choose to retain their rights to health insurance through the Authority are required to pay 100% of the current premium. However, there is minimal participation. As the Authority provides no explicit benefit, and there is minimal participation, there is no material implicit subsidy to calculate in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*. Therefore, the Authority has not recorded a liability as of December 31, 2021.

## **REQUIRED SUPPLEMENTARY INFORMATION**

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule Employer Contributions  
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Net Pension Liability/(Asset)  
Illinois Municipal Retirement Fund



**GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS**

**Illinois Municipal Retirement Fund  
Schedule of Employer Contributions  
December 31, 2021**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 128,318	\$ 128,318	\$ —	\$ 1,186,197	10.82%
2016	140,036	139,480	(556)	1,294,237	10.78%
2017	134,225	135,586	1,361	1,298,110	10.44%
2018	122,310	122,242	(68)	1,236,706	9.88%
2019	97,218	97,218	—	1,359,696	7.15%
2020	129,454	129,454	—	1,335,802	9.69%
2021	127,573	127,573	—	1,430,195	8.92%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	22 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.50%
Salary Increases	3.35% - 14.25%
Investment Rate of Return	7.25%
Retirement Age	See the Notes to the Financial Statements
Mortality	IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015).

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

**GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Schedule of Changes in the Employer's Net Pension Liability/(Asset)**

**December 31, 2021**

	<u>2015</u>
Total Pension Liability	
Service Cost	\$ 123,338
Interest	605,696
Differences Between Expected and Actual Experience	97,561
Change of Assumptions	9,922
Benefit Payments, Including Refunds of Member Contributions	(399,698)
Net Change in Total Pension Liability	436,819
Total Pension Liability - Beginning	8,214,126
Total Pension Liability - Ending	<u>8,650,945</u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 128,318
Contributions - Members	54,005
Net Investment Income	39,822
Benefit Payments, Including Refunds of Member Contributions	(399,698)
Other (Net Transfer)	45,862
Net Change in Plan Fiduciary Net Position	(131,691)
Plan Net Position - Beginning	8,073,123
Plan Net Position - Ending	<u>7,941,432</u>
Employer's Net Pension Liability/(Asset)	<u>\$ 709,513</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	91.80%
Covered Payroll	\$ 1,186,197
Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	59.81%

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

*Changes of Assumptions.* Changes in assumptions related to the discount rate were made in 2015 through 2021. Changes in assumptions related to the demographics were made in 2014 and 2017.

2016	2017	2018	2019	2020	2021
128,961	137,350	114,501	130,468	141,607	134,076
628,935	615,459	609,697	623,086	631,258	653,292
(67,729)	(73,414)	51,409	106,951	55,840	—
(9,982)	(257,267)	221,936	—	(60,076)	49,887
(434,992)	(431,868)	(428,162)	(459,666)	(458,906)	(490,955)
245,193	(9,740)	569,381	400,839	309,723	346,300
8,650,945	8,896,138	8,886,398	9,455,779	9,856,618	10,166,341
8,896,138	8,886,398	9,455,779	9,856,618	10,166,341	10,512,641
139,480	135,586	122,242	97,218	129,454	127,573
59,117	58,474	64,375	62,987	65,444	75,769
543,260	1,413,859	(469,664)	1,484,513	1,265,793	1,696,991
(434,992)	(431,868)	(428,162)	(459,666)	(458,906)	(490,955)
(20,365)	(220,476)	163,467	(13,052)	16,674	(17,613)
286,500	955,575	(547,742)	1,172,000	1,018,459	1,391,765
7,941,432	8,227,932	9,183,507	8,635,765	9,807,765	10,826,224
8,227,932	9,183,507	8,635,765	9,807,765	10,826,224	12,217,989
668,206	(297,109)	820,014	48,853	(659,883)	(1,705,348)
92.49%	103.34%	91.33%	99.50%	106.49%	116.22%
1,294,237	1,298,110	1,236,706	1,359,696	1,335,802	1,430,193
51.63%	(22.89%)	66.31%	3.59%	(49.40%)	(119.24%)

## **OTHER SUPPLEMENTARY INFORMATION**

**GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS**

**Combining Statement of Net Position**

**December 31, 2021**

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**See Following Page**

**GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS**

**Combining Statement of Net Position  
December 31, 2021**

	Operating Sub-Fund	Equipment Maintenance Sub-Fund	Totals
<b>ASSETS</b>			
Current Assets			
Restricted Cash and Investments			
Working Cash Account	\$ 1,388,273	—	1,388,273
Equipment Replacement Account	—	4,843,622	4,843,622
Receivables - Net of Allowances			
Accounts	—	48,133	48,133
Member Contributions			
Village of Lombard	—	4,059	4,059
IEPA Loans	—	300,040	300,040
Prepays	53,826	59,346	113,172
Inventories	—	41,322	41,322
Total Current Assets	1,442,099	5,296,522	6,738,621
Noncurrent Assets			
Capital Assets			
Nondepreciable	—	6,466,349	6,466,349
Depreciable	—	118,337,611	118,337,611
Accumulated Depreciation	—	(69,661,501)	(69,661,501)
	—	55,142,459	55,142,459
Other Assets			
Net Pension Asset - IMRF	1,705,348	—	1,705,348
Total Noncurrent Assets	1,705,348	55,142,459	56,847,807
Total Assets	3,147,447	60,438,981	63,586,428
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Items - IMRF	53,318	—	53,318
Total Assets and Deferred Outflows of Resources	3,200,765	60,438,981	63,639,746

	Operating Sub-Fund	Equipment Maintenance Sub-Fund	Totals
<b>LIABILITIES</b>			
Current Liabilities			
Accounts Payable	\$ 230,424	715,775	946,199
Accrued Payroll	51,382	—	51,382
Accrued Interest Payable	—	82,888	82,888
Unearned Rental Revenue	—	25,906	25,906
Member Accounts Payable			
Village of Glen Ellyn	73,185	4,059	77,244
Village of Lombard	82,267	—	82,267
Current Portion of Long-Term Debt	34,268	1,336,899	1,371,167
Total Current Liabilities	471,526	2,165,527	2,637,053
Noncurrent Liabilities			
Compensated Absences Payable	137,071	—	137,071
Digester Loan Payable	—	1,534,482	1,534,482
Facility Improvement Loan Payable	—	14,955,109	14,955,109
Biosolids Dewatering Loan Payable	—	652,653	652,653
Total Noncurrent Liabilities	137,071	17,142,244	17,279,315
Total Liabilities	608,597	19,307,771	19,916,368
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Items - IMRF	1,346,275	—	1,346,275
Total Liabilities and Deferred Inflows of Resources	1,954,872	19,307,771	21,262,643
<b>NET POSITION</b>			
Net Investment in Capital Assets	—	51,618,425	51,618,425
Restricted	1,245,893	-10,487,215	(9,241,322)
Total Net Position	1,245,893	41,131,210	42,377,103

**GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS**

**Combining Statement of Revenues, Expenses, and Changes in Net Position  
For the Fiscal Year Ended December 31, 2021**

	Operating Sub-Fund	Equipment Maintenance Sub-Fund	Totals
Operating Revenues			
Charges for Services	\$ 4,539,228	3,677,461	8,216,689
Operating Expenses			
Personnel Services	1,680,985	—	1,680,985
IMRF Pension Expense/(Revenue)	(360,627)	—	(360,627)
Contractual Services			
Maintenance	696,102	—	696,102
Service Charge	137,316	—	137,316
Sludge Removal	225,574	—	225,574
Utilities	610,330	—	610,330
Insurance	406,833	—	406,833
Other	180,803	—	180,803
Commodities	478,284	—	478,284
Maintenance of Capital Facilities and Equipment	—	6,393,681	6,393,681
Less: Capital Outlay	—	(5,749,969)	(5,749,969)
Depreciation	—	2,424,262	2,424,262
Total Operating Expenses	4,055,600	3,067,974	7,123,574
Operating Income (Loss)	483,628	609,487	1,093,115
Nonoperating Revenues (Expenses)			
Surplus Contributions	—	353,423	353,423
Connection Fees	—	84,682	84,682
Enernoc Demand Response	—	17,757	17,757
Leachate Revenues	—	118,824	118,824
Renewable Energy Credits	—	61,511	61,511
Fats, Oil and Grease Waste Fees	—	151,735	151,735
Cell Tower Revenues	—	59,443	59,443
Other Income	—	31,348	31,348
Investment Income	4,573	6,543	11,116
Interest Expense	—	(390,441)	(390,441)
	4,573	494,825	499,398
Change in Net Position	488,201	1,104,312	1,592,513
Net Position - Beginning	757,692	40,026,898	40,784,590
Net Position - Ending	1,245,893	41,131,210	42,377,103



**GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS**

**Combining Statement of Cash Flows  
For the Fiscal Year Ended December 31, 2021**

	Operating Sub-Fund	Equipment Maintenance Sub-Fund	Totals
Cash Flows from Operating Activities			
Receipts from Customers and Villages	\$ 4,540,061	4,256,510	8,796,571
Payments to Employees	(1,320,358)	—	(1,320,358)
Payments to Suppliers	(3,275,600)	(1,286,777)	(4,562,377)
	(55,897)	2,969,733	2,913,836
Cash Flows from Capital and Related Financing Activities			
Purchase of Capital Assets	—	(5,749,969)	(5,749,969)
Interest Expense	—	(390,441)	(390,441)
Payment of Principal	—	(1,268,219)	(1,268,219)
Loan Proceeds	—	1,533,855	1,533,855
	—	(5,874,774)	(5,874,774)
Cash Flows from Investing Activities			
Investment Income	4,573	6,543	11,116
Net Change in Cash and Cash Equivalents	(51,324)	(2,898,498)	(2,949,822)
Cash and Cash Equivalents			
Beginning	1,439,597	7,742,120	9,181,717
Ending	1,388,273	4,843,622	6,231,895
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities			
Operating Income (Loss)	483,628	609,487	1,093,115
Adjustments to Reconcile Operating Income to Net Income to Net Cash			
Provided by (Used in) Operating Activities:			
Depreciation Expense	—	2,424,262	2,424,262
Other Income	—	878,723	878,723
Other Expense (Revenue) - IMRF	(488,201)	—	(488,201)
(Increase) Decrease in Current Assets	833	(299,674)	(298,841)
Increase (Decrease) in Current Liabilities	(52,157)	(643,065)	(695,222)
Net Cash Provided by Operating Activities	(55,897)	2,969,733	2,913,836

**GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS**

**Operating Sub-Fund**

**Statement of Revenues, Expenses and Changes in Net Position - Budget and Actual**

**For the Fiscal Year Ended December 31, 2021**

**(with Comparative Information for the Fiscal Year Ended December 31, 2020)**

	For the Fiscal Year Ended December 31, 2021		
	Budget	Actual	Variance Over (Under)
Operating Revenues			
Charges to Villages	\$ 4,694,680	4,539,228	(155,452)
Operating Expenses			
Personnel Services	1,827,670	1,680,985	(146,685)
IMRF Pension Expense/(Revenue)	—	(360,627)	(360,627)
Contractual Services			
Maintenance	807,104	696,102	(111,002)
Service Charge	137,316	137,316	—
Sludge Removal	195,000	225,574	30,574
Utilities	570,500	610,330	39,830
Insurance	418,000	406,833	(11,167)
Other	229,090	180,803	(48,287)
Commodities	520,000	478,284	(41,716)
Total Operating Expenses	4,704,680	4,055,600	(649,080)
Operating Income (Loss)	(10,000)	483,628	493,628
Nonoperating Revenues			
Investment Income	10,000	4,573	(5,427)
Change in Net Position	—	488,201	488,201
Net Position - Beginning		757,692	
Net Position - Ending		1,245,893	

For the Fiscal Year Ended December 31, 2020			
	Budget	Actual	Variance Over (Under)
\$	4,592,094	4,248,925	(343,169)
	1,797,543	1,738,147	(59,396)
	—	(228,113)	(228,113)
	746,672	446,436	(300,236)
	134,229	134,228	(1)
	185,000	217,405	32,405
	591,200	618,717	27,517
	380,300	397,787	17,487
	229,650	184,036	(45,614)
	537,500	511,190	(26,310)
	4,602,094	4,019,833	(582,261)
	(10,000)	229,092	239,092
	10,000	(979)	(10,979)
	—	228,113	228,113
		529,579	
		757,692	

**GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS**

**Equipment Replacement Sub-Fund**

**Statement of Revenues, Expenses and Changes in Net Position - Budget and Actual**

**For the Fiscal Year Ended December 31, 2021**

**(with Comparative Information for the Fiscal Year Ended December 31, 2020)**

	For the Fiscal Year Ended December 31, 2021		
	Budget	Actual	Variance Over (Under)
Operating Revenues			
Charges to Villages	\$ 3,677,460	3,677,461	1
Operating Expenses			
Contractual Services			
Maintenance of Capital Facilities and Equipment	5,473,510	6,393,681	920,171
Less: Capital Outlay	—	(5,749,969)	(5,749,969)
Depreciation	—	2,424,262	2,424,262
Total Operating Expenses	5,473,510	3,067,974	(2,405,536)
Operating Income (Loss)	(1,796,050)	609,487	2,405,537
Nonoperating Revenues (Expenses)			
Surplus Contributions	—	353,423	353,423
Connection Fees	50,000	84,682	34,682
Enernoc Demand Response	26,000	17,757	(8,243)
Leachate Revenues	117,000	118,824	1,824
Renewable Energy Credits	—	61,511	61,511
Fats, Oil & Grease Waste Fees	75,000	151,735	76,735
Cell Tower Revenues	57,000	59,443	2,443
Other Income	1,000	31,348	30,348
Investment Income	20,000	6,543	(13,457)
Interest Expense	(370,575)	(390,441)	(19,866)
Loan Proceeds	1,870,000	1,533,855	(336,145)
Digester Loan Principal	(559,115)	(573,180)	(14,065)
FIP Loan Principal	(702,042)	(695,039)	7,003
Less Items to Statement of Net Position	—	(265,636)	(265,636)
Total Nonoperating Revenues (Expenses)	584,268	494,825	(89,443)
Change in Net Position	<u>(1,211,782)</u>	1,104,312	<u>2,316,094</u>
Net Position - Beginning		<u>40,026,898</u>	
Net Position - Ending		<u>41,131,210</u>	

For the Fiscal Year Ended December 31, 2020		
Budget	Actual	Variance Over (Under)
\$ 3,641,050	3,641,050	—
—	521	521
8,301,434	4,351,098	(3,950,336)
—	(3,913,914)	(3,913,914)
—	2,453,593	2,453,593
8,301,434	2,891,298	(5,410,136)
(4,660,384)	749,752	5,410,136
—	181,469	181,469
50,000	142,566	92,566
26,000	19,631	(6,369)
117,000	159,075	42,075
75,000	105,174	30,174
75,000	57,157	(17,843)
1,000	46,852	45,852
—	(61,433)	(61,433)
10,000	37,937	27,937
(747,065)	(686,968)	60,097
1,500,000	1,322,445	(177,555)
(559,115)	(559,115)	—
(325,552)	(325,552)	—
—	(437,778)	(437,778)
222,268	1,460	(220,808)
(4,438,116)	751,212	5,189,328
	39,275,686	
	40,026,898	

# GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS

## Schedule of Comparative Flows - Last Ten Fiscal Years December 31, 2021 (Unaudited)

Fiscal Year	Glenbard				North Regional Interceptor			
	Glen Ellyn		Lombard		Glen Ellyn		Lombard	
	Gallons (in 000's)	Percent	Gallons (in 000's)	Percent	Gallons (in 000's)	Percent	Gallons (in 000's)	Percent
2013	1,755,400	46.70%	2,003,538	53.30%	792,733	34.97%	1,474,329	65.03%
2014	1,773,595	44.61%	2,201,911	55.39%	759,050	32.07%	1,607,612	67.93%
2014*	1,163,852	45.43%	1,398,187	54.57%	N/A	N/A	N/A	N/A
2015	1,939,993	45.25%	2,347,125	54.75%	N/A	N/A	N/A	N/A
2016	1,890,348	44.39%	2,368,065	55.61%	N/A	N/A	N/A	N/A
2017	1,916,548	42.65%	2,576,590	57.35%	N/A	N/A	N/A	N/A
2018	1,873,111	41.21%	2,672,566	58.79%	N/A	N/A	N/A	N/A
2019	1,835,852	40.59%	2,686,639	59.41%	N/A	N/A	N/A	N/A
2020	1,770,908	40.72%	2,578,333	59.28%	N/A	N/A	N/A	N/A
2021	1,670,839	40.06%	2,499,757	59.94%	N/A	N/A	N/A	N/A

\*For the eight months ended December 31, 2014.

N/A - The North Regional Interceptor flows are no longer used in the billing computations in the Schedule of Allocation of Costs.

# GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS

## Schedule of Allocation Costs

December 31, 2021 (Unaudited)

The agreement between the Villages of Lombard and Glen Ellyn for the purpose of jointly treating and processing wastewater requires certain information to accompany the annual financial statements. This information is from the Operating Sub-Fund. The combined data, including the Equipment Replacement and Working Cash Accounts, is part of the general purpose financial statements. Such required information for the year ended December 31, 2021, not included elsewhere in the accompanying financial statements follows:

### 1. Total Water Flow

Participant	Glenbard Plant	
	Gallons (in 000's)	Percent
Village of Lombard	2,499,757	59.94%
Village of Glen Ellyn	1,670,839	40.06%
	<u>4,170,596</u>	<u>100.00%</u>

### 2. Factors and Amounts Used in Computing Final Billing

A. Operating revenue and expenses, based on wastewater flow, were allocated among the operating facilities for the fiscal year ended December 31, 2021, as follows:

	Operating Fund
Operating Revenue	
Amounts Billed Prior to Billing Adjustments	\$ 4,694,680
Other Revenues	4,573
Adjustment	<u>(155,452)</u>
Operating Revenue Applicable to Operating Expenses	<u>4,543,801</u>
Operating Expenses	
Personnel Services	1,808,559
Contractual Services	
Maintenance	696,102
Service Charge	137,316
Sludge Removal	225,574
Utilities	610,330
Insurance	406,833
Other	180,803
Commodities	<u>478,284</u>
Total Operating Expenses	<u>4,543,801</u>

**GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS****Schedule of Allocation Costs - Continued**  
**December 31, 2021 (Unaudited)****2. Factors and Amounts Used in Computing Final Billing - Continued**

B. The allocation of operating expenses based on the wastewater flow of Glenbard Plant follows:

Participant	Amount	Percent
Village of Lombard	\$ 2,723,447	59.94%
Village of Glen Ellyn	1,820,354	40.06%
	<u>4,543,801</u>	<u>100.00%</u>

C. The computation of the billing adjustment for the fiscal year ended December 31, 2021 follows:

	Village of Lombard	Village of Glen Ellyn	Totals
Charges			
Total Operating Expenses (Depreciation Excluded)	\$ 2,723,447	1,820,354	4,543,801
Equipment Replacement Reserve	2,021,245	1,656,216	3,677,461
Total Operating Charges	<u>4,744,692</u>	<u>3,476,570</u>	<u>8,221,262</u>
Amount Billed	4,834,585	3,537,556	8,372,141
Plus: Credit for Other Revenues Received	<u>2,741</u>	<u>1,832</u>	<u>4,573</u>
Revenues Available to Offset			
Operating Charges	<u>4,837,326</u>	<u>3,539,388</u>	<u>8,376,714</u>
Amount Due from (to) Villages	<u>(92,634)</u>	<u>(62,818)</u>	<u>(155,452)</u>



**GLENBARD WASTEWATER AUTHORITY, GLEN ELLYN, ILLINOIS**

**Schedule of Allocation Costs - Continued**

**December 31, 2021 (Unaudited)**

2. Factors and Amounts Used in Computing Final Billing - Continued

D. Amounts due from(to) the Village of Lombard and the Village of Glen Ellyn at December 31, 2021 are as follow:

	Village of Lombard	Village of Glen Ellyn	Totals
Amounts Due from (to) Villages			
Billing Adjustment for the Fiscal Year Ended December 31, 2021 (as shown the prior page)	\$ (92,634)	(62,818)	(155,452)
Billing Adjustments:			
July 2021 to December 2021	14,425	(14,425)	—
Cumulative Balance Due from (to) Villages*	(78,209)	(77,243)	(155,452)

\*This balance is the end result of actual expenses compared to actual fiscal flow splits on an accrual basis after any necessary audit adjustments are made.

3. Total Revenue Billed and Received per Authority

Participant	Amount Billed	Receivable (Payable) December 31, 2021	Receivable (Payable) December 31, 2020	Amount Received
Village of Lombard	\$ 4,834,585	(78,209)	202,338	4,958,714
Village of Glen Ellyn	3,537,556	(77,243)	151,085	3,611,398
	8,372,141	(155,452)	353,423	8,570,112

GLENBARD WASTEWATER AUTHORITY,  
GLEN ELLYN, ILLINOIS

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MANAGEMENT LETTER

FOR THE FISCAL YEAR ENDED  
DECEMBER 31, 2021



May 31, 2022

The Honorable Chairman  
Members of the Board of Directors  
Glenbard Wastewater Authority  
Glen Ellyn, Illinois

In planning and performing our audit of the financial statements of the Glenbard Wastewater Authority (the Authority), Illinois, for the year ended December 31, 2021, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

We do not intend to imply that our audit failed to disclose commendable aspects of your system and structure. For your consideration, we herein submit our comments and suggestions which are designed to assist in effecting improvements in internal controls and procedures. Those less-significant matters, if any, which arose during the course of the audit, were reviewed with management as the audit field work progressed.

The accompanying comments and recommendations are intended solely for the information and use of the Board and senior management of the Glenbard Wastewater Authority, Illinois.

We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and suggestions with various Authority personnel. We would be pleased to discuss our comments and suggestions in further detail with you at your convenience, to perform any additional study of these matters, or to review the procedures necessary to bring about desirable changes.

We commend the finance department for the well-prepared audit package and we appreciate the courtesy and assistance given to us by the entire Authority staff.

*Lauterbach & Amen, LLP*  
LAUTERBACH & AMEN, LLP

## CURRENT RECOMMENDATION

### 1. GASB STATEMENT NO. 87 LEASES

#### Comment

In June 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87, *Leases*, which provides guidance regarding the information needs of financial statement users by improving accounting and financial reporting for leases by governments. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. In accordance with GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, which was issued as temporary relieve to governments and other stakeholders in light of the COVID-19 pandemic, GASB Statement No. 87, *Leases* is applicable to the Authority's financial statements for the year ended December 31, 2022

#### Recommendation

Lauterbach & Amen, LLP will work directly with the Authority to review the new lease criteria in conjunction with the Authority's current leases to determine the appropriate financial reporting for these activities under GASB Statement No. 87.

#### Managements' Response

Management acknowledges this comment and will work with Lauterbach and Amen, LLP to implement by December 31, 2022, as required by GASB.



May 31, 2022

The Honorable Chairman  
Members of the Board of Directors  
Glenbard Wastewater Authority  
Glen Ellyn, Illinois

We have audited the financial statements of the the business-type activities and the aggregate remaining fund information of the Glenbard Wastewater Authority, Illinois for the year ended December 31, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 31, 2022. Professional standards also require that we communicate to you the following information related to our audit.

### Significant Audit Findings

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Authority are described in the Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended December 31, 2021. We noted no transactions entered into by the Authority during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the business-type activities' financial statements were:

Management's estimate of the depreciation expense on capital assets is based on assumed useful lives of the underlying capital assets and the net pension (asset) is based on estimated assumptions used by the actuary. We evaluated the key factors and assumptions used to develop the depreciation expense and the net pension (asset) estimates in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

#### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

#### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Any material misstatements detected as a result of audit procedures were corrected by management.

Significant Audit Findings - Continued

*Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated May 31, 2022.

*Management Consultations with Other Independent Auditors*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Authority's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Authority's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the other supplementary information, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with the accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restrictions on Use

This information is intended solely for the use of the Board of Directors and management of the Authority and is not intended to be, and should not be, used by anyone other than these specified parties.

We wish to express our gratitude to the Board of Directors and staff (in particular the Finance Department) of the Glenbard Wastewater Authority, Illinois for their valuable cooperation throughout the audit engagement.

*Lauterbach & Amen, LLP*  
LAUTERBACH & AMEN, LLP

# **SECTION 7.0**

## **AUTHORIZATION APPROVAL -**

### **HOUSE DEMOLITION SERVICES**

#### **SUNNYBROOK PROPERTY**



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## MEMORANDUM

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**TO:** Executive Oversight Committee

**FROM:** Matt Streicher P.E., BCEE

**DATE:** June 9, 2022

**RE:** Request for Approval  
House Demolition Services

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In 2018 the Authority purchased the house/property adjacent to the main treatment plant at 1S641 Sunnybrook Road. The property was acquired to provide for any future needs, but at this time mainly is providing a buffer zone between the treatment plant and neighboring residents. The existing house on the site is vacant, and now can be viewed as a liability to the Authority. Therefore, in preparation for future use, and to lower any liability to the Authority, a bid invitation was advertised to have the house demolished.

A formal bid package was developed based off previous demolition bid packages put together by the Authority, as well as the Villages of Lombard and Glen Ellyn, and was advertised with a bid opening of May 25, 2022. The scope of the project consists of disconnecting all utilities, abandoning/sealing the existing well, capping the sanitary service lateral, and demolition of the house/foundation/basement and all other existing structures. All trees/vegetation that are able to be left in place will remain, and land the house sits on will be brought to grade and seeded.

The Authority received 5 bids for Demolition Services, the results are as follows:

Name of Firm	Bid Amount
Master Guys Demo *	\$13,900.00*
Omega III LLC	\$55,739.00
KLF Enterprises	\$39,036.00
Anthem Excavation & Demo	\$38,650.00
Alpine Demolition Services	\$111,000.00

\* - Non-Conforming/Responsible Bid

After further evaluation of the low bidder, Master Guys Demo, it was discovered they failed to include permit fees and utility disconnection fees in as part of their bid, which was in the instructions, and determined their bid to be non-conforming/responsible based on correspondence with our legal representation and the TAC. In addition, the apparent low bidder did not fill out reference forms correctly. Therefore, references were checked on the second low bidder, to which positive feedback was given.

Based on qualifications, reference checks, and price, it is requested the EOC authorize the Authority to award the project to **Anthem Excavation & Demo** in the amount of **\$38,650.00**. The Authority budgeted \$60,000 in the CY2022 budget for this work. If approved, the House Demolition Services shall be invoiced to Fund 40-580120.

# **SECTION 8.0**

## **AUTHORIZATION APPROVAL -**

## **FIRE MONITORING SYSTEM UPGRADES**

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## MEMORANDUM

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**TO:** Matt Streicher, Executive Director

**FROM:** Rick Freeman, Electrical Superintendent

**DATE:** June 9, 2022

**RE:** **Fire Monitoring System Upgrade**

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The Siemens Fire Monitoring System located throughout the Authority's buildings has reached the end of its useful service life, and many parts/repairs are obsolete, and no longer serviceable. This equipment was initially installed via the Bio-Solids Project in 2004, and monitors the Primary Diversion Structure & Scum Building, Sludge Pump & Metering Building, Anaerobic Digester Building, Combined Heat & Power Building, Sludge Dewatering Building, Maintenance Garage, and Administration Building. Parts of the system were replaced during the 2021 Biosolids Dewatering Improvements Project, as the building permit issuance was reliant on the system being brought up to standards, however, the remainder of the plant still need to be upgraded to current technology.

A quote was obtained in 2021 for this work, coming in at \$235,365.87. Therefore, funds for this expenditure "Fire Alarm System Upgrade" were included in the CY-22 Budget, Fund 40, Small Capital account 580120, in the amount of \$235,000. Since some of the work was completed with the Biosolids project, an updated quote was received. As this purchase is for a highly specialized piece of equipment, the Authority is requesting to waive competitive bidding for this purchase based on Section C.1.f of the purchasing policy, which waives competitive bidding for "Standardization purchases, defined as technical nature of certain items or services may result in the standardization of a particular supplier's specifications being necessary or desirable to Village operations. Competitive bidding may be waived if the Village requires compatibility with existing software, machinery, or other existing equipment." This item has been discussed with the TAC and all are in agreement.

Therefore, the Authority recommends the EOC authorize the Authority to award Siemens with a notice to proceed in the amount of \$190,500 to complete this work. This work will be sourced from 2022 GWA Capital budget 40-580120.

# **SECTION 9.0**

## **ELECTRICAL REHABILITATION PROJECT SETTLEMENT**

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## MEMORANDUM

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**TO:** Executive Oversight Committee

**FROM:** Matt Streicher P.E., BCEE

**DATE:** June 9, 2022

**RE:** Request for Authorization to Approve Settlement Agreement

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Throughout the course of the 2020 Electrical Service Distribution System Rehabilitation and Upgrades project, the contractor and their subcontractors submitted numerous requests for change orders due to material price escalations. The underlying reason for the material price increases is due to the large amount of inflation that has occurred in materials since this project was originally bid in February 2020, just prior to the pandemic. The Authority has continually rejected the requests due to contract language that states the material prices are at the risk of the contractor, except in rare circumstances, which the pandemic did not fit under. However, after numerous rejections, the contractor formally filed a claim, of which the Authority again rejected. In March 2022, the Authority received a letter from the contractor's legal representation stating reasons they felt the material price escalation claims were per contract, and requested to meet with the Authority. The Authority, its legal representation, the contractor, and their legal representation met in April 2022 and discussed these matters. Essentially, the contractor was threatening litigation, as they felt there are allowances in the contract to allow for such price increases.

After consulting with the Authority's legal representation, although it was felt that litigation would not have been in the contractor's favor if it made it to court, for a number of reasons it was agreed to settle with the contractor. However, the settlement would only meet the contractor half way on what was being requested. Some benefits to agree on a settlement as opposed to litigation are to avoid legal fees in litigation, avoid the possibility of the contractor pulling off the job prior to completion and the Authority having to pull performance bonds, avoid excessive use of staff time for litigation purposes, and to continue the Authority's positive reputation in the industry (in order to continue receiving good, competitive bids on future projects).

Therefore, the original requested price escalation from the contractor of \$172,641.00 was negotiated down to the releasing of the remaining \$13,141 in cash allowances that were not used in the project but approved by the EOC, and accept a change order increasing the overall contract cost by \$74,859 – totaling \$88,000. The Authority also included that the contractor be liable for \$1,000 per day for every day they go past the Final Completion date of May 27, 2022, as part of the settlement. Both parties agreed to these terms.

**It is requested that the EOC authorize the Authority to sign the enclosed settlement agreement with Broadway Electric, Inc. to allow for the release of the remaining \$13,141 in cash allowances that were not used in the project but approved by the EOC, and accept a change order increasing the overall contract cost by \$74,859 – totaling \$88,000.**

## **SETTLEMENT AGREEMENT AND MUTUAL RELEASE**

This Settlement Agreement and Release ("Agreement") is made and entered into on \_\_\_\_\_, 2022 and memorialized on the dates hereinafter set forth by and among GLENBARD WASTEWATER AUTHORITY (hereinafter referred to as the "GWA"), and BROADWAY ELECTRIC, INC. (hereinafter referred to as "BEI"). GWA and BEI shall be referred to as, among other things, a "Party" or the "Parties."

### **RECITALS**

**WHEREAS**, the Parties entered into a construction contract (the "Contract") on September 22, 2020, for 2020 Electrical Service Distribution System Rehabilitation and Updates;

**WHEREAS**, in order to fulfill its obligations under the Contract, BEI necessarily had to engage several sub-contractors to perform construction work.

**WHEREAS**, Section 11.01 states that any change to the Contract price paid to BEI needs to be submitted to GWA by a change order;

**WHEREAS**, On February 15, 2022, BEI submitted a change order on behalf of itself and its sub-contractor, Archon Construction Co., Inc., seeking an additional \$172,641.00 due to material price escalations (the "Change Order");

**WHEREAS**, BEI, and its several contractors, have performed the majority of all construction work called for in the Contract, with only minor incompleteness's or deficiencies remaining;

**WHEREAS**, the remaining work, commonly known as a punch list, ("punch list"), which is attached to this Agreement as Exhibit A, shall be completed by May 27, 2022;

**WHEREAS**, GWA and BEI, and their respective attorneys, met on April 13, 2022 to discuss the pending change order and all other outstanding claims that could be brought under the Contract and desire to compromise, settle and resolve all disputes which now exist between them with respect to those claims on the terms hereinafter set forth.



## COVENANTS

**NOW, THEREFORE,** in consideration of the promises each to the other made as hereinafter set forth, and other good and valuable consideration each to the other made, it is hereby understood and agreed by the parties as follows:

1. **RECITALS.** The recitals set forth above are hereby incorporated by reference as terms of this Agreement and are therefore material parts of the consideration of this Agreement.

2. **CHANGE ORDERS.** The Change Order is modified to request \$74,859.00 as an increase to the Contract price. BEI represents and agrees that no other change orders may be made under the Contract and expressly waives its rights to submit additional change orders following the execution of this Agreement.

3. **SETTLEMENT SUM.** GWA shall pay or cause to be paid the total sum of Eighty-Eight Thousand No/100 Dollars (\$88,000.00, herein referred to as the "settlement sum") to BEI in full satisfaction and disposition of all matters and claims that have been brought or could be brought by BEI in connection with the terms of the Contract, including but not limited to, the Change Order. This settlement sum is the total of the agreed amount of the modified Change Order as stated in Paragraph 2 and the remaining balance of the cash allowance under the Contract, which is \$13,141.00. Payment of the settlement sum shall be paid to the order of "Broadway Electric, Inc." and delivered to BEI's offices at 831 Oakton Street, Elk Grove Village, Illinois 60007, Attn: Michael Barr. Said payment shall issue upon final application for payment under section 15.06 of the Contract and the satisfaction of all the terms therein. This settlement sum is in addition to any monies owed to BEI for completion of its obligations under the Contract, and any such other monies owed shall be paid by GWA to BEI as appropriate under the terms of the Contract.

4. **REMAINING WORK.** The parties acknowledge that the Contract has not been completed and there remains punch list items that BEI must complete prior to applying for final payment under the Contract. These punch list items must be completed by May 27, 2022. For every business day, defined as Monday through Friday but excluding any federally recognized holiday, that the punch list remains outstanding after May 27, 2022, the settlement sum stated in Paragraph 3 of this Agreement shall be reduced by \$1,000.00. Any dispute regarding the punch list items shall be handled pursuant to the terms of the Contract. Any such dispute is expressly not waived under Paragraph 5 herein, but any such dispute does not, in any way, invalidate the terms of this Agreement.

5. **CLAIMS RELEASED BY BEI AND GWA.** In consideration of satisfaction of the settlement terms set forth in this Agreement and completion of all of the terms of this Agreement, BEI hereby fully and forever releases and discharges the GWA and its former and present executive council members acting in their official and/or individual capacities, employees, agents, and attorneys, from any and all claims, demands, causes of action, obligations, debts, costs, damages, judgments, and liabilities, in law or in equity, from the beginning of the world to the date hereof, concerning any and all claims and matters that could have been asserted under the terms of the Contract. In consideration of satisfaction of the settlement terms set forth in this Agreement and completion of all of the terms of this Agreement, GWA hereby fully and forever releases and discharges the BEI and its former and present Board members acting in their official and/or individual capacities, employees, agents, and attorneys, from any and all claims, demands, causes of action, obligations, debts, costs, damages, judgments, and liabilities, in law or in equity, from the beginning of the world to the date hereof, concerning any and all claims and matters that could have been asserted under the terms of the Contract.

6. **COVENANT NOT TO SUE.** The Parties agree not to file, or cause to be filed, on behalf of itself or any other party, any litigation based on any and all potential claims under the Contract or this Agreement, except to enforce the terms of this Agreement.

7. **NO ADMISSION OF WRONGDOING/LIABILITY.** Nothing contained herein shall be construed to be an admission of any kind by any signatory hereto.

8. **KNOWING AND VOLUNTARY EXECUTION.** The Parties acknowledge and agree that they have read and understood the terms of this Agreement and enter into it voluntarily, and without any duress or undue influence on the part of or on behalf of any party.

9. **ENTIRE AGREEMENT.** This Agreement is an integrated Agreement and contains the entire Agreement regarding the matters herein between the signatories hereto, and no representations, warranties, or promises have been made or relied on by any signatory hereto other than as set forth herein.

10. **MODIFICATION BY WRITING ONLY.** This Agreement may only be modified in writing signed by all of the Parties hereto.

11. **SEVERABILITY OF TERMS.** If any provision of this Agreement is held to be invalid or unenforceable by a court of competent jurisdiction, that determination shall not invalidate or render unenforceable any other provision of this Agreement.

12. **AUTHORITY TO EXECUTE.** The GWA's signatory to this Agreement warrants and represents that he has actual authority to act on behalf of the GLENBARD WASTEWATER AUTHORITY in consummating this Agreement, and GWA acknowledges that execution of this Agreement by this signatory shall not be a basis to void this Agreement.

13. **NO CONSTRUCTION AGAINST ANY PARTY.** This Agreement prevails over prior communications regarding the matters contained herein between the signatories hereto or their representatives. This Agreement has been reviewed by counsel for the signatories hereto, and shall not be construed against any signatory, each signatory expressly waiving the doctrine of contra proferentem.

14. **SECTION HEADINGS.** Section headings in this Agreement are provided solely for the convenience of the Parties and shall not be construed as affecting the rights or obligations of any Party hereto.

15. **COUNTERPARTS.** This Agreement may be executed in counterparts and will be as fully binding as if signed in one entire document.

16. **NOTICES.** Any notices required, permitted, or contemplated by this Agreement shall be in writing and addressed to the parties as follows:

BROADWAY ELECTRIC, INC.  
831 Oakton Street  
Elk Grove Village, Illinois 60007  
Attn: Michael Barr

With copies to:  
Margery Newman, Esq.  
Downey & Lenkov, LLC  
200 N. LaSalle St., Suite 2700  
Chicago, Illinois 60601  
T: (312) 377-1501  
mnewman@dl-firm.com

GLENBARD WASTEWATER AUTHORITY  
945 Bemis Road  
Glen Ellyn, Illinois 60137  
Attn: Michael Streicher

With copies to:  
Graeme J. Quinn  
1415 W. 22nd - St. 200  
Oak Brook, IL 60523  
T: (630) 928-1200  
gquinn@petrarcagleason.com

17. **ATTORNEYS' FEES AND COSTS.** The Parties shall bear their own respective costs and fees, including, but not limited to, attorneys' fees and costs incurred in connection with the Litigation and this Agreement. Notwithstanding the foregoing, in the event of any action arising out of or related to this Agreement or for the breach of this Agreement, the prevailing party shall be entitled to their reasonable attorney's fees, costs and expenses incurred in connection with such action.

18. **GOVERNING LAW.** This Agreement shall be governed in accordance with the with the laws of the State of Illinois. Wherever possible, each provision of this Settlement Agreement shall be interpreted in such manner as to be effective and valid under the laws of the State of Illinois and whenever possible, each provision of this Settlement Agreement shall be interpreted in such manner as to be effective and valid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Settlement Agreement.

**IN WITNESS WHEREOF**, the parties have executed this Agreement on the day and year indicated below.

BY: \_\_\_\_\_

Matthew Streicher, on behalf of the  
Glenbard Wastewater Authority

BY: Michael Barr

Michael Barr, CFO of and on behalf of  
Broadway Electric, Inc.

DATE: \_\_\_\_\_

DATE: 5/26/22

# **SECTION 10.0**

## **DISCUSSION**

# **SECTION 10.1**

## **CAPITAL IMPROVEMENT PROJEC S UPDATES**

# CAPITAL IMPROVEMENTS PROJECT UPDATE



- MEDIUM VOLTAGE ELECTRICAL GRID REPLACEMENT
  - BIOSOLIDS DEWATERING IMPROVEMENT PROJECT (BDIP)
  - PRIMARY CLARIFIER IMPROVEMENTS
-



# MEDIUM VOLTAGE ELECTRIC GRID

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## Change Orders

- Settlement

## Remaining

- Handful of Punchlist Items





# BDIP



- Change Orders are still negative
- Substantial Completion
- Fire Alarm System



# Primary Clarifier/Gravity Thickener Improvements



- Kickoff Meeting held in March
- IEPA Low Interest Loan Funding Nomination form Submitted to reserve funds
- Consultant working on design alternatives



## **SECTION 10.2**

# **CSO EXCURSION REPORT – MAY 3, 2022**

GLENBARD WASTEWATER AUTHORITY  
NPDES PERMIT NON-COMPLIANCE REPORT  
PERMIT NO. IL0022471

DATE OF VIOLATION: 5/3/22

PARAMETER: Fecal Coliform

NPDES PERMIT LIMIT: 400 fecal coliform/100 ml

REPORTED RESULT: 496 fecal coliform/100 ml

EFFLUENT FLOW: 56.3 MGD at time of grab sample

CONDITIONS: We experienced heavy rain (1.29 inches) for a period of (6 hours), starting at 4:00 am. The area was still saturated from a prior rain even on, 4/30/22, causing the Lombard Storm Water Facility to discharge in automatic operation at 9:45 am. The Operator who was in charge of the event responded with (3) pumps in service at full capacity and followed all prescribed procedures.

INVESTIGATION: After verifying that all process equipment was in automatic and working properly, the Operator then began taking residual samples at the effluent tank, as well as, the effluent discharge point. The operator, knowing he had less than 3 hours to grab a sample increased the Hypochlorite pumps to their maximum output. It was found that the Operator followed all procedures properly

CONCLUSION: Results of our investigation showed that even though the Operator was adding the maximum amount of Hypochlorite mechanically possible, there was not enough contact time to achieve the desired disinfection due to the short sample window and high hydraulic loading (56.3 MGD when sample was taken).

ACTION PLAN: A meeting was held with the Operations Department, we discussed decisions made by the Operator, alternate operational decisions and procedure adjustments. The Department all agreed that the short sampling window and the high organic loading led to the violation not the Operator. All the correct decisions were made to achieve disinfection in accordance with out permit.

DATE: 5/4/22

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Andrew Pakosta, Operations Superintendent  
Glenbard Wastewater Authority

## **SECTION 10.3**

### **CHP DISCUSSION**

## **SECTION 11.0**

# **OTHER BUSINESS**

## **SECTION 11.1**

# **TECHNICAL ADVISORY COMMITTEE UPDATES**

**MINUTES –**  
**APRIL 20, 2022**





## Glenbard Wastewater Authority

945 Bemis Road Glen Ellyn, Illinois 60137  
Telephone: 630-790-1901 – Fax: 630-858-8119

### GWA Technical Advisory Committee (TAC) Meeting Agenda

April 20, 2022 2:00pm

Present: Matt Streicher, Carl Goldsmith, Dave Buckley

1. Open Positions

*GWA made an offer to one of the applicants for the Plant Operator position and was still waiting to hear back. Much discussion was held in regards to the vacant Assistant Director/Engineer position. Matt had revised the qualifications for the position to be less stringent, and changed the title to Assistant Director/Project Manager. Carl asked if it would be better suited to remove the Assistant Director portion of the title and simply change it to "Capital Improvements Manager." Matt acknowledged that may reduce the perception of the administrative role, however, from his perspective, as well as Tom Romza's, the Assistant Director title is what drew them to apply to the position historically. Therefore, the removal of the AD role is certainly a future option, but it was decided to not move forward with that at this time. Dave had also mentioned the VOGC would be seeking a recruitment service to assist in filling vacant engineer positions, so GWA's vacant position can be looped in with that service. The TAC agreed to still release the revised job description to see if we get any applicants, and also evaluate using the head hunter to see if the Engineer role can be filled, then use the best of those two options based on the outcomes*

2. ComEd SEM Check

a. \$4,272 Incentive

*Tooting GWA's horn, we received this check for participating in the "Strategic Energy Management" program, and for some energy reduction measures we took.*

3. Sludge Hauling

a. Landfill Application/Sludge Storage

*Due to a wet month, GWA saw the potential of having to stockpile sludge on it's drying beds again, as the fields were too wet to apply it as fertilizer. Fortunately, the fields dried up in time, and we were able to avoid the situation – but it is certainly a potential in the future. In the event that occurred, it most likely would be no longer than a week, and GWA would post a public notice. GWA has also applied to have our sludge be accepted at a landfill in order to avoid stockpiling on site, however, no approval has been given yet.*

4. Primary Clarifier Rehabilitation Project

a. Congressionally Directed Spending Request to Duckworth/Durbin

*GWA's consultant is still putting together design documents for review, but in the meantime, GWA has applied for a budget appropriation that the senators were given. We hope to be awarded the \$2M grant, however, we will not know until summer.*

5. Sodium Hypochlorite Supply

*The price for this chemical continues to increase due to chlorine and alkali chloride shortages, however, GWA had heard through the industry that other plants were able to get cheaper rates for shorter term contracts. The TAC was given notice that if the opportunity arises, it may break it's existing contract, and seek a new contract. The TAC recommended that if short notice is needed, to conduct a phone poll with the EOC to get approval of a new contract*

6. Budget Discussion

a. 15% increase in capital project costs

b. Increases in O&M costs

*GWA advised the TAC that when beginning to prepare CY2023's budget, the costs for capital projects will be adjusted based on what's being seen in the industry in terms of bids. At the moment, there appears to be a 15%-20% increase in project costs. Although several O&M costs will continue to rise, due to some turnover, O&M costs shouldn't see as much of an increase.*

***Protecting the Environment for Tomorrow***

7. CHP Media Cleanout

a. Vactor Use

*The EOC approved the purchase of the new media to scrub the gas going to the CHP's, however, GWA doesn't have the means to change out the media. In the past GWA has borrowed VOG's vactor truck, but due to maintenance issues with the truck, VOG is no longer allowing the use of it. GWA did some research with other treatment plants who also use vactors to clean their media, and none have the same issues. Matt inquired as to exactly what the issue was, and if it could be addressed. The TAC also suggested GWA simply rent a vactor, or contract the work out, which would be an additional cost.*

8. Electrical Grid Construction Update

a. Settlement Offer

b. Punchlist

*The settlement that discussed in closed session was presented to the contractor and received preliminary approval, with the understanding that due to the \$1k cost for every day that goes past final completion, there would be some forgiveness on punch list items. GWA wasn't completely aware of what items they'll be seeking forgiveness on, but has a meeting scheduled with the contractor for next week to walk the site and discuss.*

9. Biosolids Dewatering Improvements Project (BDIP) Update

*Performance testing was occurring today, and it's expected substantial completion will be granted soon. A punch list is already being worked on.*

10. Interceptor/VVFM Design Update

a. Draft memo recommending \$1.2M project

*No update on the VVFM design, as results of the force main inspection has not come in yet. Preliminary engineering for the Interceptor Rehab was completed, with the result being a recommendation to complete an estimated \$1.2M project. GWA had requested that the study recommend a multi-year project since it's budgeted \$350k/year on interceptor rehab, so the recommendation did not follow the request. However, the consultant recommended this based on economy of scale due to the bypass pumping needed. The consultant was going to review the recommendation again to see if anything can be suggested to closer follow GWA's budget*

11. Airgas Agreement

*After being awarded the low bid, Airgas requested GWA sign their agreement, not the one attached to the bid proposal. Their agreement contradicted many of the terms in the bid proposal, so Matt and GWA's attorney rejected the proposed agreement, and negotiated terms to better align with the original proposal. Airgas agreed to all GWA's terms, but reserved the right to negotiate a higher rate increase if circumstances allowed, such as a Force Majeure.*

12. IEPA Inspection

a. April 6, 2022

*IEPA performed it's bi-annual inspection and complimented GWA on it's organization and preparedness. Only one item was noted, in that a new permit requirement was to post GWA's Phosphorus Discharge Optimization Plan on it's website, which it had not. The plan was posted immediately following the inspection.*

13. Local Limits Violation Notice

a. Waste Management

*Due to USEPA requirements, GWA was issuing Waste Management several local limits violations due to exceedance of arsenic in the leachate being hauled to GWA. Since VOG is GWA's enforcement branch, an adjunction hearing was being held at the Village to issue the fine. The arsenic did not have any effect on the plant, and the limit will be revaluated to avoid such an issue in the future, as the leachate is a good revenue source for GWA*

14. Old Business

a. USEPA PCI Inspection

i. Amend IGA between VOL & VOG

ii. Amend IGA's between Villages and other entities

*Nothing to report, still waiting on official response from the USEPA*

b. Hydraulic Modeling Update

*Trying to schedule a meeting with the Village's still*

c. Airgas Agreement

*Duplicate item*

d. Succession Planning



## Glenbard Wastewater Authority

945 Bemis Road Glen Ellyn, Illinois 60137  
Telephone: 630-790-1901 – Fax: 630-858-8119

*Matt is going to attempt to start restructuring GWA's organization to prepare for potential near term retirements. Matt hopes to have a plan ready to present at the next TAC meeting*

- e. Exhibits and language for Village/GWA Connection points at
  - i. VGE – Chidester vs St. Charles Rd. Lift Station
  - ii. VOL – L22 vs Junction Chamber
  - iii. **CSO Regulators and lines between the regulators to the facility**
  - iv. Any others that can be added

*Waiting on feedback from Lombard. Carl asked Matt to send all the exhibits over to him.*

*Meeting adjourned at 3:24*

**MINUTES –**

**MAY 25, 2022**



## Glenbard Wastewater Authority

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### GWA Technical Advisory Committee (TAC) Meeting Agenda May 25, 2022 10:00am

Present: Matt Streicher, Dave Buckley, Carl Goldsmith

1. New Hire (promotion from PT)
  - a. Rylee Schoo  
*Mr. Streicher informed the staff of a promotion of a part-time operator to full time operator to fill a vacancy*
2. Assistant Director Interviews  
*Mr. Streicher informed the TAC that there have been 4 applicants for the Assistant Director position, and that GWA intends on interviewing all four the week of June 6. Carl/Lombard was invited to participate but declined. Members of the interview panel will consist of Matt, Jon Braga, Andy Pakosta, John Hubsy, and VOGH HR.*
3. Succession Planning
  - a. Phased approach
  - b. See organizational charts  
*In preparation for an eventual retirement that will leave a difficult gap to fill, GWA will undergo a restructuring prior to the retirement, to allow for an ease in adjustment. The first phase will be to transition the two Electrical staff members into the Maintenance Department, which is typical for wastewater treatment plant staff organization. The next phase will be to create crew leaders or "lead" positions, so that the Maintenance department will have a lead mechanic, and lead electrical point persons. The next two phases would possibly include the hiring of an IT staff member, in preparation for a retirement, however, these last two phases would be dependent on what transitions occur between now and then. The TAC advised that although EOC approval isn't formally needed, that this planning be demonstrated when preparing CY23's budget, and depict it in the organizational information in the back of the budget. The TAC also suggested modifying job descriptions to fit the new organizational structure.*
4. EOC Agenda Items
  - a. Fire Monitoring System  
*This item was previously discussed with the TAC and all are in agreement to recommend approval to the EOC*
  - b. Financial Audit  
*Routine item to be presented by VOGH Finance*
  - c. House Demo  
*The bid opening for the house demolition took place earlier in the day, and the low bidder appeared to be a non-conforming/responsible bidder based on the lack of inclusion of certain items. The TAC agreed to move to the next low bidder.*
  - d. Settlement  
*The TAC was in agreement to recommend approval of the settlement agreement previously discussed with the EOC in closed session*
  - e. CSO Excursion  
*GWA will notify the EOC that it exceeded its permit limits during the May 3, 2022 discharge at the CSO plant in Lombard. Due to circumstances that occurred, it was difficult to avoid. However, this is the first excursion in over 5 years, and after notifying the IEPA – there appears to be no consequences.*
5. Suburban Lab Monthly Metals
  - a. Missing data

***Protecting the Environment for Tomorrow***

*Matt informed the TAC that GWA's contract lab lost some of the samples that were sent to them in March, and therefore GWA had to notify the IEPA, and the land application contractor. Proper procedures were followed on GWA's part, and there are no consequences.*

6. CHP Status

*Unfortunately, the CHP's have not run since mid-April due to electrical issues. These issues are being investigated on an emergency basis, however, we're still at the mercy of the contractor. Essentially, fuses that are in place to protect electric wiring have been blowing for no apparent reason, so GWA is hiring a contractor to perform harmonic testing to determine the cause. It's suspected that we will also receive a recommendation to install breakers instead of fuses, so that we can simply reset a breaker instead of replacing fuses that cost several hundred dollars.*

7. Participation in Wastewater Surveillance programs

*GWA is participating in two separate wastewater surveillance programs; one that specifically monitors for COVID, and one that monitors for COVID and several other virus'. One program is at no cost other than staff time, and a stipend will be provided for the other program for the staff time spent. Neither program is terribly demanding since we already collect the samples they are requesting.*

8. CDL Training

*Due to IL SOS changes, in order to apply for a CDL, you now have to have completed certified training. The training can take 40-60 hours, and cost several thousand dollars. GWA Operators are required to have their Class A CDL's so that they can drive the dump truck. Due to new GWA staff, alternatives to sending staff out for this training are being looked at, which includes being trained under VOGÉ when/if they become a certified provider. Dave recommended to stay in contact with John Hubsy regarding this topic.*

9. Landscapers

*Matt informed the TAC that the professional contractors, who are in year 2 of a 3 year contract, had poor performance last year – and started off poorly this year. If this performance continues, GWA may break the contract, and re-bid the work. Both Village's shared their landscaping contractor's name so that GWA could directly send them an invitation to bid if the need arises. The TAC also advised that generally landscape contractors do need attention in order to perform work correctly, so GWA's not alone in this struggle.*

10. Old Business

a. Electrical Grid Construction Update

*The project is nearly complete with about 90% of the punch list items complete. The majority should be complete by the end of the week, with the exception of some name plate materials that have been ordered, but not delivered yet.*

b. Biosolids Dewatering Improvements Project (BDIP) Update

*Substantial Completion is expected to be granted within the next week or so. The most outstanding item is to resolve communication issues within the new fire alarm panels.*

c. Interceptor/VVFM Design Update

*No Update*

d. Primary Clarifier Rehabilitation Project

*Equipment selection had been made, then a manufacturer doubled their price, so GWA is currently evaluating another manufacturer. Preliminary design is expected in June, with final design/bidding in August*

e. USEPA PCI Inspection

i. Amend IGA between VOL & VOGÉ

ii. Amend IGA's between Villages and other entities

*USEPA has not responded to GWA's official response to the inspection. No action will be taken until a formal response is given by USEPA*

f. Hydraulic Modeling Update

*A meeting is scheduled for next week with GWA, VOGÉ, VOL, and RJN to go over the model report.*

g. Exhibits and language for Village/GWA Connection points at

i. VGE – Chidester vs St. Charles Rd. Lift Station

ii. VOL – L22 vs Junction Chamber

**iii. CSO Regulators and lines between the regulators to the facility**

iv. Any others that can be added

*Matt is to add a clause that states if any Village pipes cause issues to GWA structures, it is the Village's responsibility to address, however, if any structures causes issues of any*



## **Glenbard Wastewater Authority**

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*sort – it is GWA's responsibility. Carl is to look into getting Matt information on additional connections to the CSO facility.*

**SECTION 12.0**  
**NEXT EOC MEETING**  
**THURSDAY,**  
**JULY 14, 2022**  
**AT 8:00 A.M.**