Date Rec 5-21-26
Date Due 5-29-26
FOIA# 26-106

Dawn Gesky

From: Stan Gromer <mallclerks@gmail.com>
Sent: Wednesday, May 20, 2026 1:58 AM
To: Dawn Gesky
Subject: FOIA audit report

You don't often get email from mallclerks@gmail.com. Learn why this is important <https://aka.ms/LearnAboutSenderIdentification>

Hello, I am requesting a copy of the full report, any summaries, and anything else related to the forensic audit report received from Greene Forensic Accounting Solution in the past 30 days. This includes anything sent to the mayor and any board member in the past 30 days from Greene forensic accounting solution.

This request is for the media.

Thanks
Stan

Sent from my iPhone

Village of
Manteno

ANNETE LAMORE, Village President

ALLEN PICKREL, Village Clerk
CHRIS LAROCQUE, Village Administrator

June 3, 2026

Dear Stan Gromer:

Thank you for writing to the Village of Manteno with your request for information pursuant to the Illinois Freedom of Information Act, 5 ILCS 140/1 et seq.

On May 20, 2026 you requested the following documents:

Hello, I am requesting a copy of the full report, any summaries, and anything else related to the forensic audit report received from Greene Forensic Accounting Solution in the past 30 days. This includes anything sent to the mayor and any board member in the past 30 days from Greene forensic accounting solution.

The Village of Manteno is partially denying your request for the following reasons: The requested records contain private information and is therefore exempt from disclosure under 5 ILCS 140/7(1)(b) and 7(1)(c)

You have the right to have the denial of your request reviewed by the Public Access Counselor (PAC) at the Office of the Illinois Attorney General. 5 ILCS 140/9.5(a). You can file your Request for Review with the PAC by writing to:

Public Access Counselor
Office of the Attorney General
500 South 2nd Street
Springfield, Illinois 62706
Fax: 217-782-1396
E-mail: publicaccess@atg.state.il.us

You also have the right to seek judicial review of your denial by filing a lawsuit in the State Circuit Court. 5 ILCS 140/11. If you choose to file a Request for Review with the PAC, you must do so within 60 calendar days of the date of this denial letter. 5 ILCS 140/9.5(a). Please note that you must include a copy of your original FOIA request and this denial letter when filing a Request for Review with the PAC.

Sincerely,

Dawn Gesky

Dawn Gesky
FOIA Officer
815-929-4843

10:44

New Message

To: Jim Edmonstone

Hi. This is Jim from Greene. Do u have time for a quick call?

How about after our board meeting tonight? I have 2 committee meetings at 5:00 and the board meeting at 6:00.
Can I call you when I get home tonight? Probably around 7:00?

Sure

Okay! We'll talk tonight.

Tue, Jan 20 at 7:50 PM

I'm home! The meeting lasted longer than I expected.

Fri, Jan 30 at 12:01 PM

Hi Jim. Are you at the Village Hall now?
Annette

Yes

I'll be there shortly.

Ok

+

10:44

New Message

To: Jim Edmonstone

Ok

Fri, Feb 6 at 6:13 PM

Jim,
Here is something interesting. The village allowed a cell tower on village property at the south end of town on North Main and W Cook St. They ended up selling the lease. Now they want to sell the property it is on. We found this on AI.

Accdg to AI (Gemini) this is the lease info:
In 2016, the Village of Manteno sold its interest in the cell tower lease located at 28 West Cook Street to SBA Communications.
The sale was the result of a competitive offer process. While an initial offer of $350,000 was made by a company called Landmark Dividend, SBA Communications held a "right of first refusal" in their existing contract. They chose to exercise that right, matching the offer to take full control of the lease interest.
Key Details of the Transaction:
* Original Owner: Village of Manteno
* Current Lease Holder: SBA Communications
* Location: 28 West Cook Street,

+

10:45

New Message

Manteno, IL

To: Jim Edmonstone

Reason for Sale: The village opted to take a lump-sum payment for the long-term lease rights rather than collecting smaller monthly rent payments over several decades.

I'm not sure if this is significant in the audit. I do wonder what account the money went into.
Annette

My daughter looked this up:

Also from AI (quite impressive, I must say):
The decision to sell the lease was finalized in the spring of 2016, following a few months of evaluation and board discussions.
Based on Village of Manteno board meeting records, the transition moved through these specific stages:
* March 7, 2016: The Village Board first discussed the competitive offer from Landmark Dividend for $350,000 during a Committee of the Whole meeting.
* March 10, 2016: It was officially noted during the Board meeting that SBA Communications (the current tenant at the time) had exercised its "Right of First Refusal." This meant SBA matched Landmark's $350,000 offer to take over the lease

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10:45

New Message

SBA Communications (the current

To: Jim Edmonstone

SBA matched Landmark's $350,000 offer to take over the lease ownership directly.
* April/May 2016: The village administration worked with legal counsel to finalize the contract and close the transaction.
By the May 2, 2016 meeting, the village was already processing the financial outcome of these types of transactions, and the tower lease was no longer a regular item of business, indicating the deal was essentially closed.
Would you like me to look into how the village decided to spend the $350,000 windfall from that sale?

I said "yes!"

The Village of Manteno's leadership took a conservative approach to the $350,000 windfall. According to Village Finance Committee and Board meeting minutes from March and April 2016, the primary goal was to ensure the money didn't just disappear into the daily operating "slush fund."
Here is how those funds were handled and what they supported:
1. The "One-Time Revenue" Strategy
The Village's Finance Director, Janice Schulteis, explicitly stated during the March 21, 2016, meeting

10:45

New Message

handled and what they supported:

To: Jim Edmonstone

Janice Schulteis, explicitly stated during the March 21, 2016, meeting that she intended to balance the FY 2016–2017 budget without including the cell tower revenue. Because this was a one-time "lump sum" rather than recurring income, they treated it as a capital reserve rather than money for salaries or utilities.

2. Infrastructure & Maintenance Projects
While the $350,000 went into the general fund's reserves, its availability allowed the village to greenlight several maintenance and "quality of life" projects that were being discussed at the same time:
Community Center & Food Pantry: Repairs to the HVAC (heating and cooling) systems and the replacement of entry doors.
Park Improvements: The village shifted to using rubber mulch in playground areas. This was a specific request from the parks department because, while more expensive upfront, it was "maintenance-free for ten years."
Police Department Padding: The budget for that year was particularly heavy on police payroll due to a wave of upcoming retirements. Having the extra cash on hand from the tower

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10:45

New Message

To: Jim Edmonstone

extra cash on hand from the tower sale helped provide a financial "buffer" to cover those pension and retirement obligations without cutting services elsewhere.

3. Long-Term Debt Management
Around this same period, Manteno was also using other specific revenue streams (like video gaming revenue) to pay down loans for the Manteno Golf Club. By selling the cell tower lease for a lump sum, the village improved its overall cash position, allowing them to keep their debt payments on schedule without raising local property taxes.
In short, they didn't spend it on one "big" trophy project. Instead, they used it to fortify the budget against police retirements and to knock out a list of "deferred maintenance" tasks at the community center and local parks.

As of 2026, the political and financial landscape of Manteno has shifted significantly since that 2016 lease sale. Most notably, the village leadership underwent a major change in the 2025 elections, driven largely by local debate over the Gotion battery plant.
Current Village Board (2026)

10:45

New Message

largely by local debate over the

To: Jim Edmonstone

The board is currently divided between two local parties: the Manteno Freedom Party (which ran on a platform of transparency and opposition to the Gotion project) and the Manteno Choice Party...

AI IS SMART!
Position Name Party
Mayor (Village President) Annette LaMore Freedom Party
Village Clerk Allen Pickrel —
Trustee Mike Barry Freedom Party
Trustee Peggy Vaughn Freedom Party
Trustee CJ Boudreau Choice Party
Trustee Todd Crockett Choice Party
Trustee Joel Gesky Choice Party
Trustee Annette Zimbelman...

Budget Comparison: 2016 vs. 2026
The village's financial scale has grown substantially over the last decade.
General Fund Growth: In 2016, a $350,000 windfall was a significant event that helped stabilize the budget. By contrast, the FY 2025–2026 Operating Budget now projects General Fund expenses in the range of $8 million to $10 million.
Infrastructure Spending: The current budget allocates much larger sums to capital projects. For example, the

+

10:45

New Message

Infrastructure Spending: The current

To: Jim Edmonstone

Street & Alley budget for FY 2026 is projected at approximately $1.9 million, nearly six times the total value of that 2016 tower sale.
New Revenue Streams: While the village gave up the recurring monthly rent from the cell tower in 2016, they have since leaned heavily on TIF (Tax Increment Financing) and Video Gaming revenues to fund downtown improvements and "streetscape" projects.

The "Gotion" Factor
The 2026 board meetings are currently dominated by discussions regarding the Gotion lithium-ion battery plant. Unlike the 2016 board, which was largely unified on economic development, the current board is frequently split 4-2 or 3-3 on issues related to industrial zoning and international investment reviews.

According to AI, this is a part of the your $15.2 million total expenditure budget for the 2025–2026 fiscal year:

3. Public Works & Public Safety Fleet
The 2026 plan prioritizes replacing aging equipment that has become expensive to maintain:
Snow Removal: The village is moving

+

10:46

New Message

3. Public Works & Public Safety Fleet

To: Jim Edmonstone

expensive to maintain:
Snow Removal: The village is moving to replace plow trucks (the oldest of which dated back to 1995).

Police Fleet: The 2026 budget includes the purchase of two new police squad cars. This follows a "gap year" where no vehicles were purchased, necessitating a catch-up in the fleet cycle.
Seriously???

I'll stop for now. AI is not always accurate.....right?

Sat, Feb 7 at 3:06 PM

Call tonight?

Yes. I'll be home.

Ok

Wed, Mar 11 at 6:13 PM

When do you come back to Manteno?

Wed, Mar 11 at 9:57 PM

Plan is to come with the draft. Maybe late next week. We can talk tomorrow if you would like.

+

10:46

New Message

late next week. We can talk

To: Jim Edmonstone

Time for a quick question?

Yes!

Thu, Mar 26 at 9:22 AM

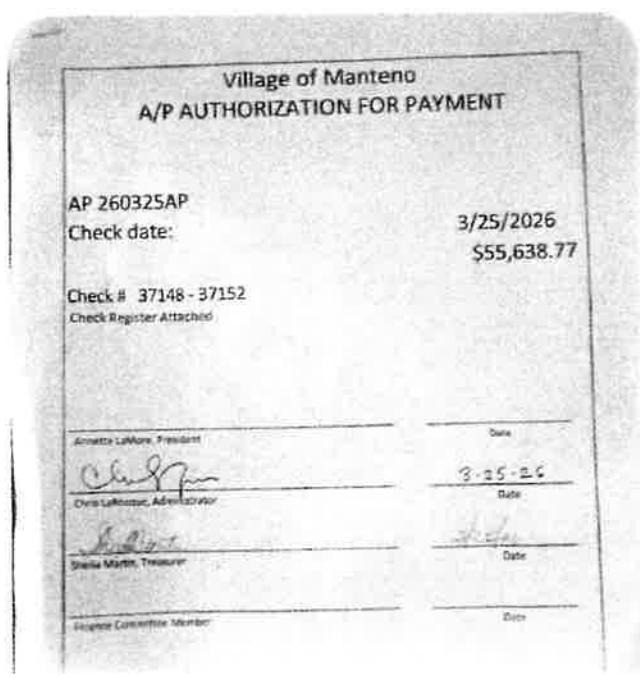
We have a ? Can u take a call?

Yes

Fri, Mar 27 at 7:33 PM

Sorry, I did not get the paperwork you requested. Chris LaRocque was gone this afternoon. I'll get it on Monday.

Mon, Mar 30 at 6:09 PM



Village of Manteno
A/P AUTHORIZATION FOR PAYMENT

AP 260325AP
Check date: 3/25/2026
$55,638.77

Check # 37148 - 37152
Check Register Attached

Annette LaMore, President — Date

Chris LaRocque, Administrator — 3-25-26 Date

Sheila Martin, Treasurer — Date

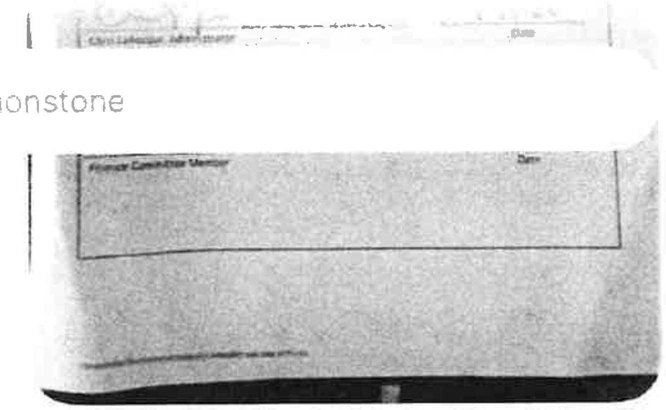
[illegible] Committee Member — Date

+

10:46

New Message

To: Jim Edmonstone



Did Chris LaRocque send you the paperwork you wanted?

Tue, Mar 31 at 2:45 PM

I have a ?

Tue, Mar 31 at 4:46 PM

I'm here!

I had a couple meetings this afternoon.

Wed, Apr 8 at 4:55 PM

Please call me when you have time. Thank you.

Wed, Apr 15 at 5:00 PM

Please call re meeting

Thu, Apr 16 at 10:18 PM

I hope to call you sometime tomorrow.

Ok

+

10:46

New Message

Please call re meeting

To: Jim Edmonstone

I hope to call you sometime tomorrow.

Ok

Sun, Apr 19 at 7:39 PM

Hi Jim,
I'll be talking with my lawyer tomorrow when he gets back from a vacation. He is suggesting having a meeting with you, myself, and Trustee Barry this week at his office in Oak Brook. Is that even possible for you?
Meanwhile, please cc me on any emails you have with Chris LaRocque or Sheila Martin. Has Sheila given you the information you asked for on Monday?
I'll call you tomorrow.
We are still planning on April 28 at 6:00.
Thank you.
Annette

Mon, Apr 20 at 9:3[illegible] AM

Jim, Sheila is off work today. Please send her another email and cc Chris LaRocque and me. Hopefully, she can give you what you need tomorrow morning.
Thank you.

+

10:46

New Message

I'll call you tomorrow.

To: Jim Edmonstone

Thank you.
Annette

Mon, Apr 20 at 9:31 AM

Jim, Sheila is off work today. Please send her another email and cc Chris LaRocque and me. Hopefully, she can give you what you need tomorrow morning.
Thank you.

Mon, Apr 20 at 12:00 PM

Chris said he didn't see your email on Monday....and wondered if it didn't go through. He was surprised that Sheila did not respond.

Thu, Apr 30 at 6:58 PM

When you have time we should discuss next steps. I leave for DC 3 weeks from tomorrow.

I'll call you tomorrow.

Read 4/30/20

Ok

Wed, May 6 at 9:00 AM

I don't know as she is responsible for issuing checks.

+

10:47

New Group Message

To: Jim Edmonstone, Chris Edmonstone

Text Message • RCS
Thu, May 7 at 12:27 PM

I finally received an email from Joe Grant, the head of the Police Pension Fund. He is sending you to idoi.Illinois.gov for more information. I forwarded it to you, Chris. I hope this is what you were looking for.

My husband, Rondy, is joining us for lunch today. I am offering 2 of our favorite places....either our local La Cabana Mexican restaurant or the Manteno American Legion Post 755. They are across the street from each other on the corner of Division and Walnut Streets. They are both much better than McDonalds. Your choice!

Jim Edmonstone

American Legion? I am 5 min away

Yesterday

I just talked with my daughter Lisa, who has a masters degree in psychology and is a professional counselor and life coach. She suggested that you record your audit presentation. If something else happens that delays your public report, we could post your recording. By the way. 371 people were watching YouTube last night to see

10:47

New Group Message

My husband, Randy, is joining us for

To: Jim Edmonstone, Chris Edmonstone

Cabana Mexican restaurant or the Manteno American Legion Post 755. They are across the street from each other on the corner of Division and Walnut Streets. They are both much better than McDonalds. Your choice!

Jim Edmonstone

JE American Legion? I am 5 min away

Yesterday, 10:10 AM

I just talked with my daughter Lisa, who has a masters degree in psychology and is a professional counselor and life coach. She suggested that you record your audit presentation. If something else happens that delays your public report, we could post your recording. By the way, 371 people were watching YouTube last night to see you give the results of the audit. Add that to the 35-40 people who showed up for the meeting. Those trustees who stopped your presentation thought only of themselves instead of thinking of the 400+ members of our community who were overlooked and disappointed because there was no audit report. Who are we serving here? We work for the people.

+

Outlook

FW: Redaction Examples

From Chris LaRocque <clarocque@villageofmanteno.com>
Date Thu 5/28/2026 1:00 PM
To Annette LaMore <alamore@villageofmanteno.com>; Annette Zimbelman <azimbelman@villageofmanteno.com>; CJ Boudreau <cboudreau@villageofmanteno.com>; Joel Gesky <jgesky@villageofmanteno.com>; Margaret Vaughn <mvaughn@villageofmanteno.com>; Michael Barry <mbarry@villageofmanteno.com>; Todd Crockett <tcrockett@villageofmanteno.com>

See below-

Chris LaRocque
Village Administrator &
Interim Building & Zoning Director

Village of Manteno
98 East Third Street
Manteno, IL 60950
815-929-4842

From: James Edmonstone <JEdmonstone@greeneforensicas.com>
Sent: Thursday, May 28, 2026 12:36 PM
To: Chris LaRocque <clarocque@villageofmanteno.com>; Annette LaMore <alamore@villageofmanteno.com>
Cc: Christine Edmonstone <CEdmonstone@greeneforensicas.com>
Subject: RE: Redaction Examples

Chris,
We had agreed to reduce the bank account numbers to show only the last 4 digits. In our experience, this is shown on recent bank statements and online bank accounts to mask the full account number and in our opinion is sufficient. The account number is necessary for understanding the report and to be able to follow the accounts through the report and the exhibits. We do not want our report associated with a version that has all of the bank account numbers fully redacted.
Also, please note that we cannot complete the account redactions down to 4 digits until next week.
Jim

James Edmonstone, CPA, CFE, CGMA, MBA
GREENE LLP
Forensic Accounting Solutions

120 N. LaSalle St., Suite 2000
Chicago, Illinois 60602-2452

Direct: 312.273.8251

Facsimile: 847.557.1469
Cellular: 847.274.0823

DISCLAIMER:

From: Chris LaRocque <clarocque@villageofmanteno.com>
Sent: Wednesday, May 27, 2026 11:00 AM
To: James Edmonstone <JEdmonstone@greeneforensicas.com>; Annette LaMore <alamore@villageofmanteno.com>
Cc: Christine Edmonstone <CEdmonstone@greeneforensicas.com>
Subject: RE: Redaction Examples
Importance: Low

Because this report has been FOIA'd, we will need all account numbers fully redacted. Please send it as soon as possible, as we only have until Friday to send the FOIA response. Thanks.

Chris LaRocque
Village Administrator &
Interim Building & Zoning Director

Village of
Manteno

98 East Third Street
Manteno, IL 60950
815-929-4842

From: James Edmonstone <JEdmonstone@greeneforensicas.com>
Sent: Tuesday, May 26, 2026 8:12 PM
To: Chris LaRocque <clarocque@villageofmanteno.com>; Annette LaMore <alamore@villageofmanteno.com>
Cc: Christine Edmonstone <CEdmonstone@greeneforensicas.com>
Subject: Redaction Examples

Chris,

You requested that we redact the bank account numbers for the copy of the report that will be posted by the Village. I am attaching two examples of documents only showing the last four digits of bank account numbers. Please confirm that this format will work for you.

Thanks,

Jim

James Edmonstone, CPA, CFE, CGMA, MBA

GREENE LLP
Forensic Accounting Solutions

120 N. LaSalle St., Suite 2000
Chicago, Illinois 60602-2452

Direct: 312.273.8251
Facsimile: 847.557.1469
Cellular: 847.274.0823

AICPA Member · CERTIFIED FRAUD EXAMINER · TXCPA MEMBER

Outlook

Fw: Tax Credits under the inflation Reduction Act of 2022

From Annette LaMore <alamore@villageofmanteno.com>
Date Wed 5/20/2026 1:20 PM
To Dawn Gesky <dgesky@villageofmanteno.com>

4 attachments (2 MB)
How to Access Clean Energy Tax Credits Using Elective Pay - State and Local Govs.pdf; CPA Insight.pdf; p5817g.pdf; p5817e.pdf;

From: Chris LaRocque <clarocque@villageofmanteno.com>
Sent: Thursday, May 7, 2026 2:01 PM
To: Annette LaMore <alamore@villageofmanteno.com>; Annette Zimbelman <azimbelman@villageofmanteno.com>; CJ Boudreau <cboudreau@villageofmanteno.com>; Joel Gesky <jgesky@villageofmanteno.com>; Margaret Vaughn <mvaughn@villageofmanteno.com>; Michael Barry <mbarry@villageofmanteno.com>; Todd Crockett <tcrockett@villageofmanteno.com>
Cc: Jim Hanley <jhanley@villageofmanteno.com>; Alan Swinford <aswinford@villageofmanteno.com>
Subject: FW: Tax Credits under the inflation Reduction Act of 2022

I received this from the forensic auditors and forwarded it to Bruce Hill to see what the expense would be to file for it against what we might get in return.

Chris LaRocque
Village Administrator &
Interim Building & Zoning Director

Village of
Manteno
98 East Third Street
Manteno, IL 60950
815-929-4842

From: James Edmonstone <JEdmonstone@greeneforensicas.com>
Sent: Wednesday, May 6, 2026 11:18 AM
To: Chris LaRocque <clarocque@villageofmanteno.com>; Annette LaMore <alamore@villageofmanteno.com>
Cc: Christine Edmonstone <CEdmonstone@greeneforensicas.com>
Subject: Tax Credits under the inflation Reduction Act of 2022

Chris,

Local Governments may be eligible for tax credits under The Inflation Reduction Act of 2022. The attached list from the IRS provides an overview of those credits. Normally the credits are taken as a credit against tax returns, but local governments do not file tax returns. This law enables entities to take advantage of certain clean energy tax credits through its elective pay provision (also colloquially known as direct pay). In essence, the Village would file a 990-T to claim the credit and would received funds in the form of an overpayment of taxes.

Here is a link from the DOE on elective pay. https://www.energy.gov/elective-pay

I am writing because the deadline to file an extension to take the credit is May 15th. There is also a registration requirement.

I am enclosing information from the DOE, IRS, and the Illinois CPA Society on this opportunity. We can discus this further if you need more information.

Jim

James Edmonstone, CPA, CFE, CGMA, MBA
GREENE LLP
Forensic Accounting Solutions

120 N. LaSalle St., Suite 2000
Chicago, Illinois 60602-2452

Direct: 312.273.8251
Facsimile: 847.557.1469
Cellular: 847.274.0823

AICPA Member
CERTIFIED FRAUD EXAMINER
TXCPA MEMBER

DISCLAIMER:

Outlook

RE: Manteno Accounts

From Dawn Gesky <dgesky@villageofmanteno.com>
Date Wed 5/20/2026 1:20 PM
To Annette LaMore <alamore@villageofmanteno.com>

Ok, thank you.

Dawn Gesky
Executive Administrative Assistant
Village of Manteno
98 E Third Street
Manteno, Il 60950
dgesky@villageofmanteno.com
815-929-4843

From: Annette LaMore <alamore@villageofmanteno.com>
Sent: Wednesday, May 20, 2026 1:20 PM
To: Dawn Gesky <dgesky@villageofmanteno.com>
Subject: Re: Manteno Accounts

I already printed them out.

From: Dawn Gesky <dgesky@villageofmanteno.com>
Sent: Wednesday, May 20, 2026 1:14 PM
To: Annette LaMore <alamore@villageofmanteno.com>
Subject: RE: Manteno Accounts

If you need help with sending me the text messages to my email I can help you with that.

Dawn Gesky
Executive Administrative Assistant
Village of Manteno
98 E Third Street
Manteno, Il 60950
dgesky@villageofmanteno.com
815-929-4843

From: Annette LaMore <alamore@villageofmanteno.com>
Sent: Wednesday, May 20, 2026 1:11 PM
To: Dawn Gesky <dgesky@villageofmanteno.com>
Subject: Fw: Manteno Accounts

From: Sheila Martin <samartin@villageofmanteno.com>
Sent: Wednesday, April 22, 2026 3:20 PM
To: James Edmonstone <JEdmonstone@greeneforensicas.com>; Chris LaRocque <clarocque@villageofmanteno.com>; Annette LaMore <alamore@villageofmanteno.com>
Cc: Christine Edmonstone <CEdmonstone@greeneforensicas.com>
Subject: RE: Manteno Accounts

Jim,
Thank you for sending the specifics of what you are searching for. I will look into these items.

Sheila Martin
Treasurer
Village of Manteno
815.929.4846

From: James Edmonstone <JEdmonstone@greeneforensicas.com>
Sent: Wednesday, April 22, 2026 3:09 PM
To: Sheila Martin <samartin@villageofmanteno.com>; Chris LaRocque <clarocque@villageofmanteno.com>; Annette LaMore <alamore@villageofmanteno.com>

Cc: Christine Edmonstone <CEdmonstone@greeneforensicas.com>
Subject: Manteno Accounts

Shelia,

As I mentioned in earlier emails and again this morning, we are concerned that we have not accounted for all bank/investment accounts that were open at any time during the audit scope.

You mentioned this morning that the list I provided on my April 1 email was the total population of Manteno bank accounts. However, we see activity with these accounts:

- Account 710318 – Is this a Manteno account? If so, please provide the statements and associated General Ledger Account.
- Payroll account 5980 – Please provide the statements and associated General Ledger Account.
- Money Market 3724 – Is this a Manteno account? If so, please provide the statements and associated General Ledger Account.
- Capital Projects 3724 – Is this a Manteno account? If so, please provide the statements and associated General Ledger Account.
- 748304 – Is this a Manteno account? If so, please provide the statements and associated General Ledger Account.

In addition, we do not have all the statements for the National Bank of St. Anne Demand account 001; we have received multiple images of the July 2022 statement which has an Opening Balance of $8,394.74, and an Ending Balance of $9,616.66. Please provide statements for May 2019 – June 2022 & August 2022 – April 2025.

After reviewing the attached list, please confirm that we have every Manteno bank account and investment account.

With respect to the General ledger account numbers. I am enclosing an Excel worksheet showing the bank account numbers and General Ledger numbers. Please confirm our matching and provide General Ledger and Bank account numbers and provide any missing numbers. Note that the names HomeStar and Midland are used interchangeably since they merged.

Thank you for your help with this matter.

Jim

James Edmonstone, CPA, CFE, CGMA, MBA
GREENE LLP
Forensic Accounting Solutions

120 N. LaSalle St., Suite 2000
Chicago, Illinois 60602-2452

Direct: 312.273.8251

Facsimile: 847.557.1469
Cellular: 847.274.0823

DISCLAIMER:

Outlook

Fw: Manteno O

From Annette LaMore <alamore@villageofmanteno.com>
Date Wed 5/20/2026 1:08 PM
To Dawn Gesky <dgesky@villageofmanteno.com>

1 attachment (146 KB)
IF 4-8-25 transfer to MSB CapProj documentation.pdf;

From: Sheila Martin <samartin@villageofmanteno.com>
Sent: Thursday, April 30, 2026 1:59 PM
To: Christine Edmonstone <CEdmonstone@greeneforensicas.com>
Cc: Annette LaMore <alamore@villageofmanteno.com>; Chris LaRocque <clarocque@villageofmanteno.com>; James Edmonstone <JEdmonstone@greeneforensicas.com>; Sheila Martin <samartin@villageofmanteno.com>
Subject: RE: Manteno O

Chris,
Attached file shows the wire to Midland States Bank Capital Project accounts for $ 775,000 that is reflected on Iroquois Federal bank statement. See ACH instructions on page 4.
I cannot control what references banks use on their documents.

As I explained in 4/23/26 email:

- Money Market 3724 – Is this a Manteno account? If so, please provide the statements and associated General Ledger Account.
  Unable to identify this account number after speaking with our banks.

- Capital Projects 3724 – Is this a Manteno account? If so, please provide the statements and associated General Ledger Account.
  Unable to identify this account number after speaking with our banks.

Regards,

Sheila Martin
Treasurer
Village of Manteno
815.929.4846

From: Christine Edmonstone <CEdmonstone@greeneforensicas.com>
Sent: Thursday, April 30, 2026 11:06 AM
To: Sheila Martin <samartin@villageofmanteno.com>
Cc: Annette LaMore <alamore@villageofmanteno.com>; Chris LaRocque <clarocque@villageofmanteno.com>; James Edmonstone <JEdmonstone@greeneforensicas.com>
Subject: Manteno O

Sheila,

I reviewed the documents you provided.

I do not see the bank statements for Account # 3724, which you indicated was a Midland bank account.

I also do not see the "O'Brien" (sp?) investments documentation.

Thanks,

Chris

Christine Edmonstone, CPA, CGMA, MBA

GREENE LLP
Forensic Accounting Solutions

Greene Forensic Accounting Solutions LLP
120 N. LaSalle St. Suite 2000
Chicago, Illinois 60602
E-mail: cedmonstone@greeneforensicas.com
Direct: 847.612.1060
Facsimile: 847.557.1469

www.greeneforensicas.com

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Outlook

Fw: Greene Report

From Annette LaMore <alamore@villageofmanteno.com>
Date Wed 5/20/2026 1:07 PM
To Dawn Gesky <dgesky@villageofmanteno.com>

From: James Edmonstone <JEdmonstone@greeneforensicas.com>
Sent: Saturday, May 16, 2026 10:30 PM
To: Chris LaRocque <clarocque@villageofmanteno.com>; Annette LaMore <alamore@villageofmanteno.com>
Cc: Christine Edmonstone <CEdmonstone@greeneforensicas.com>
Subject: Greene Report

Chris,

You will be receiving the report from Jim Scordo via Dropbox. It is too large for email.

We went though the feedback we received and incorporated much of it into the report. I also added a brief Executive Summary as an introduction.

We updated the cash summaries for the years under examination and added some additional information to the observations. Finally, I added a little additional support to the procurement section.

We will send out the exhibits in the next few days.

Let me know if you have any questions.

James Edmonstone, CPA, CFE, CGMA, MBA

GREENE LLP
Forensic Accounting Solutions

120 N. LaSalle St., Suite 2000
Chicago, Illinois 60602-2452

Direct: 312.273.8251
Facsimile: 847.557.1469
Cellular: 847.274.0823

AICPA Member

CERTIFIED FRAUD EXAMINER

TXCPA MEMBER

Outlook

RE: TV access

From James Edmonstone <JEdmonstone@greeneforensicas.com>
Date Wed 5/20/2026 12:36 PM
To Chris LaRocque <clarocque@villageofmanteno.com>
Cc Annette LaMore <alamore@villageofmanteno.com>

Yes, That should work fine.

From: Chris LaRocque <clarocque@villageofmanteno.com>
Sent: Wednesday, May 20, 2026 11:18 AM
To: James Edmonstone <JEdmonstone@greeneforensicas.com>
Cc: Annette LaMore <alamore@villageofmanteno.com>
Subject: TV access
Importance: Low

Do you have a HDMI jack on your laptop? That's the only connection we have to connect your computer to the TV's.

Chris LaRocque
Village Administrator &
Interim Building & Zoning Director

Village of Manteno

98 East Third Street
Manteno, IL 60950
815-929-4842

Dawn Gesky

From: CJ Boudreau
Sent: Friday, May 29, 2026 9:00 AM
To: Dawn Gesky
Subject: Fw: Audit Finding Questions

Get Outlook for iOS

From: CJ Boudreau
Sent: Tuesday, May 26, 2026 3:28:40 PM
To: James Edmonstone <jedmonstone@greeneforensicas.com>
Subject: Audit Finding Questions

Hello,

Hope all is well. I have a few more questions a week out to clarify from the report.

First, outside of the investment controls you recommended, are there any others?

Second, most of this report with the banks, the projects, and the golf course have a lot of ambiguous language. Many people have been asking me what proof did you find for these claims to be concrete? Why did you choose these specific topics? You said during the meeting that some on the board recommended these, who were they?

If you could let me know because I've had my auditor friend, our town lawyer, and others look through and they haven't found any concrete evidence of fraud, which is what we were looking for from this report. Therefore, why are these items in the report with ambiguity.

Sincerely,
CJ Boudreau

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Dawn Gesky

From: CJ Boudreau
Sent: Friday, May 29, 2026 9:00 AM
To: Dawn Gesky
Subject: Fw: Greene Report

Get [Outlook for iOS]

From: James Edmonstone <JEdmonstone@greeneforensicas.com>
Sent: Monday, May 18, 2026 8:35:37 AM
To: Chris LaRocque <clarocque@villageofmanteno.com>; James Scordo <JScordo@greeneforensicas.com>
Cc: Annette LaMore <alamore@villageofmanteno.com>; Annette Zimbelman <azimbelman@villageofmanteno.com>; CJ Boudreau <cboudreau@villageofmanteno.com>; Joel Gesky <jgesky@villageofmanteno.com>; Margaret Vaughn <mvaughn@villageofmanteno.com>; Michael Barry <mbarry@villageofmanteno.com>; Todd Crockett <tcrockett@villageofmanteno.com>
Subject: RE: Greene Report

Chris,

I just opened it and it is the report. 186 pages.

Jim

James Edmonstone, CPA, CFE, CGMA, MBA

GREENE LLP
Forensic Accounting Solutions

120 N. LaSalle St., Suite 2000
Chicago, Illinois 60602-2452

Direct: 312.273.8251
Facsimile: 847.557.1469
Cellular: 847.274.0823

AICPA Member — CERTIFIED FRAUD EXAMINER — TXCPA MEMBER

From: Chris LaRocque <clarocque@villageofmanteno.com>
Sent: Monday, May 18, 2026 8:15 AM
To: James Scordo <JScordo@greeneforensicas.com>; James Edmonstone <JEdmonstone@greeneforensicas.com>
Cc: Annette LaMore <alamore@villageofmanteno.com>; Annette Zimbelman <azimbelman@villageofmanteno.com>; CJ Boudreau <cboudreau@villageofmanteno.com>; Joel Gesky <jgesky@villageofmanteno.com>; Margaret Vaughn <mvaughn@villageofmanteno.com>; Michael Barry <mbarry@villageofmanteno.com>; Todd Crockett <tcrockett@villageofmanteno.com>
Subject: RE: Greene Report
Importance: Low

I was finally able to access the file. It appears to be all the supporting exhibits, but I don't see the audit report in the Sharefile?

Chris LaRocque
Village Administrator &
Interim Building & Zoning Director

Village of Manteno
98 East Third Street
Manteno, IL 60950
815-929-4842

From: mail@sf-notifications.com <mail@sf-notifications.com>
Sent: Saturday, May 16, 2026 11:53 PM
To: Chris LaRocque <clarocque@villageofmanteno.com>
Subject: Greene Report

You don't often get email from mail@sf-notifications.com. Learn why this is important

Progress ShareFile

Chris,

Jim Scordo has sent you files.

Message from Jim

Dear Anette and Chris,

Let me know if you have any problems downloading the file.

Sincerely,

Jim

Open

Expires 11/11/2026

Need help? We're here for you.
Visit sharefile.com/support and look for “Start chat.”

Dawn Gesky

From: CJ Boudreau
Sent: Friday, May 29, 2026 8:59 AM
To: Dawn Gesky
Subject: Fw: Viewing Audit

Get Outlook for iOS

From: Todd Crockett <todd@crockettconstructioncorp.com>
Sent: Sunday, May 17, 2026 1:31:20 PM
To: CJ Boudreau <cboudreau@villageofmanteno.com>
Subject: Re: Viewing Audit

You don't often get email from todd@crockettconstructioncorp.com. Learn why this is important
I do not.

Get Outlook for iOS

From: CJ Boudreau <cboudreau@villageofmanteno.com>
Sent: Sunday, May 17, 2026 11:31:24 AM
To: Michael Barry <mbarry@villageofmanteno.com>; Margaret Vaughn <mvaughn@villageofmanteno.com>; Joel Gesky <jgesky@villageofmanteno.com>; Annette Zimbelman <azimbelman@villageofmanteno.com>; Todd Crockett <crockettconstruction@yahoo.com>; Annette LaMore <alamore@villageofmanteno.com>; Chris LaRocque <clarocque@villageofmanteno.com>
Subject: Viewing Audit

Hello,

Please don't respond to all as that would violate the open meeting act.

Does anyone have the login information to be able to view this forensic report? We need an email and password.

Thanks,
CJ Boudreau

Get Outlook for iOS

Dawn Gesky

From: CJ Boudreau
Sent: Friday, May 29, 2026 8:58 AM
To: Dawn Gesky
Subject: Fw: Tax Credits under the inflation Reduction Act of 2022
Attachments: How to Access Clean Energy Tax Credits Using Elective Pay - State and Local Govs.pdf; CPA Insight.pdf; p5817g.pdf; p5817e.pdf

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From: Chris LaRocque <clarocque@villageofmanteno.com>
Sent: Thursday, May 7, 2026 2:01:41 PM
To: Annette LaMore <alamore@villageofmanteno.com>; Annette Zimbelman <azimbelman@villageofmanteno.com>; CJ Boudreau <cboudreau@villageofmanteno.com>; Joel Gesky <jgesky@villageofmanteno.com>; Margaret Vaughn <mvaughn@villageofmanteno.com>; Michael Barry <mbarry@villageofmanteno.com>; Todd Crockett <tcrockett@villageofmanteno.com>
Cc: Jim Hanley <jhanley@villageofmanteno.com>; Alan Swinford <aswinford@villageofmanteno.com>
Subject: FW: Tax Credits under the inflation Reduction Act of 2022

I received this from the forensic auditors and forwarded it to Bruce Hill to see what the expense would be to file for it against what we might get in return.

Chris LaRocque
Village Administrator &
Interim Building & Zoning Director

Village of Manteno
98 East Third Street
Manteno, IL 60950
815-929-4842

From: James Edmonstone <JEdmonstone@greeneforensicas.com>
Sent: Wednesday, May 6, 2026 11:18 AM
To: Chris LaRocque <clarocque@villageofmanteno.com>; Annette LaMore <alamore@villageofmanteno.com>
Cc: Christine Edmonstone <CEdmonstone@greeneforensicas.com>
Subject: Tax Credits under the inflation Reduction Act of 2022

Chris,

Local Governments may be eligible for tax credits under The Inflation Reduction Act of 2022. The attached list from the IRS provides an overview of those credits. Normally the credits are taken as a credit against tax returns, but local governments do not file tax returns. This law enables entities to take advantage of certain clean energy tax credits through its elective pay provision (also colloquially known as direct pay). In essence, the Village would file a 990-T to claim the credit and would received funds in the form of an overpayment of taxes.

Here is a link from the DOE on elective pay. https://www.energy.gov/elective-pay

I am writing because the deadline to file an extension to take the credit is May 15th. There is also a registration requirement.

I am enclosing information from the DOE, IRS, and the Illinois CPA Society on this opportunity. We can discus this further if you need more information.

Jim

James Edmonstone, CPA, CFE, CGMA, MBA

GREENE LLP
Forensic Accounting Solutions

120 N. LaSalle St., Suite 2000
Chicago, Illinois 60602-2452

Direct:	312.273.8251
Facsimile:	847.557.1469
Cellular:	847.274.0823

AICPA Member
CERTIFIED FRAUD EXAMINER
TXCPA MEMBER

Dawn Gesky

From: CJ Boudreau
Sent: Friday, May 29, 2026 8:59 AM
To: Dawn Gesky
Subject: Fw: Forensic Audit / Meeting

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From: CJ Boudreau
Sent: Friday, May 15, 2026 2:48:23 PM
To: Annette LaMore <alamore@villageofmanteno.com>
Cc: Michael Barry <mbarry@villageofmanteno.com>; Margaret Vaughn <mvaughn@villageofmanteno.com>; Joel Gesky <jgesky@villageofmanteno.com>; Annette Zimbelman <azimbelman@villageofmanteno.com>; Todd Crockett <tcrockett@villageofmanteno.com>; Chris LaRocque <clarocque@villageofmanteno.com>; Joseph Cainkar <joe@lfcltd.net>
Subject: Forensic Audit / Meeting

Hello,

Here is where I am on this. If we do not have this report by 12pm tomorrow, then I don't think we should have this meeting. This is not something I want to rush, and I want to have time to read through and prepare our thoughts.

We want transparency of our spending and to be prepared to answer questions from the town. This has already been honestly unprofessionally by not having paperwork in a reasonable time.

Sincerely,
CJ Boudreau

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Dawn Gesky

From: CJ Boudreau
Sent: Friday, May 29, 2026 8:59 AM
To: Dawn Gesky
Subject: Fw: Forensic Audit

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From: CJ Boudreau <cboudreau@villageofmanteno.com>
Sent: Tuesday, May 12, 2026 4:46:43 PM
To: Chris LaRocque <clarocque@villageofmanteno.com>
Subject: Re: Forensic Audit

Appreciate it. Just want to make sure we have experts there.

Thanks

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From: Chris LaRocque <clarocque@villageofmanteno.com>
Sent: Tuesday, May 12, 2026 4:29:54 PM
To: CJ Boudreau <cboudreau@villageofmanteno.com>
Subject: RE: Forensic Audit

I can see if she wants to attend.

Chris LaRocque
Village Administrator &
Interim Building & Zoning Director

Village of Manteno
98 East Third Street
Manteno, IL 60950
815-929-4842

From: CJ Boudreau <cboudreau@villageofmanteno.com>
Sent: Tuesday, May 12, 2026 4:17 PM
To: Chris LaRocque <clarocque@villageofmanteno.com>
Subject: Fw: Forensic Audit

Hello,

Here's the update. Is it possible to have our annual auditors at this meeting?

Thanks,
CJ Boudreau

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From: Annette LaMore <alamore@villageofmanteno.com>
Sent: Tuesday, May 12, 2026 4:11:38 PM
To: CJ Boudreau <cboudreau@villageofmanteno.com>
Subject: Re: Forensic Audit

CJ,
We are planning to have the audit report at our May 18 meeting. As of today, we are thinking we will postpone the committee meetings until a later date, and start our board meeting an hour early....at 5:00. The audit will be just after the board meeting. It will probably take over an hour for the audit.
Annette

From: CJ Boudreau <cboudreau@villageofmanteno.com>
Sent: Tuesday, May 12, 2026 1:50 PM
To: Annette LaMore <alamore@villageofmanteno.com>
Cc: Michael Barry <mbarry@villageofmanteno.com>; Margaret Vaughn <mvaughn@villageofmanteno.com>; Todd Crockett <crockettconstruction@yahoo.com>; Joel Gesky <jgesky@villageofmanteno.com>; Annette Zimbelman <azimbelman@villageofmanteno.com>
Subject: Forensic Audit

Hello,

Hope all is well. Do we know when the final report will be ready for the board to view? Are they still hoping to present next week?

Sincerely,
CJ Boudreau

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Dawn Gesky

From: CJ Boudreau
Sent: Friday, May 29, 2026 8:58 AM
To: Dawn Gesky
Subject: Fw: Forensic Audit

Get Outlook for iOS

From: CJ Boudreau <cboudreau@villageofmanteno.com>
Sent: Tuesday, May 12, 2026 11:17:08 AM
To: Chris LaRocque <clarocque@villageofmanteno.com>
Subject: Re: Forensic Audit

Ok, thanks for the update.

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From: Chris LaRocque <clarocque@villageofmanteno.com>
Sent: Tuesday, May 12, 2026 11:07:35 AM
To: CJ Boudreau <cboudreau@villageofmanteno.com>
Subject: RE: Forensic Audit

Nothing. The mayor may have heard from them. Seems like they were only speaking with her and Mike.

Chris LaRocque
Village Administrator &
Interim Building & Zoning Director

Village of Manteno
98 East Third Street
Manteno, IL 60950
815-929-4842

From: CJ Boudreau <cboudreau@villageofmanteno.com>
Sent: Tuesday, May 12, 2026 10:12 AM
To: Chris LaRocque <clarocque@villageofmanteno.com>
Subject: Forensic Audit

Hello,

Have we heard anything on final drafts? Just wondering because it sounded like they were going to be presenting next week.

Thanks,
CJ Boudreau

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Dawn Gesky

From: CJ Boudreau
Sent: Friday, May 29, 2026 8:58 AM
To: Dawn Gesky
Subject: Fw: Updates

Get Outlook for iOS

From: Chris LaRocque <clarocque@villageofmanteno.com>
Sent: Wednesday, April 22, 2026 2:11:13 PM
To: Annette LaMore <alamore@villageofmanteno.com>; Annette Zimbelman <azimbelman@villageofmanteno.com>; CJ Boudreau <cboudreau@villageofmanteno.com>; Joel Gesky <jgesky@villageofmanteno.com>; Margaret Vaughn <mvaughn@villageofmanteno.com>; Michael Barry <mbarry@villageofmanteno.com>; Todd Crockett <tcrockett@villageofmanteno.com>
Cc: Alan Swinford <aswinford@villageofmanteno.com>; Jim Hanley <jhanley@villageofmanteno.com>
Subject: Updates

The mayor has set a meeting with the forensic auditor for me, her, Sheila, and Trustee Barry for Tuesday, 4/28 at 3:30 to present a draft. I will provide copies to all trustees and after reviewing, let me know if anyone has questions or would like to meet with the auditor & I will set up those meetings for two at a time.

She also asked me to post on our Facebook page that we do not have a specific date for the final report in case you get calls from residents.

We have implemented all four of the agreed cost savings measures from the finance meeting; removal of port-a-poties; reducing park rangers hours to 4:00 – 10:00; changing our agreement with the school district to pay 100% of all costs for the crossing guards at the beginning of next school year; reducing the public works summer help from 5 hires to 2; we will review the lease program for the dump truck replacement; we will not be ordering a replacement squad car this fiscal year; PW will not put the flower baskets on W. Division so they can focus all time on the downtown area; and we will track expenses versus costs for all village events to see if they should continue next year.

On a final note, there was an incident this morning when Sheila Martin was leaving the mayor's office. According to Sheila, Trustee Vaughn called her a bitch. When I questioned the mayor & Trustee Vaughn, they denied calling her a name and Peggy stated, "I just told her to not be so bitchy". I think those are a poor choice of words coming from a trustee. I felt the board should be made aware in case Mrs. Martin decides to take action against the village.

Chris LaRocque
Village Administrator &
Interim Building & Zoning Director

Village of
Manteno
98 East Third Street
Manteno, IL 60950
815-929-4842

Dawn Gesky

From: CJ Boudreau
Sent: Friday, May 29, 2026 8:57 AM
To: Dawn Gesky
Subject: Fw: Outstanding Documents

Get Outlook for iOS

From: James Edmonstone <JEdmonstone@greeneforensicas.com>
Sent: Tuesday, April 21, 2026 4:01:08 PM
To: Sheila Martin <samartin@villageofmanteno.com>; Chris LaRocque <clarocque@villageofmanteno.com>
Cc: Christine Edmonstone <CEdmonstone@greeneforensicas.com>; Annette LaMore <alamore@villageofmanteno.com>; Annette Zimbelman <azimbelman@villageofmanteno.com>; CJ Boudreau <cboudreau@villageofmanteno.com>; Joel Gesky <jgesky@villageofmanteno.com>; Margaret Vaughn <mvaughn@villageofmanteno.com>; Michael Barry <mbarry@villageofmanteno.com>; Todd Crockett <tcrockett@villageofmanteno.com>
Subject: RE: Outstanding Documents

Some people who received this message don't often get email from jedmonstone@greeneforensicas.com. Learn why this is important

Hi Shelia,

I don't think we need a meeting and it would be difficult for me to come this week.

When you look at the list of bank accounts we provided, do you see that we are missing bank accounts/investment accounts?

If you do, please forward us those statements.

We just need to ensure that we have accounted for every Manteno account.

The other question is that we want to make sure we are properly matching the bank accounts to their associated general ledger accounts.

Thanks for your help with this.

Jim

From: Sheila Martin <samartin@villageofmanteno.com>
Sent: Tuesday, April 21, 2026 1:16 PM
To: James Edmonstone <JEdmonstone@greeneforensicas.com>; Chris LaRocque <clarocque@villageofmanteno.com>
Cc: Christine Edmonstone <CEdmonstone@greeneforensicas.com>; Annette LaMore <alamore@villageofmanteno.com>; Annette Zimbelman <azimbelman@villageofmanteno.com>; CJ Boudreau <cboudreau@villageofmanteno.com>; Joel Gesky <jgesky@villageofmanteno.com>; Margaret Vaughn <mvaughn@villageofmanteno.com>; Michael Barry <mbarry@villageofmanteno.com>; Todd Crockett

<tcrockett@villageofmanteno.com>; Sheila Martin <samartin@villageofmanteno.com>
Subject: RE: Outstanding Documents
Importance: High

Jim,
During our analysis of the cash activity, we noted amounts being transferred to bank/investment accounts for which we do not have statements.
Please send the specifics of where you are analyzing a gap in the audit trail. Our annual auditors have not found any issues.
It is difficult to provide an answer without the question.

On April 6th, we asked if either you or Sheila had an opportunity to review/confirm the list of accounts per the April 1st list.
So did you see my reply on April 2nd?

Perhaps another on site visit would enable the audit completion?

Respectfully,

Sheila Martin
Treasurer
Village of Manteno
815.929.4846

From: James Edmonstone <JEdmonstone@greeneforensicas.com>
Sent: Tuesday, April 21, 2026 11:25 AM
To: Chris LaRocque <clarocque@villageofmanteno.com>; Sheila Martin <samartin@villageofmanteno.com>
Cc: Christine Edmonstone <CEdmonstone@greeneforensicas.com>; Annette LaMore <alamore@villageofmanteno.com>; Annette Zimbelman <azimbelman@villageofmanteno.com>; CJ Boudreau <cboudreau@villageofmanteno.com>; Joel Gesky <jgesky@villageofmanteno.com>; Margaret Vaughn <mvaughn@villageofmanteno.com>; Michael Barry <mbarry@villageofmanteno.com>; Todd Crockett <tcrockett@villageofmanteno.com>
Subject: RE: Outstanding Documents

Chris,

During our analysis of the cash activity, we noted amounts being transferred to bank/investment accounts for which we do not have statements. For this reason, I sent an email on April 1st with a list of bank/investment accounts for which statements had been provided to confirm that we had the entire population of Village of Manteno accounts open between May 2019 and April 2025.

On April 6th, we asked if either you or Sheila had an opportunity to review/confirm the list of accounts per the April 1st list.

We simply want to confirm that we are accounting for the entire population of Manteno bank/investment accounts that were in existence at any time during the examination period and that we are properly matching the bank accounts to each account's associated general ledger account. I do not believe we need to meet before we meet to review the draft. We are available the 28th for that meeting. Please work out the time with the Mayor and let me know.

Jim

From: Chris LaRocque <clarocque@villageofmanteno.com>
Sent: Tuesday, April 21, 2026 9:19 AM
To: James Edmonstone <JEdmonstone@greeneforensicas.com>; Sheila Martin <samartin@villageofmanteno.com>
Cc: Christine Edmonstone <CEdmonstone@greeneforensicas.com>; Annette LaMore <alamore@villageofmanteno.com>; Annette Zimbelman <azimbelman@villageofmanteno.com>; CJ Boudreau <cboudreau@villageofmanteno.com>; Joel Gesky <jgesky@villageofmanteno.com>; Margaret Vaughn <mvaughn@villageofmanteno.com>; Michael Barry <mbarry@villageofmanteno.com>; Todd Crockett <tcrockett@villageofmanteno.com>
Subject: RE: Outstanding Documents
Importance: Low

James – Sheila is working on the verification of all accounts as requested.
The mayor said you have transfers that you're unable to determine which accounts the transfers landed in. Are you available to meet here at village hall this week to go over those so we can provide the information? This is the first Sheila & I have heard of this missing information.

Chris LaRocque
Village Administrator &
Interim Building & Zoning Director

Village of Manteno
98 East Third Street
Manteno, IL 60950
815-929-4842

From: James Edmonstone <JEdmonstone@greeneforensicas.com>
Sent: Monday, April 20, 2026 9:42 AM
To: Sheila Martin <samartin@villageofmanteno.com>; Chris LaRocque <clarocque@villageofmanteno.com>; Annette LaMore <alamore@villageofmanteno.com>
Cc: Christine Edmonstone <CEdmonstone@greeneforensicas.com>
Subject: FW: Outstanding Documents

Hi Sheila,

Can you please review the bank account list below (which shows the last 4 digits of the bank account number) and confirm that we have accounted for all of Manteno bank accounts that were in force anytime during 2019-2025? Also, it would be very helpful if you can confirm the associated general ledger account number for each bank account number.

Thank you.

Jim

From: James Edmonstone
Sent: Monday, April 6, 2026 10:28 AM
To: 'Sheila Martin' <samartin@villageofmanteno.com>; Chris LaRocque <clarocque@villageofmanteno.com>
Cc: Christine Edmonstone <CEdmonstone@greeneforensicas.com>
Subject: RE: Outstanding Documents

Hi Shelia,

Happy Easter. Chris is reviewing the items in red. Have you had a chance to review the list of bank accounts I provided? We want to make sure that we have accounted for every account that was open during the examination period. This includes investment/CDARS accounts.

Thanks,

Jim

From: Sheila Martin <samartin@villageofmanteno.com>
Sent: Thursday, April 2, 2026 1:42 PM
To: James Edmonstone <JEdmonstone@greeneforensicas.com>; Chris LaRocque <clarocque@villageofmanteno.com>
Cc: Christine Edmonstone <CEdmonstone@greeneforensicas.com>
Subject: RE: Outstanding Documents

Please confirm receipt of all files listed in Red below

Happy Easter,

Sheila Martin
Treasurer
815.929.4846

From: James Edmonstone <JEdmonstone@greeneforensicas.com>
Sent: Wednesday, April 1, 2026 3:28 PM
To: Chris LaRocque <clarocque@villageofmanteno.com>
Cc: Christine Edmonstone <CEdmonstone@greeneforensicas.com>; Sheila Martin <samartin@villageofmanteno.com>
Subject: FW: Outstanding Documents

Hi Chris,

Following up on your last email, we want to confirm that we have all of the bank statements. We digitized the statements we received and have summarized them by month and by year. We then compared the totals to the cash totals shown in the audited financial statements and find that our totals are short from the balances shown in the statements (we would expect some differences as we are working off the bank statements). To help in this process we are providing the account numbers (last 4 digits) for every account we have. You may note that in some cases we believe we are missing statements and images for a known account (noted in Red).

We also are requesting any internal control policies and procedures the Treasurer has published to comply with the Village of Manteno Investment Policy which was enacted in 2017. For example, Section IV (A) of the policy describes the internal control structure the Treasurer is responsible for establishing and maintaining. Please also provide the names/positions of the individuals authorized to transfer/wire funds and describe the process for making wires as we noted that considerable sums of cash are moved by web transfer, by phone, in person, and by check. With respect to vendor checks, we noted that there are multiple signatures, but we didn't see a specific policy describing the requirements for check signing.

Can you please confirm the individuals who are bonded and the bond amounts?

Bank Account Status:

#	Account	Bank	Account
0001	[redacted]	National Bank of St. Anne	Unknown - We only have 1 month
0002	[redacted]	HomeStar/Midland	TIF #3
0003	[redacted]	HomeStar/Midland	General Fund Checking
0004	[redacted]	The Illinois Funds	Motor Fuel Tax Fund
0005	[redacted]	The Illinois Funds	WPCC Equipment Replacement
0006	[redacted]	HomeStar/Midland	Motor Fuel Tax Fund Savings
0007	[redacted]	HomeStar/Midland	Investment - HomeStar - General Fund
0008	[redacted]	HomeStar/Midland	Investment - Recapture Fees
0009	[redacted]	HomeStar/Midland	Watersale Reserve Savings
0010	[redacted]	HomeStar/Midland	Payroll Checking
0011	[redacted]	The Illinois Funds	Il-Funds E-Pay
0012	[redacted]	HomeStar/Midland	FEMA
0013	[redacted]	Iroquois	MTF Water Capital
0014	[redacted]	HomeStar/Midland	Recording Fees
0015	[redacted]	HomeStar/Midland	Village Events
0016	[redacted]	The Illinois Funds	General Fund State Receipts
0017	[redacted]	HomeStar/Midland	Capital Projects Interest Fund Checking x [redacted]
0018	[redacted]	HomeStar/Midland	Capital Projects Fund - ICS Sweep x [redacted], Outstanding Statements: periods ended Feb 2025-Apr 2025
0019	[redacted]	HomeStar/Midland	Drug Enforcement
0020	[redacted]	HomeStar/Midland	Savings - General Fund
0021	[redacted]	HomeStar/Midland	Golf Course
0022	[redacted]	HomeStar/Midland	TIF #1
0023	[redacted]	HomeStar/Midland	Drug Enforcement - Savings
0024	[redacted]	HomeStar/Midland	S&A Equipment Capital
0025	[redacted]	HomeStar/Midland	Public Interest Checking

0026 [redacted] HomeStar/Midland ICS Public Funds
0027 [redacted] HomeStar/Midland Video Gaming
0028 [redacted] HomeStar/Midland Storm Sewer Capital / WPCC Equip
0029 [redacted] HomeStar/Midland Escrow Impact Fees
0030 [redacted] HomeStar/Midland Special Projects
0031 [redacted] HomeStar/Midland Police Department Surcharge
0032 [redacted] HomeStar/Midland GOB GC Series 2013
0033 [redacted] HomeStar/Midland Legacy Park
0034 [redacted] HomeStar/Midland Police Seizure Fund
0035 [redacted] HomeStar/Midland Tax Reimbursement Account
0036 [redacted] HomeStar/Midland DUI Enforcement
0037 [redacted] HomeStar/Midland CDARS Statement
0038 [redacted] HomeStar/Midland CDARS Statement; $12,500,000; 7/19/2018-7/18/2019; Outstanding statements: May-July 2019
0039 1183 National Bank of St. Anne CDARS Statement; $3,250,000; 7/9/2020-1/7/2021; Outstanding statements: periods ended December 2020 & January 2021
0040 4233 National Bank of St. Anne CDARS Statement; $12,500,000; 07/25/19 to 07/23/20; Outstanding statement: period ended July 2020
0041 0170 National Bank of St. Anne IntraFi Cash Service or ICS

Outstanding check images

The following check images for x [redacted] GF Checking remain outstanding:
Check images for February 2020 [Pages 4-11 of the 11 page February 2020 bank statement remain outstanding; the February 2020 statement provided did not contain the check images]
Check images for November 2024. [Page 21 and Page 45 of the 62 page November 2024 bank statement remain outstanding; the November 2024 statement provided did not contain the check images]

Please feel free to call Chris with any questions (847-612-1060) regarding missing statements or images. I can address any policy/procedure questions.

James Edmonstone, CPA, CFE, CGMA, MBA

GREENE LLP
Forensic Accounting Solutions

120 N. LaSalle St., Suite 2000
Chicago, Illinois 60602-2452

Direct: 312.273.8251
Facsimile: 847.557.1469
Cellular: 847.274.0823

AICPA Member
CERTIFIED FRAUD EXAMINER
TXCPA MEMBER

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Dawn Gesky

From: CJ Boudreau
Sent: Friday, May 29, 2026 8:57 AM
To: Dawn Gesky
Subject: Fw: Discussion with auditor

Get Outlook for iOS

From: Todd Crockett <tcrockett@villageofmanteno.com>
Sent: Monday, April 20, 2026 8:15:00 AM
To: Annette LaMore <alamore@villageofmanteno.com>; Michael Barry <mbarry@villageofmanteno.com>; CJ Boudreau <cboudreau@villageofmanteno.com>; Margaret Vaughn <mvaughn@villageofmanteno.com>; Joel Gesky <jgesky@villageofmanteno.com>; Annette Zimbelman <azimbelman@villageofmanteno.com>; Chris LaRocque <clarocque@villageofmanteno.com>
Subject: Fw: Discussion with auditor

Chris,

Seeing that there has not been any objection from the board to the email that I sent out on Friday 4/17, I'm requesting that you cancel the preliminary audit meeting previously scheduled for Tuesday 4/28 at 6pm.

From: Todd Crockett
Sent: Friday, April 17, 2026 1:48 PM
To: Annette LaMore <alamore@villageofmanteno.com>; Michael Barry <mbarry@villageofmanteno.com>; CJ Boudreau <cboudreau@villageofmanteno.com>; Margaret Vaughn <mvaughn@villageofmanteno.com>; Joel Gesky <jgesky@villageofmanteno.com>; Annette Zimbelman <azimbelman@villageofmanteno.com>; Chris LaRocque <clarocque@villageofmanteno.com>
Subject: Discussion with auditor

Good afternoon,

I wanted to follow up regarding the public meeting scheduled for Tuesday, April 28th at 6:00 PM, and to share some important context that I believe strongly supports postponing this meeting until we are fully prepared to present accurate and complete information to the public.

After speaking directly with forensic auditor James Edmonstone on Wednesday 4/15, I learned that what currently exists is a draft audit only — not a finalized report. His firm's standard and recommended process calls for a preliminary review of those draft findings with village leadership, including the administrator, treasurer, mayor, and at least one trustee, before any audit findings are shared publicly. That critical step has not yet taken place, and Mr. Edmonstone specifically noted that we are not currently following his firm's recommended process.

This is not a minor procedural detail — it matters significantly. The purpose of that internal review is to allow village leadership to understand the findings, provide a formal response, and give the auditor the opportunity to incorporate that input before issuing a final report. Mr. Edmonstone has indicated he expects the final audit to be completed by the end of May. If we proceed with a public meeting on April 28th, we would be presenting draft findings that are subject to revision — findings that could change materially once the village's response has been considered and the final audit has been issued.

We all share a common goal: to be transparent, trustworthy, and responsible stewards of this community. Presenting incomplete or potentially inaccurate figures at a public meeting — even unintentionally — risks undermining public confidence and putting the village in a difficult position. It is far better to take the time to do this right than to rush a process that the auditor himself has flagged as out of sequence.

With that in mind, I am respectfully requesting that Chris cancel the April 28th public meeting. Once Mr. Edmonstone has completed his review of the village's response to the draft audit and has issued his final report, we will be in a much stronger position to present the public with the full, verified picture they deserve.

Thank you all for considering this request carefully. I am confident that if we approach this thoughtfully, the outcome will reflect well on all of us and on the village as a whole.

In compliance with the Open Meetings Act, please respond individually if you have any questions or feedback.

Thank you.

Dawn Gesky

From: CJ Boudreau
Sent: Friday, May 29, 2026 8:57 AM
To: Dawn Gesky
Subject: Fw: Forensic Audit

Get Outlook for iOS

From: CJ Boudreau
Sent: Monday, April 13, 2026 5:05:08 PM
To: Annette LaMore <alamore@villageofmanteno.com>
Cc: Annette Zimbelman <azimbelman@villageofmanteno.com>; Joel Gesky <jgesky@villageofmanteno.com>; Todd Crockett <tcrockett@villageofmanteno.com>; Michael Barry <mbarry@villageofmanteno.com>; Margaret Vaughn <mvaughn@villageofmanteno.com>
Subject: Forensic Audit

Hello,

I saw that a meeting date has been set. I was wondering if we could get a report before the meeting on the 28th. I want us to be prepared with questions to responsibly inform the town with questions they'll have. Let me know because that would be the norm and this would be transparent to us as a village board. If you could reach out to the auditor or if I could have their contact I can reach out.

Sincerely,
CJ Boudreau

Dawn Gesky

From: CJ Boudreau
Sent: Friday, May 29, 2026 8:57 AM
To: Dawn Gesky
Subject: Fw: Forensic Audit

Get Outlook for iOS

From: Chris LaRocque <clarocque@villageofmanteno.com>
Sent: Monday, April 13, 2026 3:29:21 PM
To: Annette LaMore <alamore@villageofmanteno.com>; Annette Zimbelman <azimbelman@villageofmanteno.com>; CJ Boudreau <cboudreau@villageofmanteno.com>; Joel Gesky <jgesky@villageofmanteno.com>; Margaret Vaughn <mvaughn@villageofmanteno.com>; Michael Barry <mbarry@villageofmanteno.com>; Todd Crockett <tcrockett@villageofmanteno.com>
Subject: FW: Forensic Audit

See below regarding the results of the forensic audit.

Chris LaRocque
Village Administrator &
Interim Building & Zoning Director

Village of Manteno
98 East Third Street
Manteno, IL 60950
815-929-4842

From: Annette LaMore <alamore@villageofmanteno.com>
Sent: Monday, April 13, 2026 3:15 PM
To: Chris LaRocque <clarocque@villageofmanteno.com>
Subject: Forensic Audit

Chris,

Please set up arrangements for the Forensic Audit to be presented at a Special Meeting on Tuesday, April 28 at the Leo Hassett Center at 6:00 pm.
Contact our videographer to make certain it is taped and available to the public on YouTube.
Send an email to the Village Board announcing the date and time. Contact local news media with the date and time of the presentation (Journal, Manteno Vedette, WVLI).
The auditors will make their detailed presentation, that they estimate will take one to two hours, or longer. If you feel we need a larger venue, I am open to discuss that.
Thank you.

Annette LaMore
VILLAGE PRESIDENT

Village of Manteno

815.929.4841
www.villageofmanteno.com
alamore@villageofmanteno.com
98 E Third Street, Manteno IL 60950

Dawn Gesky

From: CJ Boudreau
Sent: Friday, May 29, 2026 8:56 AM
To: Dawn Gesky
Subject: Fw: Forensic audit

Get Outlook for iOS

From: Margaret Vaughn <mvaughn@villageofmanteno.com>
Sent: Sunday, April 12, 2026 7:07:44 AM
To: CJ Boudreau <cboudreau@villageofmanteno.com>
Subject: Re: Forensic audit

I have not heard anything.

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From: CJ Boudreau <cboudreau@villageofmanteno.com>
Sent: Saturday, April 11, 2026 11:38:00 AM
To: Margaret Vaughn <mvaughn@villageofmanteno.com>
Subject: Forensic audit

Hello,

Sorry, one more Quick question. I was wondering if you've had any contact with the forensic audit people, and if they've given you any preliminary reports on their Findings. I hope that they're ready to go by the end of the month.

Thanks.
Get Outlook for iOS

Dawn Gesky

From: CJ Boudreau
Sent: Friday, May 29, 2026 8:56 AM
To: Dawn Gesky
Subject: Fw: Conflict of Interest - Village Treasurer

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From: Chris LaRocque <clarocque@villageofmanteno.com>
Sent: Monday, February 2, 2026 2:57:51 PM
To: Annette LaMore <alamore@villageofmanteno.com>; Annette Zimbelman <azimbelman@villageofmanteno.com>; CJ Boudreau <cboudreau@villageofmanteno.com>; Joel Gesky <jgesky@villageofmanteno.com>; Margaret Vaughn <mvaughn@villageofmanteno.com>; Michael Barry <mbarry@villageofmanteno.com>; Todd Crockett <tcrockett@villageofmanteno.com>
Cc: Sheila Martin <samartin@villageofmanteno.com>
Subject: FW: Conflict of Interest - Village Treasurer

Late Friday afternoon, I was advised by the forensic auditor that we may have a problem due to some of the village's investments being held at a bank that Sheila's husband was the President of. I asked Joe Cainkar to look into the allegation and below is his response.

Chris LaRocque
Village Administrator &
Interim Building & Zoning Director

Village of
Manteno
98 East Third Street
Manteno, IL 60950
815-929-4842

From: Joseph Cainkar <joe@LFCLTD.NET>
Sent: Monday, February 2, 2026 2:21 PM
To: Chris LaRocque <clarocque@villageofmanteno.com>
Subject: Conflict of Interest - Village Treasurer

Chris,

Pursuant to our conversation, the auditor raised an issue of Sheila Martin's possible violation of the Village's investment policy because she, as village treasurer, was depositing Village funds at a financial institution at which her husband was the president. Presumably, the auditor is relying on the following portion of the investment policy (which is likewise codified in the Illinois Public Funds Investment Act (30 ILCS 235/2)):

> (IV)(C) Ethics; Conflicts of Interest. Except for pecuniary interest permitted under Section 3.1-55-10 of the Illinois Municipal Code (65 ILCS 5/3.1-55-10) or Section 3.2 of the Public Officers Prohibited Practices Act (50 ILCS 105/3.2), no official being a member of the Corporate Authorities, the Treasurer, nor any other official/employee involved in the investment process, may:
>
> (i) have any interest, directly or indirectly, in any of the Village's investments;
>
> (ii) have any interest, directly or indirectly, in the sellers, sponsors, or managers of the Village's investments; or,
>
> (iii) receive, in any manner, compensation of any kind from any of the Village's investments or investment actions.

Unless I am missing something, I cannot see how depositing money with a financial institution at which a family member is an officer violates any of the above-referenced provisions. It would need to be alleged that Shiela was getting a commission/payment/fee based on the placement or performance of the Village's investments or some entity controlling the same. See, *Hollister v. North*, 50 Ill. App. 3d 56, 59 (1977)(the interests prohibited by these conflict-of-interest provisions must be pecuniary financial interests).

As a general rule, "a wife's interest is not necessarily the husband's interest, provided the contract is not a mere subterfuge for his own pecuniary interest." *People v. Simkins*, 45 Ill. App. 3d 202, 208 (1977). Indeed, "indirect interest" as referenced in these conflict statutes, means "an interest of the official, such as ownership of stock or beneficial interest in a trust, not the individual interest of another whom the official is related." Id. The "indirect" language "is intended to prevent imaginative schemes by which an official might veil his interest from public view." Id. at 208-209. Indeed, there has never been a case interpreting these conflict-of-interest statutes wherein a violation was found that "did not involve some kind of self-dealing bordering on fraud." Id. at 210. Had the Village or the State intended to extend the conflict to the marital relationship, it would have done so clearly and unambiguously. In fact, a perfect example of such language can be found in Section 50-13 of the Illinois Procurement Code (30 ILCS 500/50-13) which prevents State officials or their spouses from benefiting from a State contract.

It is my understanding that the Village does business with all the banks in town and had used Homestar (now Midland) as a depository for years before Sheila Martin was ever appointed Treasurer. I have no knowledge whether Sheila's husband was an officer with Homestar throughout this lengthy period or if he is an officer at Midland now. Regardless, without more—such as an allegation that Sheila had a direct or indirect pecuniary financial interest ("some kind of self-dealing bordering on fraud") in any transaction—no violation of the policy or statutes can be found from her mere marriage to an officer of a bank at which village funds are deposited.

Feel free to call with any questions or comments.

Thank you,

Joseph Cainkar

LOUIS F. CAINKAR, LTD.
30 North LaSalle Street, Suite 3430
Chicago, IL 60602-3337
T: 312-236-3985 - Ext.15
F: 312-236-3989
C: 708-288-1195

Dawn Gesky

From:	CJ Boudreau
Sent:	Friday, May 29, 2026 8:55 AM
To:	Dawn Gesky
Subject:	Fw: Meeting Thoughts

Get Outlook for iOS

From: Annette LaMore <alamore@villageofmanteno.com>
Sent: Saturday, April 11, 2026 5:19:47 PM
To: CJ Boudreau <cboudreau@villageofmanteno.com>
Subject: Re: Meeting Thoughts

Hi CJ!
We'll talk budget later. We are getting ready to go out for the evening.
Yes, I agree with rules used by other municipalities. I went with Bradley's guidelines and sent them to LaRocque.
The auditors are wrapping it up and plan to be ready for April 28 at a 6:00 Special Meeting.
Hope to talk with you soon!
Glad your dad is getting better.....prayers are still coming his way!

From: CJ Boudreau <cboudreau@villageofmanteno.com>
Sent: Saturday, April 11, 2026 11:37 AM
To: Annette LaMore <alamore@villageofmanteno.com>
Subject: Meeting Thoughts

Hello,

Hope all is well. My dad is making good progress so I will be coming back this week. Just getting caught up on everything and had some quick questions from the last board meeting.

When it comes to the budget, I am wondering your thoughts on this. After watching the budget committee meeting, I didn't really hear many ideas from you on what we should do. I want to know your ideas on where to go from here. I'm wondering as you've looked through the different versions where can we start making some cuts to become a balanced budget? Let me know, I've just been hearing from people since you are in the head of our board what are your ideas.

For remote attendance, I think I am the perfect example of someone who could've participated at the last meeting but was not legally able to. I think something can be done with limits (4 a year), 24-hour notice to the board, and those exemptions that are on the original ordinance seem good to me. Again, just wanting some thoughts.

I was wondering if you've had any contact with the forensic audit people, and if they've given you any preliminary reports on their Findings. I hope that they're ready to go by the end of the month.

Hope you have a good week. See you in two Mondays.

Sincerely,
CJ Boudreau
Get Outlook for iOS

Dawn Gesky

From: Michael Barry
Sent: Tuesday, June 2, 2026 9:32 AM
To: Dawn Gesky
Subject: Fw: Greene Report

Foia

Thank You
Mike Barry
Village of Manteno Trustee
Mbarry@villageofmanteno.com
815-263-3029 Cell Phone
815-929-4800 Main Number

From: James Edmonstone <JEdmonstone@greeneforensicas.com>
Sent: Monday, May 18, 2026 8:35:37 AM
To: Chris LaRocque <clarocque@villageofmanteno.com>; James Scordo <JScordo@greeneforensicas.com>
Cc: Annette LaMore <alamore@villageofmanteno.com>; Annette Zimbelman <azimbelman@villageofmanteno.com>; CJ Boudreau <cboudreau@villageofmanteno.com>; Joel Gesky <jgesky@villageofmanteno.com>; Margaret Vaughn <mvaughn@villageofmanteno.com>; Michael Barry <mbarry@villageofmanteno.com>; Todd Crockett <tcrockett@villageofmanteno.com>
Subject: RE: Greene Report

Chris,

I just opened it and it is the report. 186 pages.

Jim

James Edmonstone, CPA, CFE, CGMA, MBA
GREENE LLP
Forensic Accounting Solutions

120 N. LaSalle St., Suite 2000
Chicago, Illinois 60602-2452

Direct: 312.273.8251
Facsimile: 847.557.1469
Cellular: 847.274.0823

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From: Chris LaRocque <clarocque@villageofmanteno.com>
Sent: Monday, May 18, 2026 8:15 AM
To: James Scordo <JScordo@greeneforensicas.com>; James Edmonstone <JEdmonstone@greeneforensicas.com>
Cc: Annette LaMore <alamore@villageofmanteno.com>; Annette Zimbelman <azimbelman@villageofmanteno.com>; CJ Boudreau <cboudreau@villageofmanteno.com>; Joel Gesky <jgesky@villageofmanteno.com>; Margaret Vaughn <mvaughn@villageofmanteno.com>; Michael Barry <mbarry@villageofmanteno.com>; Todd Crockett <tcrockett@villageofmanteno.com>
Subject: RE: Greene Report
Importance: Low

I was finally able to access the file. It appears to be all the supporting exhibits, but I don't see the audit report in the Sharefile?

Chris LaRocque
Village Administrator &
Interim Building & Zoning Director

Village of Manteno
98 East Third Street
Manteno, IL 60950
815-929-4842

From: mail@sf-notifications.com <mail@sf-notifications.com>
Sent: Saturday, May 16, 2026 11:53 PM
To: Chris LaRocque <clarocque@villageofmanteno.com>
Subject: Greene Report

You don't often get email from mail@sf-notifications.com. Learn why this is important

Progress ShareFile

Chris,

Jim Scordo has sent you files.

Message from Jim

Dear Anette and Chris,

Let me know if you have any problems downloading the file.

Sincerely,

Jim

Open

Expires 11/11/2026

Need help? We're here for you.
Visit sharefile.com/support and look for “Start chat.”

Dawn Gesky

From: Michael Barry
Sent: Tuesday, June 2, 2026 9:36 AM
To: Dawn Gesky
Subject: Fw: Redaction Examples

Thank You
Mike Barry
Village of Manteno Trustee
Mbarry@villageofmanteno.com
815-263-3029 Cell Phone
815-929-4800 Main Number

From: Chris LaRocque <clarocque@villageofmanteno.com>
Sent: Thursday, May 28, 2026 1:10:15 PM
To: James Edmonstone <JEdmonstone@greeneforensicas.com>; Christine Edmonstone <cedmonstone@greeneforensicas.com>
Cc: Sheila Martin <samartin@villageofmanteno.com>; Annette LaMore <alamore@villageofmanteno.com>; Annette Zimbelman <azimbelman@villageofmanteno.com>; CJ Boudreau <cboudreau@villageofmanteno.com>; Joel Gesky <jgesky@villageofmanteno.com>; Margaret Vaughn <mvaughn@villageofmanteno.com>; Michael Barry <mbarry@villageofmanteno.com>; Todd Crockett <tcrockett@villageofmanteno.com>
Subject: RE: Redaction Examples

Ok, thanks for the update. When can we expect the 12 bound copies of the final report with exhibits, that you discussed at the reading of the draft version here at VH on April 28th?

Chris LaRocque
Village Administrator &
Interim Building & Zoning Director

Village of Manteno
98 East Third Street
Manteno, IL 60950
815-929-4842

From: James Edmonstone <JEdmonstone@greeneforensicas.com>
Sent: Thursday, May 28, 2026 12:36 PM
To: Chris LaRocque <clarocque@villageofmanteno.com>; Annette LaMore <alamore@villageofmanteno.com>
Cc: Christine Edmonstone <CEdmonstone@greeneforensicas.com>
Subject: RE: Redaction Examples

Chris,

We had agreed to reduce the bank account numbers to show only the last 4 digits. In our experience, this is shown on recent bank statements and online bank accounts to mask the full account number and in our opinion is sufficient. The account number is necessary for understanding the report and to be able to follow the accounts through the report and the exhibits. We do not want our report associated with a version that has all of the bank account numbers fully redacted.
Also, please note that we cannot complete the account redactions down to 4 digits until next week.
Jim

James Edmonstone, CPA, CFE, CGMA, MBA

GREENE LLP
Forensic Accounting Solutions

120 N. LaSalle St., Suite 2000
Chicago, Illinois 60602-2452

Direct: 312.273.8251
Facsimile: 847.557.1469
Cellular: 847.274.0823

AICPA Member
CERTIFIED FRAUD EXAMINER
TXCPA MEMBER

From: Chris LaRocque <clarocque@villageofmanteno.com>
Sent: Wednesday, May 27, 2026 11:00 AM
To: James Edmonstone <JEdmonstone@greeneforensicas.com>; Annette LaMore <alamore@villageofmanteno.com>
Cc: Christine Edmonstone <CEdmonstone@greeneforensicas.com>
Subject: RE: Redaction Examples
Importance: Low

Because this report has been FOIA'd, we will need all account numbers fully redacted. Please send it as soon as possible, as we only have until Friday to send the FOIA response. Thanks.

Chris LaRocque
Village Administrator &
Interim Building & Zoning Director

Village of Manteno
98 East Third Street
Manteno, IL 60950
815-929-4842

From: James Edmonstone <JEdmonstone@greeneforensicas.com>
Sent: Tuesday, May 26, 2026 8:12 PM
To: Chris LaRocque <clarocque@villageofmanteno.com>; Annette LaMore <alamore@villageofmanteno.com>
Cc: Christine Edmonstone <CEdmonstone@greeneforensicas.com>
Subject: Redaction Examples

Chris,

You requested that we redact the bank account numbers for the copy of the report that will be posted by the Village. I am attaching two examples of documents only showing the last four digits of bank account numbers. Please confirm that this format will work for you.

Thanks,

Jim

James Edmonstone, CPA, CFE, CGMA, MBA

GREENE LLP
Forensic Accounting Solutions

120 N. LaSalle St., Suite 2000
Chicago, Illinois 60602-2452

Direct:	312.273.8251
Facsimile:	847.557.1469
Cellular:	847.274.0823

AICPA Member
CERTIFIED FRAUD EXAMINER
TXCPA MEMBER

Dawn Gesky

From: Michael Barry
Sent: Tuesday, June 2, 2026 9:37 AM
To: Dawn Gesky
Subject: Fw: Audit

Thank You
Mike Barry
Village of Manteno Trustee
Mbarry@villageofmanteno.com
815-263-3029 Cell Phone
815-929-4800 Main Number

From: Chris LaRocque <clarocque@villageofmanteno.com>
Sent: Monday, March 30, 2026 11:14:32 AM
To: James Edmonstone <JEdmonstone@greeneforensicas.com>
Cc: Sheila Martin <samartin@villageofmanteno.com>; Annette LaMore <alamore@villageofmanteno.com>; Annette Zimbelman <azimbelman@villageofmanteno.com>; CJ Boudreau <cboudreau@villageofmanteno.com>; Joel Gesky <jgesky@villageofmanteno.com>; Margaret Vaughn <mvaughn@villageofmanteno.com>; Michael Barry <mbarry@villageofmanteno.com>; Todd Crockett <tcrockett@villageofmanteno.com>
Subject: RE: Audit

Ok, just let me know. In the meantime, can you send me the list of what you're missing so we can get it to you before you present?

Chris LaRocque
Village Administrator &
Interim Building & Zoning Director

Village of
Manteno
98 East Third Street
Manteno, IL 60950
815-929-4842

From: James Edmonstone <JEdmonstone@greeneforensicas.com>
Sent: Friday, March 27, 2026 2:17 PM
To: Chris LaRocque <clarocque@villageofmanteno.com>
Cc: Sheila Martin <samartin@villageofmanteno.com>; Annette LaMore <alamore@villageofmanteno.com>; Annette Zimbelman <azimbelman@villageofmanteno.com>; CJ Boudreau <cboudreau@villageofmanteno.com>; Joel Gesky <jgesky@villageofmanteno.com>; Margaret Vaughn <mvaughn@villageofmanteno.com>; Michael Barry <mbarry@villageofmanteno.com>; Todd Crockett <tcrockett@villageofmanteno.com>
Subject: RE: Audit

Chris,

I am trying to coordinate the date with Craig. I think the 28th makes the most sense, but I will confirm when I hear back.

From: Chris LaRocque <clarocque@villageofmanteno.com>
Sent: Thursday, March 26, 2026 8:20 AM
To: James Edmonstone <JEdmonstone@greeneforensicas.com>
Cc: Sheila Martin <samartin@villageofmanteno.com>; Annette LaMore <alamore@villageofmanteno.com>; Annette Zimbelman <azimbelman@villageofmanteno.com>; CJ Boudreau <cboudreau@villageofmanteno.com>; Joel Gesky <jgesky@villageofmanteno.com>; Margaret Vaughn <mvaughn@villageofmanteno.com>; Michael Barry <mbarry@villageofmanteno.com>; Todd Crockett <tcrockett@villageofmanteno.com>
Subject: RE: Audit
Importance: Low

Trustee Gesky requested that you present what you have at a committee meeting so that all board members can be informed. Let me know which of these work for you:

Monday, April 6th at 5:00 pm
Wednesday, April 8th at 7:00 am
Monday April 20th at 5:00 pm
Tuesday April 28th at 7:00 am

Thanks.

Chris LaRocque
Village Administrator &
Interim Building & Zoning Director

Village of Manteno
98 East Third Street
Manteno, IL 60950
815-929-4842

From: James Edmonstone <JEdmonstone@greeneforensicas.com>
Sent: Tuesday, March 24, 2026 3:31 PM
To: Chris LaRocque <clarocque@villageofmanteno.com>
Cc: Sheila Martin <samartin@villageofmanteno.com>; Annette LaMore <alamore@villageofmanteno.com>; Annette Zimbelman <azimbelman@villageofmanteno.com>; CJ Boudreau <cboudreau@villageofmanteno.com>; Joel Gesky <jgesky@villageofmanteno.com>; Margaret Vaughn <mvaughn@villageofmanteno.com>; Michael Barry <mbarry@villageofmanteno.com>; Todd Crockett <tcrockett@villageofmanteno.com>
Subject: RE: Audit

Hi Chris,

I was planning on writing you in the next couple of days. I was pretty ill for 3 weeks or so with this respiratory bug going around. Most of the draft is complete and I am working on completing the draft exhibits.

You want to try for a preliminary meeting late next week (Thursday or Friday)? Our plan is to deliver a draft for you to review and we will walk you through it.

We still have questions and missing information, but that will be addressed in the preliminary draft.

Jim

From: Chris LaRocque <clarocque@villageofmanteno.com>
Sent: Tuesday, March 24, 2026 2:14 PM
To: James Edmonstone <JEdmonstone@greeneforensicas.com>
Cc: Sheila Martin <samartin@villageofmanteno.com>; Annette LaMore <alamore@villageofmanteno.com>; Annette Zimbelman <azimbelman@villageofmanteno.com>; CJ Boudreau <cboudreau@villageofmanteno.com>; Joel Gesky <jgesky@villageofmanteno.com>; Margaret Vaughn <mvaughn@villageofmanteno.com>; Michael Barry <mbarry@villageofmanteno.com>; Todd Crockett <tcrockett@villageofmanteno.com>
Subject: Audit
Importance: Low

Just following up. The audit has been mentioned several times recently including the last board meeting where the mayor indicated we would have it at the end of last week. Any updates as to when we can expect it?

Chris LaRocque
Village Administrator &
Interim Building & Zoning Director

Village of
Manteno
98 East Third Street
Manteno, IL 60950
815-929-4842

Dawn Gesky

From: Michael Barry
Sent: Tuesday, June 2, 2026 9:37 AM
To: Dawn Gesky
Subject: Fw: Outstanding Documents

Thank You
Mike Barry
Village of Manteno Trustee
Mbarry@villageofmanteno.com
815-263-3029 Cell Phone
815-929-4800 Main Number

From: James Edmonstone <JEdmonstone@greeneforensicas.com>
Sent: Tuesday, April 21, 2026 4:01:08 PM
To: Sheila Martin <samartin@villageofmanteno.com>; Chris LaRocque <clarocque@villageofmanteno.com>
Cc: Christine Edmonstone <CEdmonstone@greeneforensicas.com>; Annette LaMore <alamore@villageofmanteno.com>; Annette Zimbelman <azimbelman@villageofmanteno.com>; CJ Boudreau <cboudreau@villageofmanteno.com>; Joel Gesky <jgesky@villageofmanteno.com>; Margaret Vaughn <mvaughn@villageofmanteno.com>; Michael Barry <mbarry@villageofmanteno.com>; Todd Crockett <tcrockett@villageofmanteno.com>
Subject: RE: Outstanding Documents

Some people who received this message don't often get email from jedmonstone@greeneforensicas.com. Learn why this is important

Hi Shelia,

I don't think we need a meeting and it would be difficult for me to come this week.

When you look at the list of bank accounts we provided, do you see that we are missing bank accounts/investment accounts?

If you do, please forward us those statements.

We just need to ensure that we have accounted for every Manteno account.

The other question is that we want to make sure we are properly matching the bank accounts to their associated general ledger accounts.

Thanks for your help with this.

Jim

From: Sheila Martin <samartin@villageofmanteno.com>
Sent: Tuesday, April 21, 2026 1:16 PM

To: James Edmonstone <JEdmonstone@greeneforensicas.com>; Chris LaRocque <clarocque@villageofmanteno.com>
Cc: Christine Edmonstone <CEdmonstone@greeneforensicas.com>; Annette LaMore <alamore@villageofmanteno.com>; Annette Zimbelman <azimbelman@villageofmanteno.com>; CJ Boudreau <cboudreau@villageofmanteno.com>; Joel Gesky <jgesky@villageofmanteno.com>; Margaret Vaughn <mvaughn@villageofmanteno.com>; Michael Barry <mbarry@villageofmanteno.com>; Todd Crockett <tcrockett@villageofmanteno.com>; Sheila Martin <samartin@villageofmanteno.com>
Subject: RE: Outstanding Documents
Importance: High

Jim,
During our analysis of the cash activity, we noted amounts being transferred to bank/investment accounts for which we do not have statements.
Please send the specifics of where you are analyzing a gap in the audit trail. Our annual auditors have not found any issues.
It is difficult to provide an answer without the question.

On April 6th, we asked if either you or Sheila had an opportunity to review/confirm the list of accounts per the April 1st list.
So did you see my reply on April 2nd?

Perhaps another on site visit would enable the audit completion?

Respectfully,

Sheila Martin
Treasurer
Village of Manteno
815.929.4846

From: James Edmonstone <JEdmonstone@greeneforensicas.com>
Sent: Tuesday, April 21, 2026 11:25 AM
To: Chris LaRocque <clarocque@villageofmanteno.com>; Sheila Martin <samartin@villageofmanteno.com>
Cc: Christine Edmonstone <CEdmonstone@greeneforensicas.com>; Annette LaMore <alamore@villageofmanteno.com>; Annette Zimbelman <azimbelman@villageofmanteno.com>; CJ Boudreau <cboudreau@villageofmanteno.com>; Joel Gesky <jgesky@villageofmanteno.com>; Margaret Vaughn <mvaughn@villageofmanteno.com>; Michael Barry <mbarry@villageofmanteno.com>; Todd Crockett <tcrockett@villageofmanteno.com>
Subject: RE: Outstanding Documents

Chris,

During our analysis of the cash activity, we noted amounts being transferred to bank/investment accounts for which we do not have statements. For this reason, I sent an email on April 1st with a list of bank/investment accounts for which statements had been provided to confirm that we had the entire population of Village of Manteno accounts open between May 2019 and April 2025.

On April 6th, we asked if either you or Sheila had an opportunity to review/confirm the list of accounts per the April 1st list.

We simply want to confirm that we are accounting for the entire population of Manteno bank/investment accounts that were in existence at any time during the examination period and that we are properly matching the bank accounts to each account's associated general ledger account. I do not believe we need to meet before we meet to review the draft. We are available the 28th for that meeting. Please work out the time with the Mayor and let me know.

Jim

From: Chris LaRocque <clarocque@villageofmanteno.com>
Sent: Tuesday, April 21, 2026 9:19 AM
To: James Edmonstone <JEdmonstone@greeneforensicas.com>; Sheila Martin <samartin@villageofmanteno.com>
Cc: Christine Edmonstone <CEdmonstone@greeneforensicas.com>; Annette LaMore <alamore@villageofmanteno.com>; Annette Zimbelman <azimbelman@villageofmanteno.com>; CJ Boudreau <cboudreau@villageofmanteno.com>; Joel Gesky <jgesky@villageofmanteno.com>; Margaret Vaughn <mvaughn@villageofmanteno.com>; Michael Barry <mbarry@villageofmanteno.com>; Todd Crockett <tcrockett@villageofmanteno.com>
Subject: RE: Outstanding Documents
Importance: Low

James – Sheila is working on the verification of all accounts as requested.
The mayor said you have transfers that you're unable to determine which accounts the transfers landed in. Are you available to meet here at village hall this week to go over those so we can provide the information? This is the first Sheila & I have heard of this missing information.

Chris LaRocque
Village Administrator &
Interim Building & Zoning Director

Village of
Manteno
98 East Third Street
Manteno, IL 60950
815-929-4842

From: James Edmonstone <JEdmonstone@greeneforensicas.com>
Sent: Monday, April 20, 2026 9:42 AM
To: Sheila Martin <samartin@villageofmanteno.com>; Chris LaRocque <clarocque@villageofmanteno.com>; Annette LaMore <alamore@villageofmanteno.com>
Cc: Christine Edmonstone <CEdmonstone@greeneforensicas.com>
Subject: FW: Outstanding Documents

Hi Sheila,

Can you please review the bank account list below (which shows the last 4 digits of the bank account number) and confirm that we have accounted for all of Manteno bank accounts that were in force anytime during 2019-2025? Also, it would be very helpful if you can confirm the associated general ledger account number for each bank account number.

Thank you.

Jim

From: James Edmonstone
Sent: Monday, April 6, 2026 10:28 AM
To: 'Sheila Martin' <samartin@villageofmanteno.com>; Chris LaRocque <clarocque@villageofmanteno.com>
Cc: Christine Edmonstone <CEdmonstone@greeneforensicas.com>
Subject: RE: Outstanding Documents

Hi Shelia,

Happy Easter. Chris is reviewing the items in red. Have you had a chance to review the list of bank accounts I provided? We want to make sure that we have accounted for every account that was open during the examination period. This includes investment/CDARS accounts.

Thanks,

Jim

From: Sheila Martin <samartin@villageofmanteno.com>
Sent: Thursday, April 2, 2026 1:42 PM
To: James Edmonstone <JEdmonstone@greeneforensicas.com>; Chris LaRocque <clarocque@villageofmanteno.com>
Cc: Christine Edmonstone <CEdmonstone@greeneforensicas.com>
Subject: RE: Outstanding Documents

Please confirm receipt of all files listed in Red below

Happy Easter,

Sheila Martin
Treasurer
Village of Manteno
815.929.4846

From: James Edmonstone <JEdmonstone@greeneforensicas.com>
Sent: Wednesday, April 1, 2026 3:28 PM
To: Chris LaRocque <clarocque@villageofmanteno.com>
Cc: Christine Edmonstone <CEdmonstone@greeneforensicas.com>; Sheila Martin <samartin@villageofmanteno.com>
Subject: FW: Outstanding Documents

Hi Chris,

Following up on your last email, we want to confirm that we have all of the bank statements. We digitized the statements we received and have summarized them by month and by year. We then compared the totals to the cash totals shown in the audited financial statements and find that our totals are short from the balances shown in the statements (we would expect some differences as we are working off the bank statements). To help in this process we are providing the account numbers (last 4 digits) for every account we have. You may note that in some cases we believe we are missing statements and images for a known account (noted in Red).

We also are requesting any internal control policies and procedures the Treasurer has published to comply with the Village of Manteno Investment Policy which was enacted in 2017. For example, Section IV (A) of the policy describes the internal control structure the Treasurer is responsible for establishing and maintaining. Please also provide the names/positions of the individuals authorized to transfer/wire funds and describe the process for making wires as we noted that considerable sums of cash are moved by web transfer, by phone, in person, and by check. With respect to vendor checks, we noted that there are multiple signatures, but we didn't see a specific policy describing the requirements for check signing.

Can you please confirm the individuals who are bonded and the bond amounts?

Bank Account Status:

#	Account	Bank	Account
0001	0001	National Bank of St. Anne	Unknown - We only have 1 month
0002	0069	HomeStar/Midland	TIF #3
0003	0214	HomeStar/Midland	General Fund Checking
0004	0575	The Illinois Funds	Motor Fuel Tax Fund
0005	1277	The Illinois Funds	WPCC Equipment Replacement
0006	2584	HomeStar/Midland	Motor Fuel Tax Fund Savings
0007	3238	HomeStar/Midland	Investment - HomeStar - General Fund
0008	3246	HomeStar/Midland	Investment - Recapture Fees
0009	3254	HomeStar/Midland	Watersale Reserve Savings
0010	3338	HomeStar/Midland	Payroll Checking
0011	4183	The Illinois Funds	Il-Funds E-Pay
0012	4857	HomeStar/Midland	FEMA
0013	5974	Iroquois	MTF Water Capital
0014	6150	HomeStar/Midland	Recording Fees
0015	6304	HomeStar/Midland	Village Events
0016	6663	The Illinois Funds	General Fund State Receipts
0017	7442	HomeStar/Midland	Capital Projects Interest Fund Checking x 2000307442
0018	7442	HomeStar/Midland	Capital Projects Fund - ICS Sweep x 82000307442; Outstanding Statements: periods ended Feb 2025-Apr 2025
0019	8682	HomeStar/Midland	Drug Enforcement
0020	9235	HomeStar/Midland	Savings - General Fund

0021 9251 HomeStar/Midland Golf Course
0022 9278 HomeStar/Midland TIF #1
0023 9286 HomeStar/Midland Drug Enforcement - Savings
0024 9294 HomeStar/Midland S&A Equipment Capital
0025 9298 HomeStar/Midland Public Interest Checking
0026 9298 HomeStar/Midland ICS Public Funds
0027 9324 HomeStar/Midland Video Gaming
0028 9359 HomeStar/Midland Storm Sewer Capital / WPCC Equip
0029 9375 HomeStar/Midland Escrow Impact Fees
0030 9383 HomeStar/Midland Special Projects
0031 9391 HomeStar/Midland Police Department Surcharge
0032 9405 HomeStar/Midland GOB GC Series 2013
0033 9472 HomeStar/Midland Legacy Park
0034 9710 HomeStar/Midland Police Seizure Fund
0035 9872 HomeStar/Midland Tax Reimbursement Account
0036 9316 HomeStar/Midland DUI Enforcement
0037 2893 HomeStar/Midland CDARS Statement
0038 3903 HomeStar/Midland CDARS Statement; $12,500,000; 7/19/2018-7/18/2019; Outstanding statements: May-July 2019
0039 1183 National Bank of St. Anne CDARS Statement; $3,250,000; 7/9/2020-1/7/2021; Outstanding statements: periods ended December 2020 & January 2021
0040 4233 National Bank of St. Anne CDARS Statement; $12,500,000; 07/25/19 to 07/23/20; Outstanding statement: period ended July 2020
0041 0170 National Bank of St. Anne IntraFi Cash Service or ICS

Outstanding check images
The following check images for x 0214 GF Checking remain outstanding:
Check images for February 2020 [Pages 4-11 of the 11 page February 2020 bank statement remain outstanding; the February 2020 statement provided did not contain the check images]
Check images for November 2024. [Page 21 and Page 45 of the 62 page November 2024 bank statement remain outstanding; the November 2024 statement provided did not contain the check images]

Please feel free to call Chris with any questions (847-612-1060) regarding missing statements or images. I can address any policy/procedure questions.

James Edmonstone, CPA, CFE, CGMA, MBA
GREENE LLP
Forensic Accounting Solutions

120 N. LaSalle St., Suite 2000
Chicago, Illinois 60602-2452

Direct: 312.273.8251
Facsimile: 847.557.1469
Cellular: 847.274.0823

AICPA Member CERTIFIED FRAUD EXAMINER TXCPA MEMBER

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Dawn Gesky

From: Michael Barry
Sent: Tuesday, June 2, 2026 9:38 AM
To: Dawn Gesky
Subject: Fw: Final Version

Thank You
Mike Barry
Village of Manteno Trustee
Mbarry@villageofmanteno.com
815-263-3029 Cell Phone
815-929-4800 Main Number

From: Chris LaRocque <clarocque@villageofmanteno.com>
Sent: Friday, May 15, 2026 2:13:17 PM
To: Annette LaMore <alamore@villageofmanteno.com>; Annette Zimbelman <azimbelman@villageofmanteno.com>; CJ Boudreau <cboudreau@villageofmanteno.com>; Joel Gesky <jgesky@villageofmanteno.com>; Margaret Vaughn <mvaughn@villageofmanteno.com>; Michael Barry <mbarry@villageofmanteno.com>; Todd Crockett <tcrockett@villageofmanteno.com>
Subject: FW: Final Version

See below for Mr. Edmonstone's response. Looks like we're still not getting anything until Saturday. No hard copies until Monday night?

Chris LaRocque
Village Administrator &
Interim Building & Zoning Director

Village of
Manteno
98 East Third Street
Manteno, IL 60950
815-929-4842

From: James Edmonstone <JEdmonstone@greeneforensicas.com>
Sent: Friday, May 15, 2026 11:54 AM
To: Chris LaRocque <clarocque@villageofmanteno.com>
Cc: Annette LaMore <alamore@villageofmanteno.com>
Subject: RE: Final Version

Chris,

Yes, I can provide you with an overview of the changes when I send it out.

Jim

From: Chris LaRocque <clarocque@villageofmanteno.com>
Sent: Friday, May 15, 2026 11:32 AM
To: James Edmonstone <JEdmonstone@greeneforensicas.com>
Cc: Dawn Gesky <dgesky@villageofmanteno.com>; Annette LaMore <alamore@villageofmanteno.com>; Annette Zimbelman <azimbelman@villageofmanteno.com>; CJ Boudreau <cboudreau@villageofmanteno.com>; Joel Gesky <jgesky@villageofmanteno.com>; Margaret Vaughn <mvaughn@villageofmanteno.com>; Michael Barry <mbarry@villageofmanteno.com>; Todd Crockett <tcrockett@villageofmanteno.com>
Subject: RE: Final Version
Importance: Low

Would you be able to send me a copy of the audit with the changes highlighted?

Chris LaRocque
Village Administrator &
Interim Building & Zoning Director

Village of Manteno
98 East Third Street
Manteno, IL 60950
815-929-4842

From: James Edmonstone <JEdmonstone@greeneforensicas.com>
Sent: Thursday, May 14, 2026 3:38 PM
To: Chris LaRocque <clarocque@villageofmanteno.com>
Cc: Dawn Gesky <dgesky@villageofmanteno.com>; Annette LaMore <alamore@villageofmanteno.com>; Annette Zimbelman <azimbelman@villageofmanteno.com>; CJ Boudreau <cboudreau@villageofmanteno.com>; Joel Gesky <jgesky@villageofmanteno.com>; Margaret Vaughn <mvaughn@villageofmanteno.com>; Michael Barry <mbarry@villageofmanteno.com>; Todd Crockett <tcrockett@villageofmanteno.com>
Subject: RE: Final Version

Chris,

We are still updating the report from the draft. I can email you and the mayor a copy on Saturday.

Jim

From: Chris LaRocque <clarocque@villageofmanteno.com>
Sent: Wednesday, May 13, 2026 12:04 PM
To: James Edmonstone <JEdmonstone@greeneforensicas.com>
Cc: Dawn Gesky <dgesky@villageofmanteno.com>; Annette LaMore <alamore@villageofmanteno.com>; Annette Zimbelman <azimbelman@villageofmanteno.com>; CJ Boudreau <cboudreau@villageofmanteno.com>; Joel Gesky <jgesky@villageofmanteno.com>; Margaret Vaughn <mvaughn@villageofmanteno.com>; Michael Barry <mbarry@villageofmanteno.com>; Todd Crockett <tcrockett@villageofmanteno.com>
Subject: Final Version
Importance: Low

Jim – The mayor has requested the final version of the forensic audit be presented at the board meeting Monday night. Several board members have requested their copy be available for review prior to the meeting and we must include it in the agenda documents as well. Please provide 10 copies no later than tomorrow by noon, so they have time to properly review the final version. Thanks.

Chris LaRocque
Village Administrator &
Interim Building & Zoning Director

Village of
Manteno
98 East Third Street
Manteno, IL 60950
815-929-4842

Village of Manteno

Draft Report of Findings

April 28, 2026

GREENE
Forensic Accounting Solutions LLP

120 N LaSalle Street •Suite 2000
Chicago, Illinois • 60602
Telephone: (312) 692-1000• Fax: (312) 692-1172
www.greeneforensicas.com

GREENE
Forensic Accounting Solutions LLP

REPORT LETTER

Mr. Chris LaRocque
Village Administrator
Village of Manteno
Village Hall
98 East Third St.
Manteno, IL 60950

Dear Mr. LaRocque:

We have performed a forensic examination of Village Funds for the years ended April 30, 2020, through April 30, 2025.

Our examination was conducted in accordance with Statement for Forensic and Valuation Services No. 1 of the American Institute of Certified Public Accountants. You are responsible for maintaining the accounting records and establishing and maintaining effective internal control over financial reporting. We were not engaged to, and did not, conduct an audit of the Village's financial statements in accordance with U.S. Generally Accepted Auditing Standards. Accordingly, we do not express such an opinion on the Village's financial statements.

Enclosed is our report detailing our procedures and findings. Our examination was performed on a limited set of documents. We appreciate the assistance we received from the Village Treasurer and members of the Village Board.

It is possible that, due to the limited nature of our procedures, other issues may exist that we did not identify during this engagement.

Greene Forensic Accounting Solutions LLP

Chicago, IL
April 28, 2026

TABLE OF CONTENTS

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BACKGROUND

Greene Forensic Accounting Solutions LLP ("Greene") was retained on August 12, 2025, to provide the Village of Manteno, Illinois ("Village") with a forensic audit of the Village's Funds for the years ending April 30, 2020, through April 30, 2025.

EXECUTIVE SUMMARY

To be Completed in the Final Version of the Report.

FUNDS

The Village maintains several funds. The funds are separately accounted for in the Village's General Ledger ("GL") via a two-number prefix at the beginning of the General Ledger Account Number.

Funds and the associated GL prefix:

- General Fund – 01
- Special Projects Community Fund – 03
- Village Events Fund – 04
- Escrow Fund – 05
- Impact Fee Fund – 09
- TIF #1 Fund – 18
- TIF #3 Fund – 20
- Storm SE Capital Fund – 32
- Legacy Park Capital Project Fund – 35
- Road & Bridge Capital Fund – 36
- Capital Project Fund – 38
- Golf Course Fund – 57
- Police Pension Fund

During the scope of our audit, certain funds were discontinued, and their account balances were transferred to the General Fund.

Financial Statements

Exhibit I presents a comparison of audited balance sheets, income statements and cash flow statements for the years ended April 30, 2020, through April 30, 2025.

Cash Management

We identified approximately forty (40) separate bank accounts for demand deposits, savings, and investments, and fifty-eight (58) general ledger cash accounts that were open all or part of the examination period. Not all bank accounts are assigned to a general ledger account, and some bank account transactions are spread over more than one general ledger account. The treasurer informed us that two (2) bank accounts are reconciled to their respective general ledger accounts; the Treasurer reconciles them. The chart below presents the General Ledger Accounts and corresponding bank accounts by Fund. A blank indicates that we did not identify a corresponding GL or Bank Account.

Village of Manteno
Cash Summary
2019-2025

Item Number	General Ledger Account Number	General Ledger Account Name	Bank Account Number	Bank Account Name	Bank Institution
	General Fund				
1	01-00-11-1110	VILLAGE CHECKING (CASH)	[redacted]	General Fund Checking	Homestar
2	01-00-11-1120	PETTY CASH			
3	01-00-11-1125	ACH RECORDING FEES SAVING:	[redacted]	Recording Fees	HomeStar
4	01-00-11-1130	SAVINGS - EPAY IPTIP - GF	[redacted]	The IL FUNDS - E-Pay Account	The Illinois Funds
5	01-00-11-1135	Tax Reimbursement	[redacted]	Tax Reimbursement Account	HomeStar
6	01-00-11-1140	SAVINGS - GENERAL FUND	[redacted]	General Fund	HomeStar
7	01-00-11-1141	SAVINGS-GENERAL FUND AUDITOR			
8	01-00-11-1150	GF INVEST SE SALE-CDS	[redacted]	CDARS	Nat'l Bank St. Anne
			[redacted]	CDARS	Nat'l Bank St. Anne
			[redacted]	CDARS	Nat'l Bank St. Anne
			[redacted]	CDARS	Homestar
			[redacted]	CDARS	Homestar
9	01-00-11-1170	INVESTMENT - IPTIP - GF	[redacted]	General Fund State Receipts	The Illinois Funds
10	01-00-11-1171	INVESTMENT - HOMESTAR-GF	[redacted]	General Fund Investment	HomeStar
11	01-00-11-1172	INVESTMENT - MIDLAND BANK	[redacted]	General Fund Investment	HomeStar
12	01-00-11-1181	SAVINGS - DRUG ENFORCEMEN	[redacted]	Drug Enforcement	HomeStar
13	01-00-11-1182	SAVINGS - DUI ENFORCEMENT			
14	01-00-11-1183	SAVINGS - P[illegible] VEHICLE SURCHARGE			
15	01-00-11-1184	SAVINGS - PW EQUIP DEPREC			
16	01-00-11-1185	SAVINGS - WRIGHT ESTATES PARK			
17	01-00-11-1186	SAVINGS - VIDEO GAMING REV.	[redacted]	Video Gaming	HomeStar
18	01-00-11-1187	SAVINGS - 2007 PROJECT FUND			
19	01-00-11-1188	COM[illegible] PARK SAVINGS			
20	01-00-11-1191	INVESTMENT - PW EQUIPMENT			
21	01-00-11-1199	[illegible] SERIES 2013 B&I SAVINGS			
22		*Need Account Info*	[redacted]	Payroll	HomeStar
				MM Public Funds	HomeStar
23		*Need Account Info*	[redacted]		
24		*Need Account Info*	[redacted]	FEMA Emergency Food Program "Checking Accounts"	HomeStar
25		*Need Account Info*	[redacted]	IROQUOIS MFT Water Capital - Premium MM	IROQUOIS

Village of Manteno
Cash Summary
2019-2025

Item Number	General Ledger Account Number	General Ledger Account Name	Bank Number	Bank Account Name	Bank Institution
26		*Need Account Info*	[redacted]	Homestar ICS Public Funds Commercial Interest Checking	Midland
27		*Need Account Info*	[redacted]	1 account	Midland ICS - Public Funds
28		*Need Account Info*	[redacted]	2013_GC Series 2013	HomeStar
	SPECIAL PROJECTS Community Fund				
29	03-00-11-1130	SAVINGS - EPAY - IPTIP - SPF			
30	03-00-11-1140	SAVINGS-SPECIAL PROJECTS FI	[redacted]	Special Projects	HomeStar
31	03-00-11-1150	WATER SALE RESERVE SAVING	[redacted]	SP Water Sale Reserve	HomeStar
32	03-00-11-1172	INVESTMENT WA SALE MIDLAND BK			
33	03-00-11-1181	SAVINGS - DRUG ENFORCEMEN	[redacted]	Drug Enforcement	HomeStar
34	03-00-11-1182	SAVINGS - DUI ENFORCEMENT	[redacted]	DUI Enforcement	HomeStar
35	03-00-11-1183	SAVINGS - PD TICKET SURCHAI	[redacted]	SP Surcharge/Vehicle Maint.	HomeStar
36	03-00-11-1184	SAVINGS - PW EQUIP DEPREC			
37	03-00-11-1187	SAVINGS - POLICE SEIZURES	[redacted]	SP Police Seizure	HomeStar
	VILLAGE EVENTS FUND				
38	04-00-11-1130	SAVINGS EPAY IPTIP VE			
39	04-00-11-1140	SAVINGS - VILLAGE EVENTS FU	[redacted]	Village Events	HomeStar
	ESCROW FUND				
40	05-00-11-1140	SAVINGS - ESCROW FUND	[redacted]	Escrow/Impact	HomeStar
	IMPACT FEE FUND				
41	09-00-11-1140	SAVINGS - IMPACT FEES			
	MOTOR FUEL TAX FUND				
42	17-00-11-1140	SAVINGS - MFT	[redacted]	MTF	HomeStar
43	17-00-11-1170	INVESTMENT - IPTIP - MFT	[redacted]	The IL FUNDS - Motor Fuel Tax Fund	The Illinois Funds
	TIF #1 FUND				
44	18.00.11.1140	Savings - TIF#1?	[redacted]	TIF #1	HomeStar
	TIF #3 FUND				
45	20-00-11-1140	SAVINGS - TIF#3	[redacted]	Community Funds TIF #3	HomeStar
	STORM SE CAPITAL FUND				

Village of Manteno
Cash Summary
2019-2025

Item Number	General Ledger Account Number	General Ledger Account Name	Bank Number	Bank Account Name	Bank Institution
46	32-00-11-1140	SAVINGS - STORM SEWER FUNI	[redacted]	WPCC Equipment/Capital	HomeStar
47	32-00-11-1170	Investment - IPTIP-Storm-Storm Sew	[redacted]	The IL FUNDS - WPCC Equipment Reserve Replacement	The Illinois Funds
48	32-00-11-1172	INVESTMENT - MIDLAND BANK			
49	32-00-11-1191	INVESTMENT - STORM SEWER			
50	32-00-11-1193	INVESTMENT - RECAPTURE FEE	[redacted]	Recapture Investments	HomeStar
	LEGACY PARK CAPITAL PROJ. FUND				
51	35-00-11-1140	SAVINGS - LEGACY PARK CAPI	[redacted]	Legacy Park	HomeStar
52	35-00-11-1170	INVESTMENT-IPTIP-LEGACY PARK			
	ROAD & BRIDGE CAPITAL FUND				
53	36-00-11-1140	SAVINGS - ROAD&BRIDGE FUNI	[redacted]	S&A Equ[illegible]	HomeStar
54	36-00-11-1172	INVESTMENT - MIDLAND BANK			
55	36-00-11-1191	INVESTMENT - ROAD&BRIDGE			
	Capital Project Fund				
56	38.00.11.1140	Capital Project Funds	[redacted]	Capital Project Fund	HomeStar
	GOLF COURSE FUND				
57	57-00-11-1140	SAVINGS - GOLF COURSE	[redacted]	Golf Course	HomeStar

The Village's cash and investments are managed by the Board of Trustees, the Village Administrator, and the Village Treasurer. In this section, we discuss FDIC Insurance, the duties of the Treasurer, Bonding Requirements, Internal Controls and Procedures, Certificate of Deposit Account Registry Service ("CDARS"), and the Illinois Funds.

FDIC INSURANCE

Federal Deposit Insurance Corporation ("FDIC") Deposit Insurance for governmental entities functions differently than insurance provided to individuals and corporations. FDIC insurance for Governmental Entities is addressed at 12 C.F.R. § 330.15 (Exhibit II).

The FDIC discusses insurance coverage in Exhibit III and here: https://www.fdic.gov/financial-institution-employees-guide-deposit-insurance/government-accounts. We present some salient points below to provide context for our observations. The underlines and bold print are added for emphasis.

I. Definition

Government accounts are also known as public unit accounts. This category includes accounts of the federal government, state governments, and other governmental bodies as discussed below. In this category, the governmental body itself is not treated as the insured depositor. Rather, the "official custodian" of the account (as discussed below) is treated as the insured depositor.

II. Insurance Limit

Deposit insurance coverage for public units depends on the type of deposit and the location of the IDI (Insured Depository Institution).

1. Accounts Held in an In-state IDI

*In general, all time and savings accounts held by an official custodian in an IDI located in the same state as the public unit are insured for up to **$250,000**. Separately, demand deposit accounts (interest-bearing and noninterest-bearing) owned by a public unit and held by the same official custodian in an IDI within the state in which the public unit is located are added together and insured up to **$250,000**.*

2. Accounts Held in an Out-of-state IDI

*The insurance coverage of accounts held by government depositors is different if the IDI is located outside the state in which the public unit is located. In that case, all deposits owned by the public unit and held by the same official custodian are added together and insured up to **$250,000**. Time and savings deposits are not insured separately from demand deposits.*

Demand deposits maintained by an official custodian of the United States are insured separately from anytime deposits maintained by the same custodian at the same IDI, regardless of the state in which the IDI is located.

Deposit insurance coverage is not increased by placing deposits into multiple demand deposit accounts or multiple time or savings accounts controlled by the same official custodian for the same public unit.

For the purpose of these rules, the term "savings deposits" includes NOW accounts and MMDAs but does not include interest-bearing demand deposit accounts. The term "demand deposits" means deposits payable on demand and/or which the IDI does not reserve the right to require advance notice of an intended withdrawal. For the purpose of deposit insurance coverage under this category of ownership, interest-bearing demand deposit accounts are insured as demand deposit accounts and not as savings accounts.

III. Governmental Entities

*Entities insured in the Government Accounts category include the United States, states, counties, **municipalities,** the District of Columbia, Puerto Rico, the U.S. Virgin Islands, American Samoa, Guam, The Commonwealth of the Northern Mariana Islands, Native American tribes, drainage districts, irrigation districts, navigation districts, improvement districts, levee districts, sanitary districts, school districts, power districts, bridge or port authorities, and other special districts created by state statute or compacts between the states, and other "political subdivisions."*

Political subdivision is defined as any subdivision or principal department of a public unit (state, county, or municipality) if the subdivision or department meets the following tests:

- *The creation of the subdivision or department has been expressly authorized by the law of such public unit;*
- *Some functions of government have been delegated to the subdivision or department by such law; and*
- *The subdivision or department is empowered to* ***exercise exclusive control*** *over funds for its exclusive use.*
- *A political subdivision (through its official custodian)* ***is entitled to its own insurance coverage.***

IV. Official Custodians

The "official custodian" of the account is treated as the insured depositor. *If a public unit has multiple official custodians, the deposits of* ***each official custodian are separately insured.***

The ***official custodian*** *is an* ***officer, employee, or agent*** *of a public unit who has* ***plenary authority, including control, over funds owned by the public unit****, which the official custodian is appointed or elected to serve. Control of public funds includes possession of, as well as the authority to establish accounts in an IDI and to make deposits, withdrawals, and disbursements.*[1.]

One person may serve as official custodian of the deposits of more than one public unit. *In addition, a public unit may have two or more official custodians, all of whom will have separate insurance coverage for the deposits in their control. To qualify for separate insurance coverage, however,* ***each official custodian must have***

plenary authority, including control, over the deposits owned by the public unit.

Deposit insurance coverage ***cannot be increased by dividing funds*** *among several putative official custodians who lack plenary authority over such funds. Similarly,* ***coverage cannot be increased by dividing funds among several accounts controlled by the same official custodian for the same public unit.*** *If the exercise of authority or control over the deposits of a public* ***unit requires action by, or the consent of, two or more custodians, the FDIC would treat the two custodians acting together as one official custodian*** *for the purpose of calculating deposit insurance coverage.*[1]

V. Collateralization of Public Funds

The FDIC does not insure government accounts above the limits described in this section. However, depending on applicable state or federal law, ***government accounts may be secured above FDIC insurance limits by collateral provided by a third party or the assets of the IDI****. In the event of the failure of the IDI, the* ***FDIC, as receiver, will honor the collateralization agreement assuming the agreement is valid and enforceable under the applicable law****. The FDIC does not guarantee, however, that the collateral will be sufficient to cover the amount of the uninsured funds.*

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[1] (note: **plenary authority** as defined by the Legal Information Institute, Cornell Law School https://www.law.cornell.edu/wex/plenary_authority

Plenary authority refers to complete and unrestricted holder of plenary authority may act within the scope of that grant without needing further approval or delegation. Despite the term suggesting full authority, plenary authority is not absolute. Its exercise remains subject to constitutional limits, statutory restrictions, and judicial review. ...)

If the collateral is insufficient to cover these funds, then the depositor becomes a creditor of the failed IDI receivership estate to the extent of the uninsured amount.

VI. Common Misconceptions

Custodians for public units may not realize that to obtain $500,000 in total coverage at one IDI, no more than $250,000 can be deposited into time and savings accounts (for example, savings accounts, CDs, and NOW accounts) and no more than $250,000 in demand deposit accounts (both interest-bearing and noninterest-bearing demand deposit accounts). Also, such separate coverage (up to $250,000 for time and savings accounts and up to $250,000 for demand deposit accounts) is not available unless the public unit is located in the same state as the IDI.

Custodians for public units may not realize that public unit deposits designated for different purposes are not separately insured. If the funds are all held by the same official custodian of the same public unit, the deposits will be added together when calculating insurance coverage. *Assuming the public unit is located in the same state as the IDI, the coverage would be up to $250,000 for all time and savings accounts and up to $250,000 for all demand deposit accounts.*

BONDING

Ordinance 24-18, ***Section 3*** *amended the Village bonding requirements to read:*

(A) Before entering the duties of their respective offices, all elected and appointed officials, excepting trustees, shall execute a bond payable to the village in such penal amounts as are set forth below, conditioned upon the faithful performance of the duties of their respective offices and payment of all money received by them, according to the law and provision of this code.

(B) The penal amount of such bonds shall be as follows:

(i) President - $3,000.00

(ii) Village Clerk - $50,000

(iii) Village Treasurer - the greater of $50,000 or an amount equivalent to three (3) times the latest Federal census population or any subsequent census figure of the village used for Motor Fuel Tax Purpose.

iv) All other offices - $100.00.

(C) All bond premiums shall be payable from the village treasury.

(D) All bonds shall be filed with the village clerk, except that the bond of the village clerk shall be filed with the village treasurer.

(E) The village may purchase blanket bonds in lieu of individual bonds.

(F) A bond shall be deemed approved by the board of trustees when payment of bond premium is made and the bond is filed.

The Village Administrator contacted the Village's representative at Risk Program Administrators to inquire as to the Bonds the Village had procured to comply with the Village Ordinance and received the following response:

Good Morning Chris,

Through IMIC we have $500,000 in coverage for Employee Dishonesty coverage which includes theft of money. This coverage extends and covers all Employees. Employees is defined as ANY natural person while in the service of the City and whom the City has the right to direct and control while performing services for the City. By this definition coverage would extend to Commissioner, Treasurer and Clerk. As a result they will not have to have bonds placed.

However, some IMIC members still prefer to have the bonds in place. If that is what you want, we can place the bonds for you.

Attached are the certificates of insurance showing the crime coverage.

Let me know if you have any questions.

Thank You,

Niki Clarida, CISR, CIC

Client Service Supervisor

RPA
RISK PROGRAM ADMINISTRATORS

2850 Golf Road, Rolling Meadows, IL 60008

D: (630) 694 4432

Niki_Clarida@RPAdmin.com | RPAdmin.com

-

Risk Program Administrators is a subsidiary of Gallagher.

VILLAGE TREASURER DUTIES AND RESPONSIBILITIES

This Village Ordinance (24-18) also defines the duties of the Village Treasurer:

1-10-2: TREASURER, DUTIES:

(A) The office of village treasurer is hereby created and established. The village treasurer shall be appointed by the president with the advice and consent of the board of trustees.

(B) The village treasurer shall receive all monies belonging to the village, and shall render at the end of each month, and more often if required by the president or village board, a statement under oath showing the state of the treasury at the date of such account and the balance of money in the treasury. Such statement shall set forth all the monies received by him and from whom, and on what account such monies shall have been received. It shall also show all monies paid out by him and on what account the same shall have been paid.

The village treasurer shall cause books of account to be kept in such manner as to show with entire accuracy all monies received by him, and from whom, and on what account they shall have been received; and all monies paid out by him, and on what account they shall have been paid; and the same shall be shown in such manner that such books may be readily understood and investigated. Such books, and all files and papers of his office shall at all times be open to inspection by the president, finance committee or any member of the village board.

The village treasurer shall have such other duties and responsibilities as set forth in the Illinois Municipal Code. (1956 Code, Sec. 7-2; and. Ord. 24-18, 2-3-2025)

1-10-9: DEPOSITS:

No village money shall be deposited in any bank until it has been designated by the village board as a depository. The village treasurer shall deposit daily all monies received by him as village treasurer during the banking hours and all such monies as he may have received on the day previous after banking hours, in one of the banks which may have been designated by the village board as depositories pursuant to law. (1956 Code, Sec. 7-9)

The Illinois Public Funds Investment Act and the Village of Manteno Investment Policy (both discussed below) include similar sections prohibiting the Treasurer and other financial officers from having direct or indirect interests in investments, in the sellers, sponsors, or managers of those investments, and from receiving compensation from those investments. Below is the statement found in the Village of Manteno's Investment Policy:

a. *Ethics: Conflicts of Interest. Except for pecuniary interest permitted under Section 3.1- 55-10 of the Illinois Municipal Code (65 ILCS 5/3.1-55-10) or Section 3.2 of the Public Officers Prohibited Practices Act (50 ILCS 105/3.2), no official being a member of the Corporate Authorities, the Treasurer, nor any other official/employee involved in the investment process, may:*

   (i) have any interest, directly or indirectly, in any of the Village's investments;

(ii) have any interest, directly or indirectly, in the sellers, sponsors, or managers of the Village's investments; or,

(iii) receive, in any manner, compensation of any kind from any of the Village's investments or investment actions.

The Village Treasurer, along with the Board of Trustees, appears to act jointly as the Official Custodian for the Village Funds. As noted in the FDIC discussion above, "*If the exercise of authority or control over the deposits of a public **unit requires action by, or the consent of, two or more custodians**, the **FDIC would treat the two custodians acting together as <u>one official custodian</u>** for the purpose of calculating deposit insurance coverage*".

As the Official Custodian, the Treasurer/Board would be insured by the FDIC as described above ($250,000 for savings accounts and $250,000 for demand accounts per IDI within the state of Illinois) and $250,000 for institutions outside of Illinois.

CDARS

The Village uses the Certificate of Deposit Account Registry Service ("CDARS") for some of its investments in local banks. A discussion of CDARS can be found here: https://www.intrafi.com/ics-cdars.

Below is an example of a CDARS placement for $3,250,000 with the National Bank of St. Anne:

National Bank of St. Anne
158 W. Station St.
P.O. Box 380
St. Anne, IL 60964

Date 11/30/20
Page 1 of 3

VILLAGE OF MANTENO
98 EAST THIRD STREET
MANTENO, IL 60950

DEC 03 2020

Subject: CDARS® Customer Statement

Legal Account Title: VILLAGE OF MANTENO

Below is a summary of your certificate(s) of deposit, which we are holding for you as your custodian. These certificate(s) of deposit have been issued through CDARS by one or more FDIC-insured depository institutions. Should you have any questions, please contact us at **815-427-8154**, send an email to **lstrate@natbankil.com**, or visit our website at **www.natbankil.com.**

Summary of Accounts Reflecting Placements Through CDARS

Account ID	Effective Date	Maturity Date	Interest Rate	Opening Balance	Ending Balance
[redacted]	07/09/20	01/07/21	0.35%	$3,250,000.00	$3,250,000.00
TOTAL				**$3,250,000.00**	**$3,250,000.00**

ACCOUNT OVERVIEW

Account ID:	[redacted]	**Effective Date:**	07/09/20
Product Name:	26-WEEK PUBLIC FUND CD	**Maturity Date:**	01/07/21
Interest Rate:	0.35%	**YTD Interest Paid:**	$4,519.58
Account Balance:	$3,250,000.00	**Int Earned Since Last Stmt:**	$935.09

The Annual Percentage Yield Earned is 0.35%.

CD Issued by Amarillo National Bank

YTD Interest Paid:	$342.10	***10/31/20***	***OPENING BALANCE***	***$246,000.00***
Int Earned Since Last Stmt:	$70.78	11/30/20	Interest Payment	70.78
		11/30/20	Interest Payout By Check	-70.78
		11/30/20	***ENDING BALANCE***	***$246,000.00***

CD Issued by Bank of China

YTD Interest Paid:	$342.10	***10/31/20***	***OPENING BALANCE***	***$246,000.00***
Int Earned Since Last Stmt:	$70.78	11/30/20	Interest Payment	70.78
		11/30/20	Interest Payout By Check	-70.78
		11/30/20	***ENDING BALANCE***	***$246,000.00***

CD Issued by BankUnited

YTD Interest Paid:	$342.10	***10/31/20***	***OPENING BALANCE***	***$246,000.00***
Int Earned Since Last Stmt:	$70.78	11/30/20	Interest Payment	70.78
		11/30/20	Interest Payout By Check	-70.78
		11/30/20	***ENDING BALANCE***	***$246,000.00***

CD Issued by BOKF, National Association

YTD Interest Paid:	$342.10	***10/31/20***	***OPENING BALANCE***	***$246,000.00***
Int Earned Since Last Stmt:	$70.78	11/30/20	Interest Payment	70.78
		11/30/20	Interest Payout By Check	-70.78
		11/30/20	***ENDING BALANCE***	***$246,000.00***

CD Issued by Citizens Bank

YTD Interest Paid:	$323.7[illegible]	***10/31/20***	***OPENING BALANCE***	***$232,818.68***
Int Earned Since Last Stmt:	$66.98	11/30/20	Interest Payment	66.98
		11/30/20	Interest Payout By Check	-66.98
		11/30/20	***ENDING BALANCE***	***$232,818.68***

CD Issued by Community West Bank, N.A.

YTD Interest Paid:	$342.10	***10/31/20***	***OPENING BALANCE***	***$246,000.00***
Int Earned Since Last Stmt:	$70.78	11/30/20	Interest Payment	70.78
		11/30/20	Interest Payout By Check	-70.78
		11/30/20	***ENDING BALANCE***	***$246,000.00***

CD Issued by First Interstate Bank

YTD Interest Paid:	$342.10	***10/31/20***	***OPENING BALANCE***	***$246,000.00***
Int Earned Since Last Stmt:	$70.78	11/30/20	Interest Payment	70.78
		11/30/20	Interest Payout By Check	-70.78
		11/30/20	***ENDING BALANCE***	***$246,000.00***

CD Issued by Independent Bank

YTD Interest Paid:	$271.62	***10/31/20***	***OPENING BALANCE***	***$195,333.07***
Int Earned Since Last Stmt:	$56.20	11/30/20	Interest Payment	56.20

		11/30/20	Interest Payout By Check	-56.20
		11/30/20	***ENDING BALANCE***	***$195,333.07***

CD Issued by Israel Discount Bank of New York

YTD Interest Paid:	$342.10	***10/31/20***	***OPENING BALANCE***	***$246,000.00***
Int Earned Since Last Stmt:	$70.78	11/30/20	Interest Payment	70.78
		11/30/20	Interest Payout By Check	-70.78
		11/30/20	***ENDING BALANCE***	***$246,000.00***

CD Issued by MidFirst Bank

YTD Interest Paid:	$342.10	***10/31/20***	***OPENING BALANCE***	***$246,000.00***
Int Earned Since Last Stmt:	$70.78	11/30/20	Interest Payment	70.78
		11/30/20	Interest Payout By Check	-70.78
		11/30/20	***ENDING BALANCE***	***$246,000.00***

CD Issued by Premier Bank

YTD Interest Paid:	$50.61	***10/31/20***	***OPENING BALANCE***	***$36,384.32***
Int Earned Since Last Stmt:	$10.47	11/30/20	Interest Payment	10.47
		11/30/20	Interest Payout By Check	-10.47
		11/30/20	***ENDING BALANCE***	***$36,384.32***

CD Issued by Simmons Bank

YTD Interest Paid:	$6.96	***10/31/20***	***OPENING BALANCE***	***$5,000.00***
Int Earned Since Last Stmt:	$1.44	11/30/20	Interest Payment	1.44
		11/30/20	Interest Payout By Check	-1.44
		11/30/20	***ENDING BALANCE***	***$5,000.00***

CD Issued by The Harbor Bank of Maryland

YTD Interest Paid:	$342.10	***10/31/20***	***OPENING BALANCE***	***$246,000.00***
Int Earned Since Last Stmt:	$70.78	11/30/20	Interest Payment	70.78
		11/30/20	Interest Payout By Check	-70.78
		11/30/20	***ENDING BALANCE***	***$246,000.00***

CD Issued by Valley National Bank

YTD Interest Paid:	$342.10	***10/31/20***	***OPENING BALANCE***	***$246,000.00***
Int Earned Since Last Stmt:	$70.78	11/30/20	Interest Payment	70.78
		11/30/20	Interest Payout By Check	-70.78
		11/30/20	***ENDING BALANCE***	***$246,000.00***

CD Issued by Western Alliance Bank

YTD Interest Paid:	$342.10	***10/31/20***	***OPENING BALANCE***	***$246,000.00***
Int Earned Since Last Stmt:	$70.78	11/30/20	Interest Payment	70.78
		11/30/20	Interest Payout By Check	-70.78
		11/30/20	***ENDING BALANCE***	***$246,000.00***

CD Issued by WesBanco Bank, Inc.

YTD Interest Paid:	$103.54	***10/31/20***	***OPENING BALANCE***	***$74,463.93***
Int Earned Since Last Stmt:	$21.42	11/30/20	Interest Payment	21.42
		11/30/20	Interest Payout By Check	-21.42
		11/30/20	***ENDING BALANCE***	***$74,463.93***

Thank you for your business.

ILLINOIS FUNDS

The Treasurer invests some of the Village's cash in The Illinois Public Treasurers' Investment Pool ("The Illinois Funds"), which is managed by the Illinois State Treasurer. A detailed discussion of the operation of the Funds can be found here: https://illinoistreasurer.gov/home/local-governments/the-illinois-funds/.

The Pool was created in 1975, has approximately 1,500 participating entities, 3,000 accounts, and net assets of over $20B. Further detail on the pool can be found here: https://stories.opengov.com/illinoistreasurer/published/Byeg8Cjz7.

Here is an example of an Illinois Funds statement:

The ILLINOIS Funds

VILLAGE OF MANTENO
E-PAY ACCOUNT
98 E THIRD ST
MANTENO IL 60950-1204

003579

Investor Statement

for the period of: December 1, 2020 - December 31, 2020

Investor Services: (800) 947-8479

Internet: www.illinoisfunds.com

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VILLAGE OF MANTENO

Portfolio at-a-Glance

Portfolio Value Beginning 12/01/2020	**$13,725.83**
+ Purchases	$969.02
- Withdrawals	$0.00
Portfolio Value Ending 12/31/2020	**$14,696.06**

Portfolio Summary

Account Number [redacted]	Fund Name	Shares	Share Price	Market Value on 12/31/2020	% of Account Holdings
VILLAGE OF MANTENO E-PAY ACCOUNT	Illinois LGIP	[illegible]696.060	$1.00	$14,696.05	100.0%

Account Transactions

Account Number [redacted]

Illinois LGIP/5000

VILLAGE OF MANTENO
E-PAY ACCOUNT

Distributions:	Dividends	Cap Gains
	REINVEST	REINVEST

Trade Date	Transaction Description	Dollar Amount	Share Price	Shares this Transaction	Total Shares Owned
	Beginning Balance as of 12/01/2020	$13,725.83	$1.00		13,725.830
12/03/20	SHARES PURCHASED - WIRE	$220.00	$1.00	220.000	13,945.830
[illegible]	SHARES PURCHASED - WIRE	$210.00	$1.00	210.000	14,155.830
[illegible]	SHARES PURCHASED - WIRE	$124.02	$1.00	124.020	14,279.850
[illegible]/16/2[illegible]	SHARES PURCHASED - WIRE	$10.00	$1.00	10.000	14,289.850
[illegible]	SHARES PURCHASED - WIRE	$235.00	$1.00	235.000	14,524.850
[illegible]	SHARES PURCHASED - WIRE	$120.00	$1.00	120.000	14,644.850
[illegible]/23/20	SHARES PURCHASED - WIRE	$50.00	$1.00	50.000	14,694.850
[illegible]/31/20	INCOME REINVEST	$1.21	$1.00	1.210	14,696.060
	Ending Balance as of 12/31/2020	**$14,696.06**	**$1.00**		**14,696.060**

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ILLINOIS PUBLIC FUNDS INVESTMENT ACT

The Illinois Public Funds Investment Act, governing public agency investments, is found in Exhibit IV. Below is an excerpt from that Act.

Public Funds Investment Act ILCS 235/0.01) (from Ch. 85, par. 900)

(a) Any public agency may invest any public funds as follows:

(1) in bonds, notes, certificates of indebtedness, treasury bills or other securities now or hereafter issued, which are guaranteed by the full faith and credit of the United States of America as to principal and interest;

(2) in bonds, notes, debentures, or other similar obligations of the United States of America, its agencies, and its instrumentalities;

(3) in interest-bearing savings accounts, interest-bearing certificates of deposit or interest-bearing time deposits or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act;

(4) in short-term obligations of corporations organized in the United States with assets exceeding $500,000,000 if (i) such obligations are rated at the time of purchase at one of the 3 highest classifications established by at least 2 standard rating services and which mature not later than 270 days from the date of purchase, (ii) such purchases do not exceed 10% of the corporation's outstanding obligations, and (iii) no more than one-third of the public agency's funds may be invested in short-term obligations of corporations under this paragraph (4);

(4.5) in obligations of corporations organized in the United States with assets exceeding $500,000,000 if (i) such obligations are rated at the time of purchase at one of the 3 highest classifications established by at least 2 standard rating services and which mature more than 270 days but less than 10 years from the date of purchase, (ii) such

purchases do not exceed 10% of the corporation's outstanding obligations, and (iii) no more than one-third of the public agency's funds may be invested in obligations of corporations under this paragraph (4.5); or

(5) in money market mutual funds registered under the Investment Company Act of 1940, provided that the portfolio of any such money market mutual fund is limited to obligations described in paragraph (1) or (2) of this subsection and to agreements to repurchase such obligations.

(a-1) In addition to any other investments authorized under this Act, a municipality, park district, forest preserve district, conservation district, county, or other governmental unit may invest its public funds in interest bearing bonds of any county, township, city, village, incorporated town, municipal corporation, or school district, of the State of Illinois, of any other state, or of any political subdivision or agency of the State of Illinois or of any other state, whether the interest earned thereon is taxable or tax-exempt under federal law. The bonds shall be registered in the name of the municipality, park district, forest preserve district, conservation district, county, or other governmental unit, or held under a custodial agreement at a bank. The bonds shall be rated at the time of purchase within the 4 highest general classifications established by a rating service of nationally recognized expertise in rating bonds of states and their political subdivisions.

(b) Investments may be made only in banks which are insured by the Federal Deposit Insurance Corporation. Any public agency may invest any public funds in short term discount obligations of the Federal National Mortgage Association or in shares or other forms of securities legally issuable by savings banks or savings and loan associations incorporated under the laws of this State or any other state or under the laws of the United States. Investments may be made only in those savings banks or savings and loan associations

the shares, or investment certificates of which are insured by the Federal Deposit Insurance Corporation. Any such securities may be purchased at the offering or market price thereof at the time of such purchase. All such securities so purchased shall mature or be redeemable on a date or dates prior to the time when, in the judgment of such governing authority, the public funds so invested will be required for expenditure by such public agency or its governing authority. The expressed judgment of any such governing authority as to the time when any public funds will be required for expenditure or be redeemable is final and conclusive. Any public agency may invest any public funds in dividend-bearing share accounts, share certificate accounts or class of share accounts of a credit union chartered under the laws of this State or the laws of the United States; provided, however, the principal office of any such credit union must be located within the State of Illinois. Investments may be made only in those credit unions the accounts of which are insured by applicable law.

(c) For purposes of this Section, the term "agencies of the United States of America" includes: (i) the federal land banks, federal intermediate credit banks, banks for cooperative, federal farm credit banks, or any other entity authorized to issue debt obligations under the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.) and Acts amendatory thereto; (ii) the federal home loan banks and the federal home loan mortgage corporation; and (iii) any other agency created by Act of Congress.

(d) Except for pecuniary interests permitted under subsection (f) of Section 3.14-4 of the Illinois Municipal Code or under Section 3.2 of the Public Officer Prohibited Practices Act, no person acting as treasurer or financial officer or who is employed in any similar capacity by or for a public agency may do any of the following:

(1) have any interest, directly or indirectly, in any investments in which the agency is authorized to invest.

(2) have any interest, directly or indirectly, in the sellers, sponsors, or managers of those investments.

(3) receive, in any manner, compensation of any kind from any investments in which the agency is authorized to invest.

Sec. 2.5. ***Investment policy.***

(a) ***Investment of public funds by a public agency shall be governed by a written investment policy adopted by the public agency.*** *The level of detail and complexity of the investment policy shall be appropriate to the nature of the funds, the purpose for the funds, and the amount of the public funds within the investment portfolio. The policy shall address safety of principal, liquidity of funds, and return on investment and shall require that the investment portfolio be structured in such manner as to provide sufficient liquidity to pay obligations as they come due. In addition, the investment policy shall include or address the following:*

(1) a listing of authorized investments;

(2) ***a rule, such as the "prudent person rule",*** *establishing the standard of care that must be maintained by the persons investing the public funds;*

(3) ***investment guidelines*** *that are appropriate to the nature of the funds, the purpose for the funds, and the amount of the public funds within the investment portfolio;*

(4) ***a policy regarding diversification*** *of the investment portfolio that is appropriate to the nature of the funds, the purpose for the funds, and the amount of the public funds within the investment portfolio;*

(5) ***guidelines regarding collateral requirements****, if any, for the deposit of public funds in a financial institution made pursuant to this Act, and, if applicable, guidelines for contractual arrangements for the custody and safekeeping of that collateral;*

(6) ***a policy regarding the establishment of a system of internal controls and written operational procedures designed to prevent losses of funds that might arise from fraud, employee error, misrepresentation by third parties, or imprudent actions by employees of the entity;***

(7) ***identification of the chief investment officer*** *who is responsible for establishing the internal controls and written procedures for the operation of the investment program;*

*(8) **performance measures that are appropriate to the nature of the funds**, the purpose for the funds, and the amount of the public funds within the investment portfolio;*

*(9) **a policy regarding appropriate periodic review of the investment portfolio, its effectiveness in meeting the public agency's needs for safety, liquidity, rate of return, and diversification, and its general performance**;*

*(10) **a policy establishing at least quarterly written reports of investment activities by the public agency's chief financial officer for submission to the governing body and chief executive officer of the public agency**. The reports shall include information regarding securities in the portfolio by class or type, book value, income earned and market value as of the report date;*

*(11) **a policy regarding the selection of investment advisors, money managers, and financial institutions**; and*

*(12) **a policy regarding ethics and conflicts of interest**.*

(a-5) The investment policy shall include a statement that material, relevant, and decision useful sustainability factors have been or are regularly considered by the agency, within the bounds of financial and fiduciary prudence, in evaluating investment decisions. Such factors include but are not limited to: (i) corporate governance and leadership factors; (ii) environmental factors; (iii) social capital factors; (iv) human capital factors; and (v) business model and innovation factors, as provided under the Illinois Sustainable Investing

(b) For purposes of the State or a county, the investment policy shall be adopted by the elected treasurer and presented to the chief executive officer and the governing body. For purposes of any other public agency, the investment policy shall be adopted by the governing body of the public agency.

(c) The investment policy shall be made available to the public at the main administrative office of the public agency.

(d) The written investment policy required under this Section shall be developed and implemented by January 1, 2000.

Sec. 2.10. Unit of local government; deposit at reduced rate of interest. The treasurer of a unit of local government may, in his or her discretion, deposit public moneys of that unit of local government in a financial institution pursuant to an agreement that provides for a reduced rate of interest, provided that the institution agrees to expend an amount of money equal to the amount of the reduction for senior centers.

Sec. 3. If any securities, purchased under authority of Section 2 hereof, are issuable to a designated payee or to the order of a designated payee, then the public agency shall be so designated, and further, if such securities are purchased with money taken from a particular fund of a public agency, the name of such fund shall be added to that of such public agency. If any such securities are registerable, either as to principal or interest, or both, then such securities shall be so registered in the name of the public agency, and in the name of the fund to which they are to be credited.

Sec. 4. All securities purchased under the authority of this Act shall be held for the benefit of the public agency which purchased them, and if purchased with money taken from a particular fund, such securities shall be credited to and deemed to be a part of such fund, and shall be held for the benefit thereof. All securities so purchased shall be deposited and held in a safe place by the person or persons having custody of the fund to which they are credited, and such person or persons are responsible upon his or their official bond or bonds for the safekeeping of all such securities. Any securities purchased by any such public agency under authority of this Act, may be sold at any time at the then current market price thereof, by the governing authority of such public agency. Except as provided in Section 4.1 of "An Act in relation to State finance", all payments received as principal or interest, or otherwise, derived from any such securities shall be credited to the public agency and to the fund by or for which such securities were purchased.

Sec. 6. Report of financial institutions.

> *(a)* ***No bank shall receive any public funds unless it has furnished the corporate authorities of a public agency submitting a deposit with copies of the last two sworn statements of resources and liabilities which the bank is required to furnish to the Commissioner of Banks and Real Estate or to the Comptroller of the Currency.*** *Each bank designated as a depository for public funds shall, while acting as such depository, furnish the corporate*

authorities of a public agency with a copy of all statements of resources and liabilities which it is required to furnish to the Commissioner of Banks and Real Estate or to the Comptroller of the Currency; provided, that if such funds or moneys are deposited in a bank, the amount of all such deposits not collateralized or insured by an agency of the federal government shall not exceed 75% of the capital stock and surplus of such bank, and the corporate authorities of a public agency submitting a deposit shall not be discharged from responsibility for any funds or moneys deposited in any bank in excess of such limitation.

(b) No savings bank or savings and loan association shall receive public funds unless it has furnished the corporate authorities of a public agency submitting a deposit with copies of the last 2 sworn statements of resources and liabilities which the savings bank or savings and loan association is required to furnish to the Commissioner of Banks and Real Estate or the Federal Deposit Insurance Corporation. *Each savings bank or savings and loan association designated as a depository for public funds shall, while acting as such depository, furnish the corporate authorities of a public agency with a copy of all statements of resources and liabilities which it is required to furnish to the Commissioner of Banks and Real Estate or the Federal Deposit Insurance Corporation; provided, that if such funds or moneys are deposited in a savings bank or savings and loan association, the amount of all such deposits not collateralized or insured by an agency of the federal government shall not exceed 75% of the net worth of such savings bank or savings and loan association as defined by the Federal Deposit Insurance Corporation, and the corporate authorities of a public agency submitting a deposit shall not be discharged from responsibility for any funds or moneys deposited in any savings bank or savings and loan association in excess of such limitation.*

(c) No credit union shall receive public funds unless it has furnished the corporate authorities of a public agency submitting a share deposit with copies of the last two reports of examination prepared by or submitted to the Illinois Department of Financial Institutions or the National Credit Union Administration. Each credit union designated as a depository for public funds shall, while acting as

such depository, furnish the corporate authorities of a public agency with a copy of all reports of examination prepared by or furnished to the Illinois Department of Financial Institutions or the National Credit Union Administration; provided that if such funds or moneys are invested in a credit union account, the amount of all such investments not collateralized or insured by an agency of the federal government or other approved share insurer shall not exceed 50% of the unimpaired capital and surplus of such credit union, which shall include shares, reserves and undivided earnings and the corporate authorities of a public agency making an investment shall not be discharged from responsibility for any funds or moneys invested in a credit union in excess of such limitation.

(d) Whenever a public agency deposits any public funds in a financial institution, the public agency may enter into an agreement with the financial institution requiring any funds not insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration or other approved share insurer to be collateralized by any of the following classes of securities, provided there has been no default in the payment of principal or interest thereon: (1) Bonds, notes, or other securities constituting direct and general obligations of the United States, the bonds, notes, or other securities constituting the direct and general obligation of any agency or instrumentality of the United States, the interest and principal of which is unconditionally guaranteed by the United States, and bonds, notes, or other securities or evidence of indebtedness constituting the obligation of a U.S. agency or instrumentality.

(2) Direct and general obligation bonds of the State of Illinois or of any other state of the United States.

(3) Revenue bonds of this State or any authority, board, commission, or similar agency thereof.

(4) Direct and general obligation bonds of any city, town, county, school district, or other taxing body of any state, the debt service of which is payable from general ad valorem taxes.

(5) Revenue bonds of any city, town, county, or school district of the State of Illinois.

(6) Obligations issued, assumed, or guaranteed by the International Finance Corporation, the principal of which is not amortized during the life of the obligation, but no such obligation shall be accepted at more than 90% of its market value.

(7) Illinois Affordable Housing Program Trust Fund Bonds or Notes as defined in and issued pursuant to the Illinois Housing Development Act.

(8) In an amount equal to at least market value of that amount of funds deposited exceeding the insurance limitation provided by the Federal Deposit Insurance Corporation or the National Credit Union Administration or other approved share insurer: (i) securities, (ii) mortgages, (iii) letters of credit issued by a Federal Home Loan Bank, or (iv) loans covered by a State Guarantee under the Illinois Farm Development Act, if that guarantee has been assumed by the Illinois Finance Authority under Section 845-75 of the Illinois Finance Authority Act, and loans covered by a State Guarantee under Article 830 of the Illinois Finance Authority Act.

(9) Certificates of deposit or share certificates issued to the depository institution pledging them as security. The public agency may require security in the amount of 125% of the value of the public agency deposit. Such certificate of deposit or share certificate shall:

> *(i) be fully insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or the National Credit Union Share Insurance Fund or issued by a depository institution which is rated within the highest classifications established by at least one of the 2 standard rating services;*
>
> *(ii) be issued by a financial institution having assets of $15,000,000 or more;*
>
> *and*

(iii) be issued by either a savings and loan association having a capital to asset ratio of at least 2%, by a bank having a capital to asset ratio of at least 6% or by a credit union having a capital to asset ratio of at least 4%.

The depository institution shall effect the assignment of the certificate of deposit or share certificate to the public agency and shall agree that, in the event the issuer of the certificate fails to maintain the capital to asset ratio required by this Section, such certificate of deposit or share certificate shall be replaced by additional suitable security.

(e) The public agency may accept a system established by the State Treasurer to aggregate permissible securities received as collateral from financial institutions in a collateral pool to secure public deposits of the institutions that have pledged securities to the pool.

(f) The public agency may at any time declare any particular security ineligible to qualify as collateral when, in the public agency's judgment, it is deemed desirable to do so.

(g) Notwithstanding any other provision of this Section, as security a public agency may, at its discretion, accept a bond, executed by a company authorized to transact the kinds of business described in clause (g) of Section 4 of the Illinois Insurance Code, in an amount not less than the amount of the deposits required by this Section to be secured, payable to the public agency for the benefit of the People of the unit of government, in a form that is acceptable to the public agency.

(h) Paragraphs (a), (b), (c), (d), (e), (f), and (g) of this Section do not apply to the University of Illinois, Southern Illinois University, Chicago State University, Eastern Illinois University, Governors State University, Illinois State University, Northeastern Illinois University, Northern Illinois University, Western Illinois University, the Cooperative Computer Center and public community colleges.

(Source: P.A. 95-331, eff. 8-21-07.)

(30 ILCS 235/6.5)

Sec. 6.5. Federally insured deposits at Illinois financial institutions.

(a) Notwithstanding any other provision of this Act or any other statute, whenever a public agency invests public funds in an interest-bearing savings account, demand deposit account, interest-bearing certificate of deposit, or interest-bearing time deposit under Section 2 of this Act, the provisions of Section 6 of this Act and any other statutory requirements pertaining to the eligibility of a bank to receive or hold public deposits or to the pledging of collateral by a bank to secure public deposits do not apply to any bank receiving or holding all or part of the invested public funds if (i) the public agency initiates the investment at or through a bank located in Illinois and (ii) the invested public funds are at all times fully insured by an agency or instrumentality of the federal government.

(b) Nothing in this Section is intended to:

(1) prohibiting a public agency from requiring the bank at or through which the investment of public funds is initiated to provide the public agency with the information otherwise required by subsection (a), (b), or (c) of Section 6 of this Act as a condition of investing the public funds at or through that bank; or

(2) permit a bank to receive or hold public deposits if that bank is prohibited from doing so by any rule, sanction, or order issued by a regulatory agency or by a court.

(c) For purposes of this Section, the term "bank" includes any person doing a banking business whether subject to the laws of this or any other jurisdiction.

Sec. 7. When investing or depositing public funds, each custodian shall, to the extent permitted by this Act and by the lawful and reasonable performance of his custodial duties, invest or deposit *such funds with or in minority-owned financial institutions within this State.*

Sec. 8. Consideration of financial institution's commitment to its community.

(a) In addition to any other requirements of this Act, a public agency shall consider the financial institution's record and current level of financial commitment to its local community when deciding whether to deposit public funds in that financial institution. The public agency may consider factors including, but not necessarily limited to:

(1) for financial institutions subject to the federal Community Reinvestment Act of 1977, the current and historical ratings that the financial institution has received, to the extent that those ratings are publicly available, under the federal Community Reinvestment Act of 1977;

(2) any changes in ownership, management, policies, or practices of the financial institution that may affect the level of the financial institution's commitment to its community;

(3) the financial impact that the withdrawal or denial of deposits of public funds might have on the financial institution;

(4) the financial impact to the public agency as a result of withdrawing public funds or refusing to deposit additional public funds in the financial institution; and

(5) any additional burden on the resources of the public agency that might result from ceasing to maintain deposits of public funds at the financial institution under consideration.

(a-5) Effective January 1, 2022, no public funds may be deposited in a financial institution subject to the federal Community Reinvestment Act of 1977 unless the institution has a current rating of satisfactory or

outstanding under the Community Reinvestment Act of 1977.

(a-10) When investing or depositing public funds, the public agency may give preference to financial institutions that have a current rating of outstanding under the federal Community Reinvestment Act of 1977.

(b) Nothing in this Section shall be construed as authorizing the public agency to conduct an examination or investigation of a financial institution or to receive information that is not publicly available and the disclosure of which is otherwise prohibited by law.

Sec. 9. Municipal and county investment in not-for-profit community development financial institutions. Municipalities and counties may invest up to $250,000 per year in public funds in not-for-profit community development financial institutions across all institutions. These financial institutions must have at least $5,000,000 in net assets and have earned at least an "A" rating by an investment rating organization that primarily provides services for community development financial institutions. Investments made under this Section shall be made for a term and at a rate acceptable to the municipality or county and the municipality or county may set benchmarks in order to continue investing in the not-for-profit community development financial institution.

(d) Except for pecuniary interests permitted under subsection (f) of Section 3-14-4 of the Illinois Municipal Code or under Section 3.2 of the Public Officer Prohibited Practices Act, ***no person acting as treasurer or financial officer who is employed in any similar capacity by or for a public agency may do any of the following****:*

(1) have any interest, directly or indirectly, in any investments in which the agency is authorized to invest.

(2) have any interest, directly or indirectly, in the sellers, sponsors, or managers of those investments.

(3) receive, in any manner, compensation of any kind from any investments in which the agency is authorized to invest.

VILLAGE OF MANTENO INVESTMENT POLICY

On February 20, 2017, the Village passed Ordinance 17-30 establishing an investment policy for Public Funds. The policy is found in Exhibit V.

Some of the provisions of this ordinance include:

IV. Authority; Standard of Care; and Ethics.

(A) Delegation of Authority.

(i) ***The President and Board of Trustees of the Village of Manteno (the "Corporate Authorities") shall be responsible for all public funds.*** *The Corporate Authorities shall:*

(a) define investment policies, objectives, and guidelines, including risk tolerance, for a general investment program and specific portions of the portfolio;

(b) review the adequacy or need for change of this investment policy;

(c) meet and review reports concerning asset management and performance;

(d) select financial institutions authorized to accept fund assets; and

(e) select investment advisors/managers authorized to invest fund assets.

(ii) ***<u>The Village Treasurer (the "Treasurer"), or his/her designee, shall be and constitute the chief investment officer for the Village, shall be vested with the authority</u>***

and responsibility to manage the investment program, and shall establish and implement written procedures and internal controls for the operation of the investment program in an manner that is consistent with this investment policy. Written procedures should include references to safekeeping, delivery v. payment, investment accounting, repurchase agreements, wire transfer agreements, and collateral/depository agreements. No person shall engage in an investment transaction that violates this investment policy or the written procedures and internal controls established by the Treasurer. *The Treasurer shall:*

(a) be responsible for all investment transactions;

(b) establish a system of controls to regulate investment transactions of subordinate officials and employees;

(c) have full discretion of the management of investments subject to this investment policy, directions for authorized investments, and applicable law;

(d) serve as fiduciary for specific investment decisions;

(e) ensure that cash is productively employed at all times;

(f) meet, as required by the Corporate Authorities, to provide reports relative to the status of the Village's investments;

(g) assist the Corporate Authorities in developing and updating investment policy guidelines; and,

(h) follow all legal requirements regarding investment activities.

*(B) Prudence. The standard of prudence to be used by persons subject to this investment policy shall be the "**prudent person**" standard, and that standard shall be applied in the context of managing the overall portfolio. Investments shall be made with*

judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, with consideration of the objectives of legality, safety, liquidity, yield, and public confidence.[2]

b. *<u>Ethics: Conflicts of Interest</u>. Except for pecuniary interest permitted under Section 3.1- 55-10 of the Illinois Municipal Code (65 ILCS 5/3.1-55-10) or Section 3.2 of the Public Officers Prohibited Practices Act (50 ILCS 105/3.2), no official being a member of the Corporate Authorities, the Treasurer, nor any other official/employee involved in the investment process, may:*

(iv) have any interest, directly or indirectly, in any of the Village's investments;

(v) have any interest, directly or indirectly, in the sellers, sponsors, or managers of the Village's investments; or

(vi) receive, in any manner, compensation of any kind from any of the Village's investments or investment transactions.

IV. Internal Controls; Reporting; Performance; and Safekeeping.

(A) Internal Control. The Treasurer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Village are protected from loss, theft, or misuse. There shall be established a process for annual independent review by an external auditor to assure compliance with such policies and procedures. The internal controls shall address the following:

(i) control of collusion;

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[2] **prudent person rule** (https://www.law.cornell.edu/wex/prudent_person_rule)

The prudent person rule (also called the prudent investor rule) requires fiduciaries, such as trustees, to invest and manage trust property and assets with the care, skill, and caution that a prudent person would exercise under similar circumstances. The rule was first established in Harvard College & Massachusetts General Hospital v. Amory, 9 Pick. 446, 26 Mass. 446 (1830), which directed trustees to consider both the probable income and the probable safety of capital. Modern applications of the rule have evolved to reflect Modern Portfolio Theory (MPT), which emphasizes the overall performance of the investment portfolio rather than the prudence of individual investments. Trustees must therefore diversify assets, balance risk and return, and act solely in the beneficiaries' best interests.

The rule has been codified in many states through the Uniform Prudent Investor Act (UPIA), which provides that fiduciaries are not liable for investment losses if their overall strategy was prudent when made.

(ii) separation of transaction authority from accounting and record keeping;

(iii) custodial safekeeping;

(iv) avoidance of physical delivery securities;

(v) clear delegation of authority to subordinate staff members;

(vi) written confirmation of transactions for investment and wire transfers; and,

(vii) development of a wire transfer agreement with a lead financial institution and any third party custodian.

(B) Reporting. No later than forty five (45) days following the end of each fiscal year quarter, the Treasurer shall prepare and deliver to the Corporate Authorities an investment report, including a management summary, which shall provide an analysis of the status of the current investment portfolio, transactions made over the last quarter, and a statement of the market value of the portfolio at the end of that quarter. The investment report shall include:

(i) a management summary that will allow the Corporate Authorities to ascertain whether investment activities during the reporting period have conformed to the investment policy;

(ii) a listing of individual securities held at the end of the reporting period;

(iii) a statement of realized and unrealized gains or losses resulting from appreciation or depreciation by listing the cost and market value of securities over a one-year duration that are not intended to be held until maturity (in accordance with Governmental Accounting Standards Board (GASB) requirements);

(iv) the average weighted yield to maturity of the portfolio on investments as compared to applicable benchmarks;

(v) a listing of each investment by maturity date; and,

(vi) the percentage of the total portfolio represented by each type of investment.

(C) Performance standards. The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates. A series of appropriate benchmarks shall be established against which the investment portfolio's performance will be compared to on a regular basis. Ideally, the yield for an investment will exceed the inflation rate as measured by the consumer price index (CPI-U) on an annualized basis.

(D) Safekeeping. All security transactions, including collateral, shall be conducted on a delivery-versus-payment basis. Securities will be held by a custodian designated by the Treasurer and evidenced by safekeeping receipts.

V. Authorized Financial Institutions and Investment Advisors

(A) Financial Institution. Qualified and licensed financial institutions shall be selected which qualify as depositories/custodians under Illinois law. In making these selections, the Corporate Authorities shall consider the financial stability and strength of the institution, availability of financial data, and its commitment to the local community. No funds shall be deposited with a financial institution that is not FDIC insured……………

OBSERVATIONS

FDIC

- Illinois Financial Institutions are insured separately for Savings and Demand Deposit accounts with a maximum insurance of $250,000 for Savings and $250,000 for Demand Deposits per Bank.
- Out-of-state banks are insured for $250,000 per bank.
- Multiple accounts in one bank do not increase insurance.
- Political Subdivisions are entitled to their own insurance. We believe that the Police Pension Fund appears to satisfy this requirement.
- The "Official Custodian" is the insured depositor, not the Village.
- Based on the definitions of Official Custodian, the Official Custodian for the Village appears to be shared by the Board of Trustees and the Village Treasurer.

- Based on the definitions of Official Custodian, the Official Custodian for the Police Pension Fund appears to be shared by the Police Pension Fund Board and the Village Treasurer.
- The FDIC may honor IDI collateralization agreements to extend insurance limits.
- The FDIC provides a calculator to determine the amount of insurance that is available: https://edie.fdic.gov/calculator.html.

Bonding

- Ordinance 24-18 requires elected and appointed officials, except trustees, to be bonded. The Treasurer's bond is set at the greater of $50,000 or 3 times the latest census population of the Village.
- The Village does not have bonds. Rather, it has $500,000 in employee dishonesty coverage, which covers employees but does not appear to extend to the Village President or Village Trustees.
- The Village has not approved the substitution of employee coverage in lieu of bonding. The employee dishonesty coverage appears not to cover the Village Mayor.
- The bonding requirements should reflect the actual cash amounts under control of the Village Treasurer, which at times were close to $50M, including Village and Police Pension Funds.
- As the Village Board appears to meet the FDIC definition of a joint "Official Custodian" (along with the Treasurer), the Village Board should also consider being bonded to the same limits as the Treasurer.

CDARS

- The Village utilizes CDARS to spread investment risk when purchasing CDs in financial institutions.
- Per the CDARS website:

> *IntraFi is not an FDIC-insured bank, and deposit insurance covers the failure of an insured bank. Certain conditions must be satisfied for "pass-through" FDIC deposit insurance coverage to apply.*

- Per the CDARS website, the bank into which the Village deposits funds acts as the custodian for those deposits, and the sub-custodian is the Bank of New York Mellon (BNY Mellon).

Illinois Investment Act

We did not find evidence that the Treasurer had obtained sworn financial statements from financial institutions prior to investing funds as required under the Illinois Public Funds Investment Act Section 6, Report of Financial Institutions (a) and (b). Section (a) pertains to Banks and Section (b) pertains to Savings Bank. Section (a) states:

> *(a) No bank shall receive any public funds unless it has furnished the corporate authorities of a public agency submitting a deposit with copies of the last two sworn statements of resources and liabilities which the bank is required to furnish to the Commissioner of Banks and Real Estate or to the Comptroller of the Currency. Each bank designated as a depository for public funds shall, while acting as such depository, furnish the corporate authorities of a public agency with a copy of all statements of resources and liabilities which it is required to furnish to the Commissioner of Banks and Real Estate or to the Comptroller of the Currency; provided, that if such funds or moneys are deposited in a bank, the amount of all such deposits not collateralized or insured by an agency of the federal government shall not exceed 75% of the capital stock and surplus of such bank, and the corporate authorities of a public agency submitting a deposit shall not be discharged from responsibility for any funds or moneys deposited in any bank in excess of such limitation.*

Further, it is unclear whether this requirement extends to financial institutions used by CDARS.

We did not find evidence that the Village has obtained collateral from Financial Institutions to cover balances in excess of FDIC insurance.

We did not find evidence that the Village was attempting to invest funds in minority banks.

Village of Manteno Investment Policy

- The Village Treasurer is the chief investment officer for the Village. The Treasurer is to establish and implement written procedures and internal controls for the operation of the investment program in a manner that is consistent with the investment policy.
- We inquired and were informed that no written procedures exist, and no internal control structure has been established by the Treasurer.
    - The Treasurer reconciles the bank accounts that she controls.
    - She only reconciles two (2) of the forty (40) plus accounts.

- Certain bank account transactions are allocated among multiple general ledger cash accounts.
- We noted that the Village payroll account, which is in the Village name, does not have a corresponding General Ledger Account. Rather, the payroll account is treated as if the account is in the name of a third-party administrator.
- There are few, if any, controls in place for incoming/outgoing funds transfers.
- Large transfers are made by phone and in person with little description shown on the bank statements.
- It appears that the Treasurer can make cash transfers with no limit and no pre- or post- signoff by an independent 3rd party (the Village Administrator, for example).
- We found evidence of large uninsured balances remaining overnight in banks.
- We did not find a process in place to forecast cash requirements and evaluate rates of return from various financial institutions. Rather, we found a large amount of cash invested in a few banks with ties to Village Officials.

As mentioned above, we found that the Treasurer was transferring large amounts of cash between Village Accounts with little or no oversight or documentation. Below are some examples:

$1.5M Transfer by Telephone on 5/18/2022

Midland States Bank

Date 5/31/22 Page 2
Primary Account [redacted]
Enclosures

Public Funds Interest Checking [redacted] (Continued)

ALL CREDIT ACTIVITY

Date	Description	Amount
5/17	Investment Transfer from DDA Acct No. [redacted]	17,784.38
5/18	Telephone transfer by Sheila Martin	1,500,000.00
5/31	Interest Deposit	4.25

CHECKS AND OTHER DEBITS

Date	Description	Amount
5/02	Investment Transfer to DDA [redacted]	1.36
5/03	Investment Transfer to DDA [redacted]	41.5[illegible]
5/13	Investment Transfer to DDA [redacted]	1[illegible].00-
5/17	Web Xfer From/To: [redacted] /[redacted]	17,[illegible]4.38-
5/18	Investment Transfer to DDA [redacted]	[illegible],000.00-

DAILY BALANCE SUMMARY

Date	Balance	Date	Balance	Date	Balance
5/02	250,000.00	5/13	[illegible]0,000.00	5/18	250,000.00
5/03	250,000.00	5/17	250,000.00	5/31	250,004.25

Account Title: VILLAGE [illegible]TENO
IC[illegible] SW[illegible]EP

ICS - Public Funds		Check Safekeeping	
Account Number	[redacted]	Statement Dates	5/02/22 thru 5/31/22
Previous Balance	[illegible],638,952.71	Days in the statement period	30
4 Deposits	[illegible],500,052.86	Average Ledger	10,442,151.75
1 Checks/Charges	17,784.38	Average Collected	10,442,151.75
Service Charge	.00	Interest Earned	2,154.16
Interest Paid	408.52	Annual Percentage Yield Earned	0.25%
Current Balance	11,121,629.71	2022 Interest Paid	408.52

Statement Group

Date 4/29/22 Page 1
Primary Account [redacted]
Enclosures

VILLAGE OF MANTENO
CAPITAL PROJECT FUND
98 E THIRD ST
MANTENO IL 60950-1204

SUMMARY OF ACCOUNTS

Account Number	Type of Account	Current Balance	Enclosures
[redacted]	ICS - Public Funds	9,638,952.71	
	Public Funds Interest Checking	250,001.36	

CHECKING ACCOUNTS

Account Title: VILLAGE OF MANTENO
CAPITAL PROJECT FUND

Public Funds Interest Checking		Check Safekeeping	
Account Number	[redacted]	Statement Dates	4/20/22 thru 5/01/22
Previous Balance	.00	Days in the statement period	12
3 Deposits	14,[illegible],047.29	Average Ledger	229,166.66
4 Checks/Charges	[illegible],861,047.29	Average Collected	229,166.66
Service Charge	.00	Interest Earned	1.50
Interest Paid	1.36	Annual Percentage Yield Earned	0.02%
Current Balance	250,001.36	2022 Interest Paid	1.36

	Total For This Period	Total Year-to-Date
Total Overdraft Fees	$.00	$.00
Total Returned Item fees	$.00	$.00

ALL CREDIT ACTIVITY

Date	Description	Amount
4/21	Telephone transfer Fund New ICS Sweep Sheila Martin	12,000,000.00
4/26	Investment Transfer from DDA [redacted]	1,568,047.29

01/31/2025

Page
2 of 2

DETAILED ACCOUNT OVERVIEW
Account ID: [redacted]
Account Title: Village of Manteno

Account Summary - Demand

Statement Period	1/1-1/31/2025	Average Daily Balance	$1,186,752.77
Previous Period Ending Balance	$1,997,078.50	Interest Rate at End of Statement Period	4.00%
Total Program Deposits	0.00	Annual Percentage Yield Earned	4.08%
Total Program Withdrawals	(1,006,533.50)	YTD Interest Paid	4,038.73
Interest Capitalized	4,038.73		
Current Period Ending Balance	**$994,583.73**		

Account Transaction Detail

Date	Activity Type	Amount	Balance
01/07/2025	Withdrawal	(1,000,000.00)	$997,078.50
01/13/2025	Withdrawal	(6,533.50)	990,545.00
01/31/2025	Interest Capitalization	4,038.73	994,583.73

Summary of Balances as of January 31, 2025

FDIC-Insured Institution	City/State	FDIC Cert No.	Balance
Comerica Bank	Dallas, TX	983	$0.01
First-Citizens Bank & Trust Company	Raleigh, NC	11063	162.94
KeyBank National Association	Cleveland, OH	17534	247,840.59
Pinnacle Bank	Nashville, TN	35583	162.98
Raymond James Bank	St. Petersburg, FL	33893	168,264.82
River City Bank	Sacramento, CA	18983	156.62
The Huntington National Bank	Columbus, OH	6560	247,840.59
TriState Capital Bank	Pittsburgh, PA	58457	247,840.56
Truist Bank	Charlotte, NC	9846	82,256.43
U.S. Bank National Association	Cincinnati, OH	6548	8.73
Western Alliance Bank	Phoenix, AZ	57512	49.45
Zions Bancorporation, N.A.	Salt Lake City, UT	2270	0.01

HomeStar Bank
& Financial Services
Member FDIC

576 William Latham Dr., Bourbonnais, IL 60914
435 E. North St., Bradley, IL 60915
255 E. Station St., Kankakee, IL 60901
303 Section Line Rd., Manteno, IL 60950
105 McGuire Dr., Manteno, IL 60950
(815) 468-2265
25640 S. Gougar Rd., Manhattan, IL 60442
(815) 361-4455

000 00003 01 [redacted]
ACCOUNT: [redacted]
PAGE: 1
07/31/2018

VILLAGE OF MANTENO
98 E THIRD ST
MANTENO IL 60950-1245

30
0
3

MM PUBLIC FUNDS ACCOUNT [redacted]

DESCRIPTION	DEBITS	CREDITS	DATE	BALANCE
BALANCE LAST STATEMENT			06/29/18	300,004.93
WIRE IN AQUA AMERICA - ZS		25000,000.00	07/02/18	25300,004.93
CHECK	25300,000.00		07/03/18	4.93
WIRE IN ICS SETTLEMENT - ZS		25000,000.00	07/16/18	25000,004.93
CHECK	12500,000.00		07/17/18	12500,004.93
CHECK	12500,000.00		07/17/18	4.93
INTEREST		836.71	07/31/18	841.64
SERVICE CHARGE	25.00		07/31/18	816.64
BALANCE THIS STATEMENT			07/31/18	816.64

TOTAL CREDITS (3) 50,000,836.71
TOTAL DEBITS (4) 50,300,025.00

YOUR CHECKS SEQUENCED

DATE...CHECK #......AMOUNT	DATE...CHECK #......AMOUNT	DATE...CHECK #......AMOUNT
07/03 *25300000.00	07/17 *12500000.00	07/17 12500000.00

(*) INDICATES A GAP IN CHECK NUMBER SEQUENCE

---------- I N T E R E S T ----------

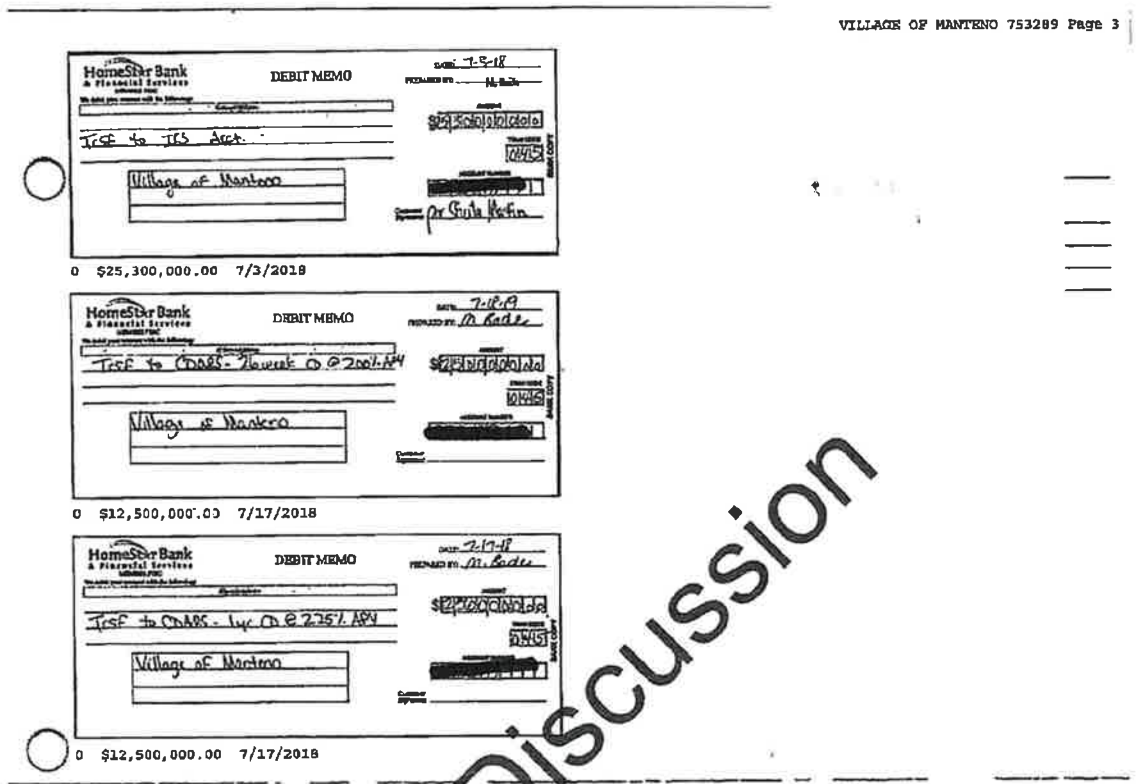
AVERAGE LEDGER BALANCE:	1,590,629.93	INTEREST EARNED:	836.71
INTEREST PAID THIS PERIOD:	836.71	DAYS IN PERIOD:	32
INTEREST PAID 2018:	841.64	ANNUAL PERCENTAGE YIELD EARNED:	.60%

*** C O N T I N U E D ***

MPPS 21-05-000050

NOTICE: SEE REVERSE SIDE FOR IMPORTANT INFORMATION

Draft for Discussion


VILLAGE OF MANTENO 753289 Page 3

HomeStar Bank & Financial Services DEBIT MEMO Date: 7-5-18

Trsf to ICS Acct.

Village of Manteno

[redacted]

0 $25,300,000.00 7/3/2018

HomeStar Bank & Financial Services DEBIT MEMO

Trsf to CDARS - 26 week CD @ 2.00% APY

Village of Manteno

[redacted]

0 $12,500,000.00 7/17/2018

HomeStar Bank & Financial Services DEBIT MEMO Date: 7-17-18

Trsf to CDARS - 1yr CD @ 2.25% APY

Village of Manteno

[redacted]

0 $12,500,000.00 7/17/2018

These transfers appear to have occurred by phone, but the outgoing amounts were labeled as "checks" by the bank. It also appears that $25M in Village funds sat uninsured in HomeStar Bank overnight on July 2, 2018, and July 16, 2018.

Ethics and Conflicts of Interest as defined by the Illinois Investment Funds Act and the Village Investment Policy

As noted above, the Illinois Public Funds Investment Act and the Village's Investment policy state:

> *Ethics: Conflicts of Interest. Except for pecuniary interest permitted under Section 3.1- 55-10 of the Illinois Municipal Code (65 ILCS 5/3.1-55-10) or Section 3.2 of the Public Officers Prohibited Practices Act (50 ILCS 105/3.2), no official being a member of the Corporate Authorities, the Treasurer, nor any other official/employee involved in the investment process, may:*
>
> *(i) have any interest, directly or indirectly, in any of the Village's investments;*

(ii) have any interest, directly or indirectly, in the sellers, sponsors, or managers of the Village's investments; or,

(iii) receive, in any manner, compensation of any kind from any of the Village's investments or investment actions.

Per above, there are two exceptions.

Section 3.1-55-10 of the Illinois Municipal Code:

> *(e) Nothing contained in this Section, including the restrictions set forth in subsections (b) and (c), shall preclude a contract of deposit of moneys, loans, or other financial services by a municipality with a local bank or local savings and loan association, regardless of whether a <u>member of the governing body</u> of the municipality is interested in the bank or savings and loan association as an officer or employee or as a holder of less than 7 1/2% of the total ownership interest. A member holding an interest described in this subsection (e) in a contract does not hold a prohibited interest for purposes of this Act. The interested member of the governing body must publicly state the nature and extent of the interest during deliberations concerning the proposed award of the contract but shall not participate in any further deliberations concerning the proposed award. The interested member shall not vote on the proposed award. A member abstaining from participation in deliberations and voting under this Section may be considered present for purposes of establishing a quorum. Award of the contract shall require approval by a majority vote of those members presently holding office. Consideration and award of a contract in which a member is interested may only be made at a regularly scheduled public meeting of the governing body of the municipality.*

Section 3.2 of the Public Officers Prohibited Practices Act (50 ILCS 105/3.2):

> *Sec. 3.2. Pecuniary interest allowed in contracts of deposit and financial service with local banks and savings and loan associations. Nothing contained in this Act, including the restrictions set forth in subsections (b), (c), and (d) of Section 3, shall preclude a contract of deposit of monies, loans, or other financial services by a unit of local government, school district, community college district, State university, or a police or firefighter's pension fund established under Article 3 or 4 of the Illinois Pension Code with a local bank or local savings and loan association, regardless of whether <u>a member or members of the</u>*

> ***governing body*** *of the unit (including any director serving on a hospital district board as provided under subsection (a-5) of Section 13 of the Hospital District Law) are interested in the bank or savings and loan association as a director, an officer, employee, or holder of less than 7 1/2% of the total ownership interest. A member or members holding such an interest in such a contract shall not be deemed to be holding a prohibited interest for purposes of this Act. The interested member or members of the governing body must publicly state the nature and extent of their interest during deliberations concerning the proposed award of such a contract, but shall not participate in any further deliberations concerning the proposed award. The interested member or members shall not vote on such a proposed award. Any member or members abstaining from participation in deliberations and voting under this Section may be considered present for purposes of establishing a quorum. Award of such a contract shall require approval by a majority vote of those members presently holding office. Consideration and award of any such contract in which a member or members are interested may only be made at a regularly scheduled public meeting of the governing body of the unit or district.*

See Exhibits VI and VII for copies of the above-referenced acts.

We found that the majority of Village Funds have been invested in financial institutions where a close family member of a Village Official held a senior position.

- HomeStar Bank - Patrick Martin, the spouse of the Treasurer, was the president of HomeStar Bank and a director of the parent company, HomeStar Financial Group.

- Midland Bank merged with HomeStar Bank, and on August 1, 2019, Mr. Martin was named the Market President for Midland's Bourbonnais Area.

- Iroquois Federal - On April 2, 2022, Iroquois Federal named Patrick Martin to the position of Executive Vice President, Community President. On November 7, 2022, the Village Trustees approved opening accounts with Iroquois Federal.

  Resolution 22-08: *A Resolution designating authorized agents for the Village of Manteno, Kankakee County, Illinois for the purposes of opening accounts and conducting business at Iroquois Federal. The Village was approached by Iroquois Federal with an offer of 3% on a money market account. We have several existing money market accounts that were performing under that rate, and after inquiring with other financial institutions, it was determined that this was the highest rate available and in the best interest of the Village.*

The motion was approved 4-0. Over the period of November 7 and 8, 2022, the Treasurer made three (3) wires totaling $5,750,000 to the Iroquois Federal account 5974.

IROQUOIS
FEDERAL

201 E. CHERRY ST. • WATSEKA IL 60970

Statement Ending 11/30/2022

Page 1 of 4

RETURN SERVICE REQUESTED

>000508 5646842 0001 92897 10Z

VILLAGE OF MANTENO
MFT WATER CAPITAL
98 E THIRD ST
MANTENO IL 60950-1204

Managing Your Accounts

Your Branch	Bourbonnais
Branch Phone Number	815-932-5100
Customer Service	815-432-2476
Online Banking	www.iroquoisfed.com

Summary of Accounts

Account Type	Account Number	Ending Balance
PREMIUM MONEY MARKET	[redacted]	$5,760,860.35

PREMIUM MONEY MARKET-XXXXXX5974

Account Summary

Date	Description	Amount
11/01/2022	Beginning Balance	$0.00
	4 Credit(s) This Period	$5,760,890.35
	2 Debit(s) This Period	$30.00
11/30/2022	Ending Balance	$5,760,860.35

Interest Summary

Description	Amount
Annual Percentage Yield Earned	3.04%
Interest Days	30
Interest Earned	$10,890.35
Interest Paid This Period	$10,890.35
Interest Paid Year-to-Date	$10,890.35
Minimum Balance	$250,000.00
Average Ledger Balance	$4,416,643.66

Account Activity

Post Date	Description	Debits	Credits	Balance
11/01/2022	Beginning Balance			$0.00
11/07/2022	VILLAGE OF MANTE MONEY MRKT		$250,000.00	$250,000.00
11/08/2022	Incoming Wire 61334248		$500,000.00	$750,000.00
11/08/2022	Incoming Wire 61334208		$5,000,000.00	$5,750,000.00
11/08/2022	Wire Fee 61334208	$15.00		$5,749,985.00
11/08/2022	Wire Fee 61334248	$15.00		$5,749,970.00
11/30/2022	INTEREST		$10,890.35	$5,760,860.35
11/30/2022	Ending Balance			$5,760,860.35

Daily Balances

Date	Amount	Date	Amount	Date	Amount
11/07/2022	$250,000.00	11/08/2022	$5,749,970.00	11/30/2022	$5,760,860.35

Manteno
Bank Statement Summary
Iroquois Federal
[redacted]
MFT Water Capital

Month	Year	Total Credits	Interest Included in Credits	Total Debits	Beginning Balance	Ending Balance	Net Activity	Beginning Less Ending Balance
10	2022						-	-
11	2022	5,760,890.35	-	30.00	-	5,760,860.35	5,760,860.35	5,760,860.35
12	2022	14,184.33	-	10,860.35	5,760,860.35	5,764,184.33	3,323.98	3,323.98
							-	
		5,775,074.68	-	10,890.35			5,764,184.33	5,764,184.33
							-	
							-	
1	2023	15,130.28	-	14,184.33	5,764,184.33	5,765,130.28	945.95	945.95
2	2023	13,240.34	-	15,130.28	5,765,130.28	5,763,240.34	(1,889.94)	(1,889.94)
3	2023	14,656.13	-	13,240.34	5,763,240.34	5,764,656.13	1,415.79	1,415.79
4	2023	12,931.89	-	264,656.13	5,764,656.13	5,512,931.89	(251,724.24)	(251,724.24)
5	2023	12,457.37	-	1,512,931.89	5,512,931.89	4,012,457.37	[illegible]	(1,500,474.52)
6	2023	9,869.16	-	12,457.37	4,012,457.37	4,009,869.16	[illegible]	(2,588.21)
7	2023	8,141.85	-	1,009,869.16	4,009,869.16	3,008,141.85	[illegible]	(1,001,727.31)
8	2023	7,645.84	-	8,141.85	3,008,141.85	3,007,645.84	[illegible]	(496.01)
9	2023	6,744.12	-	507,645.84	3,007,645.84	2,506,744.12	[illegible]	(500,901.72)
10	2023	1,004,605.51	-	1,256,744.12	2,506,744.12	2,254,605.51	(252,138.61)	(252,138.61)
11	2023	5,550.22	-	4,605.51	2,254,605.51	2,255,550.22	944.71	944.71
12	2023	5,365.29	-	5,550.22	2,255,550.22	[illegible]	(184.93)	(184.93)
							-	
		1,116,338.00	-	4,625,157.04			(3,508,819.04)	(3,508,819.04)
1	2024	1,762,431.37	-	505,380.29	2,255,365.29	[illegible]	1,257,051.08	1,257,051.08
2	2024	13,493.54	-	12,431.37	[illegible]	3,513,478.54	1,062.17	1,062.17
3	2024	13,494.15	-	13,478.54	[illegible]	3,513,494.15	15.61	15.61
4	2024	14,891.16	-	13,494.15	[illegible]	3,514,891.16	1,397.01	1,397.01
5	2024	1,013,233.10	-	514,906.16	[illegible]	4,013,218.10	498,326.94	498,326.94
6	2024	14,887.46	-	13,218.10	[illegible]	4,014,887.46	1,669.36	1,669.36
7	2024	17,551.60	-	[illegible]	[illegible]	4,017,551.60	2,664.14	2,664.14
8	2024	12,765.49	-	[illegible]	4,017,551.60	3,012,765.49	(1,004,786.11)	(1,004,786.11)
9	2024	12,366.02	-	[illegible]	3,012,765.49	3,012,366.02	(399.47)	(399.47)
10	2024	11,296.16	-	[illegible]	3,012,366.02	2,411,296.16	(601,069.86)	(601,069.86)
11	2024	9,252.72	-	[illegible]	2,411,296.16	2,409,252.72	(2,043.44)	(2,043.44)
12	2024	506,744.89	-	[illegible]	2,409,252.72	1,856,729.89	(552,522.83)	(552,522.83)
							-	
		3,402,407.66	-	3,801,043.06			(398,635.40)	(398,635.40)
1	2025	[illegible]	-	6,729.89	1,856,729.89	1,856,684.79	(45.10)	(45.10)
2	2025	[illegible]	-	6,699.79	1,856,684.79	2,135,902.68	279,217.89	279,217.89
3	2025	[illegible]	-	6,289.94	2,135,902.68	2,136,851.04	948.36	948.36
4	2025	[illegible]	-	782,238.30	2,136,851.04	1,359,666.33	(777,184.71)	(777,184.71)
5	2025						-	-
6	2025						-	-
7	2025						-	-
8	2025						-	-
9	2025						-	-
10	2025						-	-
11	2025						-	-
12	2025						-	-
							-	
		7,109,709.68	-	8,404,044.04			(1,294,334.36)	(1,294,334.36)
		17,403,530.02	-	16,841,134.49			562,395.53	562,395.53

Draft for Discussion

- <u>National Bank of St. Anne ("St. Anne")</u> –The President and Chief Executive Officer of St. Anne is Edward Meier, who is the son-in-law of Mr. Nugent, the former mayor of Manteno.

The Treasurer's spouse was at various times the president and director of HomeStar Bank, the president of Midland, and a vice president of Iroquois Bank. We do not know the percentage of ownership or compensation arrangements the Treasurer's spouse had with his employers. This issue is discussed later under the Sale of HomeStar bank.

As discussed in the Cash Section and the Section discussing the sale to Aqua of the Village Sewer system, Village Officials did not appear to meet the "prudent person" standard described in the Village Investment Policy. In addition to Village cash accounts in HomeStar, normal course of business Village transactions, and the Village Police Pension Fund, Village Officials invested 100% of the $25M Sewer System proceeds in one bank for over a year during a period in which a bank managed by the spouse of the Treasurer was attempting to merge with another bank.

Quarterly Reports

Pursuant to the Village Investment Policy, the Treasurer is required to provide the Board of Trustees with Quarterly Reports. We did not find those reports. We did find an annual report of expenditures. Below is the report for the Fiscal Year ended April 30, 2021:

VILLAGE OF MANTENO
FOR THE FISCAL YEAR ENDING APRIL 30, 2021

RECEIPTS:GENERAL FUND: PROPERTY TAX 1.703.196; TELECOMMUNICATIONS TAX 129,877; LIQUOR LICENSES 5,150; CONTRACTOR REGISTRATION 40,350; FRANCHISE LICENSES 149,041; CABLE PEG FEES 9,579; AMUSEMENT / RAFFLE LICENSES 210; MFG. HOME MONTHLY LICENSE 180,310; BUILDING PERMITS 79,189; BLDG PERMIT INSPECTIONS 54,500; STATE INCOME TAX 1,055,122; REPLACEMENT TAX 23,085; SALES TAX 1,106,995; LOCAL USE TAX 411,506; VIDEO GAMING REVENUE 119,391; CANNABIS USE TAX 7,523; COURT & TRAFFIC FINES 18,884; POLICE ARREST FEES 630; ORDINANCE FINES 9,828; BUILDING FINES 250; POLICE REPORTS 475; OTHER SERVICE FEES 350; GOLF CART REGISTRATIONS 15,650; INTEREST INCOME 1,935; INTEREST INVEST 189,147; RENTAL INCOME 3,500; SOLICITORS PERMITS 50; AGGREGATION DONATION 15,000; PLATTING FEES 29,700; DEVELOPMENT PROCESS FEES 1,700; RETIRED ASSETS 37,548; REIMBURSEMENTS 476,590; IDOT REIMBURSEMENTS 1,685; MISCELLANEOUS INCOME 15,572; REV-INTERFUND TRANSFER-GF 9,107; REVENUE COLLECTIONS UNDER 0.00 -207; **TOTAL $5,901,915.**

SPECIAL PROJECTS FUND: TICKET SURCHARGE 520, DUI EQUIPMENT FINES 12; E-TICKET FEE [illegible]; INTEREST INCOME 16,044; MEMORIAL PARK PAVER 40; POLICE DONATIONS 1,000; PUBLIC WORKS DONATIONS 787; REIMBURSEMENTS 747; SAFETY GRANT REVENUE 1,337; REVENUE COLLECTIONS UNDER 0.00 -1,878; **TOTAL $18,813.**

VILLAGE EVENTS FUND: INTEREST INCOME 5; MOVIES IN THE PARK SPONSOR [illegible]; ROCKIN ON SQUARE SPONSOR 1,250; REIMB-CHAMBER OF COMMERCE 39,504; REV-INTERFUND TRANSFER-VE 72,000; **TOTAL $114,509.**

ESCROW FUND: DEVELOPMENT ESCROW 29,187; TEMP OCCUPANCY ESCROW 12,080, **TOTAL $41,267.**

IMPACT FEE FUND: INTEREST INCOME 3; IMPACT FEES 44,069; **TOTAL $44,072.**

MOTOR FUEL TAX FUND: MOTOR FUEL TAX 661,994; INTEREST INCOME 633; **TOTAL $662,627.**

TAX INCREMENT FINANCING TIF #1: PROPERTY TAX 1,205,[illegible]; INTEREST INCOME 245; **TOTAL $1,205,853.**

TAX INCREMENT FINANCING TIF #3: PROPERTY TAX 7,979; INTEREST INCOME 5; **TOTAL $7,983.**

STORM SEWER FUND: INTEREST INCOME 19,398; REVENUE COLLECTIONS UNDER 0.00 -4,179; **TOTAL $15,218.**

LEGACY PARK CAPITAL PROJ. FUND: INTEREST INCOME 8; INTERGOVERNMENTAL AGREEMENT 11,916; REV-INTERFUND TRANSFER-LEGACY [illegible]; **TOTAL $35,923.**

ROAD & BRIDGE CAPITAL FUND: ROAD & BRIDGE TAX 185,293; INTEREST INCOME 4,428, REVENUE COLLECTIONS UNDER 0.00 -4,179; **TOTAL $185,541.**

DEBT SERVICE SERIES 2013 FUND: INTEREST INCOME 8,632; TOTAL $8,632.

GOLF COURSE FUND: INTEREST INCOME 0; **TOTAL $0.**

PAYROLL: WAGES UNDER $25,000.00 ANKER, ALANNAH L; BATKA, ROBIN R; BAUGHAN, GARY G; BOYCE, TIMOTHY J; CHAMBERLAIN, RAYMOND S; COUSIN, JONATHAN C; CRAWFORD, SHERRI S; CREEK, TODD L; CROCKETT, TODD R; CURVIN, SEAN J; CUSHMAN, ROMARA R; DOLE, DIANE K; DOLE, GERALD E; EDWARDS, DONALD E; ENTWISTLE, GARY C; FIONDA, RALPH; GALLAGHER, MICHAEL J; GENTRY, EMILY M; GESKY, JEREMY R; GESKY, JOEL L; HOPE, JOSEPH M; JOHNSON, WILLIAM W; KEIGHER, LORI A; LOEWIG, BARBARA; MAISONNEUVE, GUY L; MARTIN, SAMUEL J; MCGOWAN, DANIEL V; MIDDLETON, MICHAEL W; NUGENT, TIMOTHY O; PHILLIPS, WENDELL O; RE, MAURICE; REBUS, MARIA L; RENEAU, JACOB M; RITTER, RICHARD D; SCHOLEFIELD, SHARON K; SCHUBERT, KYLE P; SHORES, SPENCER E; SMITH, FRANCIS J; ST AUBIN, RICHARD G; TESTA, BENNY L; TESTA, BERNADETTE M; WEBER, ERIC D; WEILAND, GEORGE E; WILSON, TERRY L; ZIMBELMAN, ANNETTE; **$25,000.01 TO $50,000.00** BERTRAND-ESSINGTON, DANE R; BOUDREAU, TIMOTHY C; HAYS, JOELENE M; HILBERT, CARLA S, JOHNSON, DANIEL L; NUGENT, YVETTE M; PIONTKOWSKI, JACOB M; **$50,000.01 TO $75,000.00**

DILEO, NICHOLAS A; DOLE, JAMES F; HURLEY, DARLA R; MARION, RYAN E; MARION, SARAH L; MARTIN, BENJAMIN R; MARTIN, SHEILA; PIONTKOWSKI, MICHAEL; PRINCE, BRIAN J; REGAS, ANDREW R; RITTER, THOMAS M; RODGERS, NICHOLAS L; STROMME, RICKIE H; **$75,000.01 TO $100,000.00** BERNS, MICHAEL A; BROLING, ALEXANDER K; CASEY, KEVIN L; FORBES, JASON M; HALPER, SCOTT E; HANLEY, JAMES C; JONES, MICHAEL B; LENGEL, DANIEL J; PROPHET, SEAN T; RAMSEYER, JAMES ;REYNOLDS,CHRISTOPHER; ROURKE, JESSICA L; SPEARS, QUINCY J; TODECK, AARON W; WEST, ZAIRIUS D; **$100,000.01 TO $150,000.00** GAGNON, CHADD M; LAROCQUE, CHRISTOPHER A; LOCKWOOD, BRIAN J, SKELLY, STEVEN L; SWINFORD, ALAN R; **TOTAL $3,041,881.**

DISBURSEMENTS:GENERAL FUND: NAPA AUTO PARTS 3,568; ADVANCED COMPUTER SPECIALISTS 18,488; ALEXANDER EQUIPMENT RENTAL INC 5,686; ASPHALT KINGDOM 8,000; BANNERVILLE USA, INC. 3,730; MICHAEL BERNS 4,200; BLUE HARBOR SERVICES 2,845; CALL ONE 11,226; CAPITAL STREETSCAPES 2,956; KEVIN CASEY 3,000; CASSIDY TIRE 3,161; CATALYST 5,040; CINEMA HOME SOLUTIONS 4,107; COMCAST 8,469; COMED 38,224; CONSTELLATION 13,649; COUSIN PLUMBING & HEATING, IN[illegible]95; CURWICK, JERRY L. 3,708; DAILY JOURNAL 5,561; ENGLEWOOD ELECTRIC SUPPLY CO. 7,191; [illegible] 4,0[illegible]; FLOCK SAFETY 4,000, FRANK'S APPLIANCE 3,676; G. HEATING & AIR CONDITIONING 6,95[illegible]; CHADD GAGNON 2,585; HARRIS COMPUTER SYSTEMS 8,301; HERITAGE FS, INC. 58,079; [illegible] FIRE & POLICE EQUIPMENT 9,826; IL MUNICIPAL INS COOPERATIVE 139,792; ILLINOIS PUBLIC RISK FUND [illegible]2,663; J & L FASTENERS 7,808; JOHN DEERE FINANCIAL 4,622; KANKAKEE ACE HARDWARE IN[illegible]; KANKAKEE COUNTY COLLECTOR 6,138; KANKAKEE COUNTY ETSB 59,083; KANKAKEE COUNTY SHERIFF'S DEPT 19,260; KELLY PLASTERING CO 4,920; KEVIN NUGENT CONSTRUCTION, INC 4,[illegible]; [illegible]PI ELECTRIC 3,775; CHRIS LAROCQUE 2,686; LEAF 8,500; LEE'S RENTAL INC 8,418; LEXIPOL LLC [illegible]; LOUIS F. CAINKAR, LTD. 44,245; MANTENO POLICE PENSION FUND 69,714; MANTENO [illegible]EN'S CLUB 8,000; McCANN INDUSTRIES, INC. 3,708; MELCO TIRE 3,055; MENARDS 6,085; MIDWEST PUBLIC SAFETY LLC 4,033; MOTOROLA 5,622; NATIONWIDE EMPLOYEE BENEFITS 2,759; NORG[illegible] CLEANING SERVICES 5,600; NORTHERN LIGHTS DISPLAY 4,030; ORIGINAL JUMPING PIL[illegible] 7,[illegible]22; ORKIN 8,069; OUTSEN ELECTRIC, INC. 36,442; OZINGA READY MIX CONCRETE, INC 3,[illegible]; PATHFINDER 5,040; PRINCIPAL LIFE INSURANCE CO 23,727; RAINBOW FARMS MULCH & TOPSOIL [illegible]280; RAY O'HERRON COMPANY, INC. 4,999; REGENCY TECHNOLOGIES, INC. 6,696; RIVER VALLEY METRO 7,[illegible]0; ROBINSON ENGINEERING LTD 68,567; SKDO, P.C. 18,950; SNIDER'S NURSERY 2,755; STAR DISPOSAL [illegible]0,928; TAYLOR FORD OF MANTENO INC 158,355; UNITED HEALTHCARE INSURANCE CO [illegible]61,738; VERIZON WIRELESS 7,309; VISA 34,299; WAREHOUSE DIRECT, INC. 4,298; WEBER PRINTING COMPANY 3,477; WEBFOOT DESIGNS, INC. 3,635; WERNER AUTOMOTIVE, INC. 2,789; [illegible] ACE HARDWARE 45,392; WORLD FUEL SERVICES, INC. 47,333; EXPENSE DISBURSEMENTS UNDER 2,500.00 125,693; **TOTAL $2,422,303.**

SPECIAL PROJECTS FUND: [illegible]RT SIGN SOLUTIONS INC 8,039; EXPENSE DISBURSEMENTS UNDER 2,500.00 8,155; **TOTAL $16,[illegible]**

VILLAGE EVENTS FUND: UNITED HEALTHCARE INSURANCE CO 5,491; EXPENSE DISBURSEMENTS UNDER 2,500.00 5,464; **TOTAL $10,95[illegible]**

ESCROW FUND: CHRISTOPHER & PAMELA PILBEAM 2,960; ROBINSON ENGINEERING LTD 14,519; LARRY VAUGHN SR [illegible]0,280; EXPENSE DISBURSEMENTS UNDER 2,500.00 1,760; **TOTAL $29,519.**

IMPACT FEE FUND: GENERAL FUND SAVINGS ACCOUNT 5,414; MANTENO SCHOOL DISTRICT #5 19,022; **TOTAL $24,436.**

MOTOR FUEL TAX FUND: CARGILL, INC. 22,854; GALLAGHER MATERIALS CORP 313,520; OZINGA READY MIX CONCRETE, INC 7,362; ROBINSON ENGINEERING LTD 42,788; EXPENSE DISBURSEMENTS UNDER 2,500.00 2,640; **TOTAL $389,163.**

TAX INCREMENT FINANCING TIF #1: BURKLOW CONSTRUCTION, INC. 41,530; CAPITAL STREETSCAPES 14,033; CART & DRIVER 2,763; CHI TURF 29,461; CINEMA HOME SOLUTIONS 3,137; CURWICK, JERRY L. 30,000; EARTHWORKS BY LAVICKA, INC. 42,663; ENGLEWOOD ELECTRIC SUPPLY CO. 28,095; FASTSIGNS 47,430; GALLAGHER MATERIALS CORP 5,900; KANKAKEE COMMUNITY COLLEGE 8,133; KANKAKEE

COUNTY 18,787, KEVIN NUGENT CONSTRUCTION, INC 33,502; KPI ELECTRIC 4,938; MAIN STREET PHARMACY 30,000; MANTENO COMM. FIRE PROTECTION 14,285; MANTENO PUBLIC LIBRARY 3,168; MANTENO SCHOOL DISTRICT #5 105,418; MANTENO TOWNSHIP 3,092; MANTENO TOWNSHIP ROAD 7,399; MILLCO INVESTMENTS CO. 7,904; MUNICIPAL TRUST & SAVINGS BANK 104,184; OSTERHOFF FENCE 12,182; OZINGA READY MIX CONCRETE, INC 2,552; PLANTERS UNLIMITED 3,444; ROBINSON ENGINEERING LTD 44,792; ROEDA SIGNS 4,356; STERNBERG LIGHTING 44,438; STEVENSON FABRICATION 11,000; TENCO EXCAVATING, INC. 300,063; UTILITY DYNAMICS CORPORATION 42,886; VILLAGE OF MANTENO 15,442; VISA 5,837; EXPENSE DISBURSEMENTS UNDER 2,500.00 15,263; **TOTAL $1,068,085.**

TAX INCREMENT FINANCING TIF #3: EXPENSE DISBURSEMENTS UNDER 2,500.00 481, **TOTAL $481.**

LEGACY PARK CAPITAL PROJ. FUND: AQUA ILLINOIS, INC. 16,264; IL MUNICIPAL INS COOPERATIVE 2,726; LEE S RENTAL INC 4,346; EXPENSE DISBURSEMENTS UNDER 2,500.00 5,960; **TOTAL $29,296.**

ROAD & BRIDGE CAPITAL FUND: ALTORFER INC 47,501; DEERE & COMPANY 61,201; JOHN DEERE FINANCIAL 2,641; TAYLOR FORD OF MANTENO INC 41,125; VISA 4,228; EXPENSE DISBURSEMENTS UNDER 2,500.00 2,131; **TOTAL $158,828.**

GOLF COURSE FUND: IL MUNICIPAL INS COOPERATIVE 8,370; **TOTAL $8,370.**

VILLAGE OF MANTENO
SUMMARY STATEMENT OF CONDITION
(Excerpt from Comptroller Report AFR)
(04/30/2021)

	General	Special Revenue	Capital Project	Debt Service	Fiduciary	Enterprise
Revenues	$ 6,077,897	$ 2,169,546	$ 218,258	$ 8,632	$ 2,594,327	$ -
Expenditures	$ 6,257,252	$ 1,627,029	$ 207,250	$ 156,423	$ 290,030	$ -
Excess of Revenues Over/(Under) Expenditures	$ (179,355)	$ 542,518	$ 11,008	$ (146,791)	$ 2,304,297	$
Transfers In	$ 4,180	$ 72,000	$ 24,000	$ -	$ -	$
Transfers Out	$ (3,006,319)	$ -	$ (4,130)	$ -	$ -	$
Sale of Assets/Gain on Sale	$ 31,546	$ -	$ -	$ -	$ -	$
Net Increase/(Decrease) in Fund Balance	$ (3,142,973)	$ 614,518	$ 30,928	$ (146,791)	$ 2,304,297	$
Previous Yr Fund Balance	$ 35,587,787	$ (933,860)	$ 1,368,578	$ 1,827,260	$ 9,182,945	$
Current Yr End Fund Balance	$ 32,444,814	$ (319,344)	$ 1,399,406	$ 1,680,469	$ 11,487,242	$

Total Debt	Outstanding Yr Beginning	Issued Current Fiscal Yr	Retired Current Fiscal Yr	Outstanding Yr End
	$ 1,713,874	$	$ 178,543	[illegible]

Subscribed and sworn to this 18th day of October, 2021.

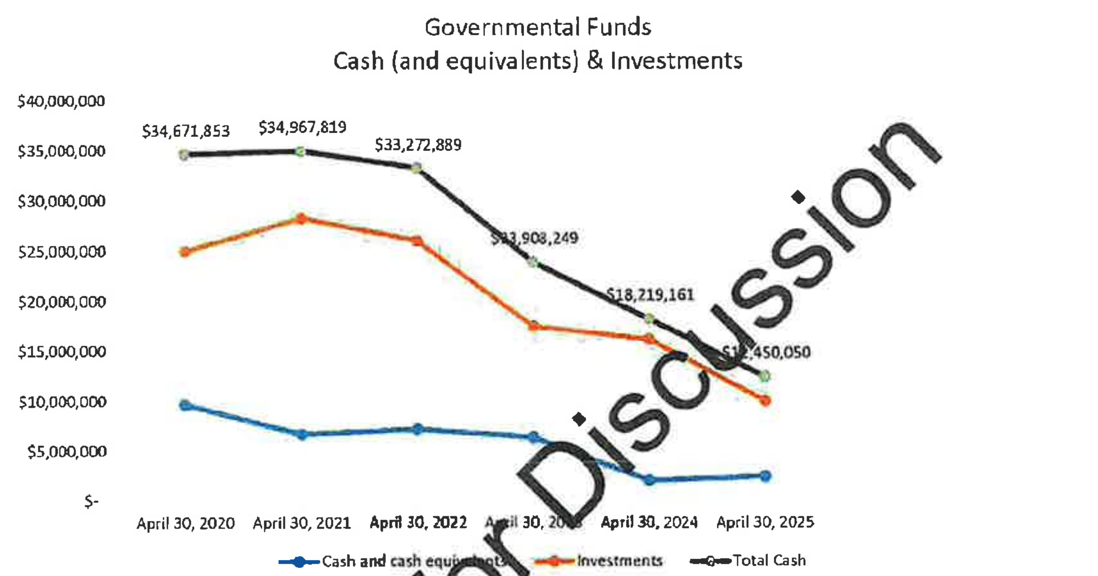
Sheila Moma, Treasurer

I, Robin Betke, Clerk of Village of Manteno, Kankakee County, Illinois do hereby certify that the above is a true copy of the Annual Treasurer's Report for the fiscal year ending April 30, 2021.

Robin Betke, Clerk

Bank Accounts and Cash Activity

Summary of Cash Activity per Financial Statements



The chart below presents the General Ledger Account and the corresponding bank account by Fund.

The tables below show the activity by known bank for each of the years under examination. Exhibit VIII provides detailed summaries by month of activity for each of the accounts. Certain Investment accounts include copies of the statements rather than summaries. Key accounts also include a detailed list of transactions.

Summary of Banking Activity by Year

Note that we ***continue*** to believe we are missing bank statements, including the 2019 renewal of the $12.5M CD with Midland Bank. We have not been provided with the bank statements for the Police Pension Fund. We compared the total cash balances at the Village's fiscal year end with the cash/investment balances shown in the audited financial statements. For some years, the cash balance differences were significant, potentilly indicating we are missing bank statements.

Village of Manteno
Bank Statement Summary
Cash Summary
2020 Fiscal

#	Account	Bank	Account	Total Credits	Interest Included in Credits for Homestar Bank Only	Total Debits	Beginning Balance	Ending Balance	Net Activity	Beginning Less Ending Balance
0001	[redacted]	HomeStar/Midland	TIF #3	7,331.78	9.72	1,870.02	34,937.46	40,448.94	5,511.48	5,511.48
0002	[redacted]	HomeStar/Midland	General Fund Checking	4,334,268.05	22.93	4,321,624.50	93,755.36	104,399.84	10,644.48	10,644.48
0003	[redacted]	The Illinois Funds	Motor Fuel Tax Fund	332,717.64	5,799.62	100,000.00	231,472.24	469,979.50	238,507.26	238,507.26
0004	[redacted]	The Illinois Funds	WPCC Equipment Replacement						-	-
0005	[redacted]	HomeStar/Midland	Motor Fuel Tax Fund Savings	103,324.04	11.58	102,389.18	22,357.71	23,304.15	946.44	946.44
0006	[redacted]	HomeStar/Midland	Investment - [illegible] - General Fund	28,192,396.37	6,835.47	26,116,887.84	3,228,496.70	3,311,610.70	83,114.00	83,114.00
0007	[redacted]	HomeStar/Midland	Investment - [illegible]	17,325.74	624.45	160,000.00	844,317.77	702,267.96	(142,049.81)	(142,049.81)
0008	[redacted]	HomeStar/Midland	Waterside Reserve Savings	28,524.95	79.06		180,302.76	208,906.72	28,603.96	28,603.96
0009	[redacted]	HomeStar/Midland	Payroll Checking	3,335,695.85	10.19	3,335,086.79	20,418.01	20,929.11	519.20	519.20
0010	[redacted]	The Illinois Funds	Il Funds E-Pay	24,052.38	635.30	1,145.00	23,218.07	47,061.01	23,842.74	23,842.74
0011	[redacted]	HomeStar/Midland	FEMA	7,815.61	2.62	4,505.32	6,277.99	9,590.30	3,312.31	3,312.31
0012	[redacted]	Iroquois	MTF Water Capital						-	-
0013	[redacted]	HomeStar/Midland	Recording Fees	1,000.60	0.02	2,361.07	1,360.45	-	(1,360.45)	(1,360.45)
0014	[redacted]	HomeStar/Midland	Village Events	105,260.71	5.82	102,612.45	29,055.19	31,709.27	2,654.08	2,654.08
0015	[redacted]	The Illinois Funds	General Fund State Receipts	1,339,843.08	8,150.95	1,380,000.00	365,730.77	231,524.78	(134,205.99)	(134,205.99)
0016	[redacted]	HomeStar/Midland	Capital Projects Interest Fund Checking						-	-
0017	[redacted]	HomeStar/Midland	Capital Projects Fund - ICS Sweep						-	-
0018	[redacted]	HomeStar/Midland	Drug Enforcement						-	-
0019	[redacted]	HomeStar/Midland	Savings - General Fund	8,203,913.20	298.46	8,400,681.20	418,424.00	[illegible]	[illegible]	(175,065.50)
0020	[redacted]	HomeStar/Midland	Golf Course	19,002.45	0.60	22,632.00	3,646.49	[illegible]	(3,628.93)	(3,628.99)
0021	[redacted]	HomeStar/Midland	TIF #1	1,524,899.81	31.15	1,892,938.28	584,795.[illegible]	[illegible]	[illegible]	(367,968.32)
0022	[redacted]	HomeStar/Midland	Drug Enforcement - Savings	0.14		311.48	311.34	-	(311.34)	(311.34)
0023	[redacted]	HomeStar/Midland	S&A Equipment Capital	370,464.78	120.83	350,241.60	471,077.24	[illegible]	20,343.99	20,343.99
0024	[redacted]	HomeStar/Midland	Public Interest Checking	18,000,205.48	55.75	17,750,259.11		[illegible]	250,002.12	250,002.12
0025	[redacted]	HomeStar/Midland	ICS Public Funds						-	-
0026	[redacted]	HomeStar/Midland	Video Gaming	177,592.10	22.77	163,001.00	[illegible]	29,356.59	14,604.90	14,604.90
0027	[redacted]	HomeStar/Midland	Storm Sewer Capital / WPCC Equip	160,069.66	1.84	302,012.58	[illegible]	15,402.76	(141,941.14)	(141,941.14)
0028	[redacted]	HomeStar/Midland	Escrow Impact Fees	52,022.73	8.43	132,602.22	[illegible]	22,856.70	(80,600.16)	(80,600.16)
0029	[redacted]	HomeStar/Midland	Special Projects	26,514.80	5.95	[illegible]	[illegible]	34,716.44	(35,234.79)	11,500.64
0030	[redacted]	HomeStar/Midland	Police Department Surcharge	885.82	3.29		[illegible]	19,922.37	889.11	889.11
0031	[redacted]	HomeStar/Midland	GCB GO Series 2013	116,254.22	30.58	[illegible]	222,926.56	177,258.16	(45,668.40)	(45,668.40)
0032	[redacted]	HomeStar/Midland	Legacy Park	65,741.77	15.74	[illegible]	39,674.31	75,298.27	35,623.96	35,623.96
0033	[redacted]	HomeStar/Midland	Tax Reimbursement Account						-	-
0034	[redacted]	HomeStar/Midland	DUI Enforcement						-	-
0035	[redacted]	HomeStar/Midland	CCARS Statement						-	-
0036	[redacted]	HomeStar/Midland	CCARS Statement						-	-
0037	[redacted]	National Bank of St. Anne	CCARS Statement						-	-
0038	[redacted]	National Bank of St. Anne	07/25/19 to 07/22/20	12,600,000.00				12,600,000.00	12,600,000.00	12,600,000.00
0039	[redacted]	National Bank of St. Anne	IntraFi Cash Service or ICS						-	-
				[illegible]	[illegible]	63,040,146.00	7,145,297.15	19,281,116.78	12,089,030.23	12,135,819.03
								19,281,116.78		

Balance Per Financial Statement

[illegible] Fund	5,686,975.00
[illegible] Tax Allocation Fund	257,278.00
[illegible]	75,294.00
[illegible] Major Funds	3,650,207.00
	9,671,853.00
Investments	25,000,000.00
Total	34,671,853.00

Village of Manteno
Bank Statement Summary
Cash Summary
2021 Fiscal

#	Account	Bank	Account	Total Credits	Interest Included In Credits for Homestar Bank Only	Total Debits	Beginning Balance	Ending Balance	Net Activity	Beginning Less Ending Balance
0001	[redacted]	HomeStar/Midland	TIF 13	7,978.80	4.55	1,438.90	40,448.94	46,951.46	6,502.52	6,502.52
0002	[redacted]	HomeStar/Midland	General Fund Checking	4,372,871.81	12.87	4,356,629.80	104,399.64	120,655.52	16,255.88	16,258.86
0003	[redacted]	The Illinois Funds	Motor Fuel Tax Fund	328,517.99	605.49	418,095.00	469,979.50	379,007.98	(90,071.52)	(90,971.52)
0004	[redacted]	The Illinois Funds	WPCC Equipment Replacement	631,467.24	4.98	363,706.35	23,304.15	291,072.02	267,767.87	267,767.87
0005	[redacted]	HomeStar/Midland	Motor Fuel Tax Fund Savings	754,815.85	27.66	390,409.20	23,304.15	387,739.49	364,435.34	364,435.34
0006	[redacted]	HomeStar/Midland	Investment - HomeStar - General Fund		1,315.16	1,030,000.00	3,311,610.70	2,312,929.86	(998,680.64)	(998,680.84)
0007	[redacted]	HomeStar/Midland	Investment - Recapture Fees	3,273,102.74	218.30	3,258,102.74	702,257.66	717,434.28	15,216.30	15,216.30
0008	[redacted]	HomeStar/Midland	Watersale Reserve Savings	215,999.98	39.03	200,000.00	206,906.72	222,946.01	16,039.29	16,039.28
0009	[redacted]	HomeStar/Midland	Payroll Checking	3,410,613.17	4.75	3,416,278.00	20,939.11	19,279.03	(1,660.08)	(1,660.08)
0010	[redacted]	The Illinois Funds	IL Funds E-Pay	21,244.33	14.55	67,500.00	47,061.61	820.49	(46,241.12)	(46,241.12)
0011	[redacted]	HomeStar/Midland	FEMA	7,500.00	1.13	7,194.50	9,590.30	9,896.93	306.63	306.63
0012	[redacted]	Iroquois	MTF Water Capital						-	-
0013	[redacted]	HomeStar/Midland	Recording Fees						-	-
0014	[redacted]	HomeStar/Midland	Village Events	115,229.66	4.51	84,441.94	51,709.27	82,601.50	30,892.23	30,892.23
0015	[redacted]	The Illinois Funds	General Fund State Receipts	1,489,717.91	104.79	1,721,300.00	231,524.78	101.08	[illegible]	(231,423.70)
0016	[redacted]	HomeStar/Midland	Capital Projects Interest Fund Checking							-
0017	[redacted]	HomeStar/Midland	Capital Projects Fund - ICS Sweep							
0018	[redacted]	HomeStar/Midland	Drug Enforcement						-	-
0019	[redacted]	HomeStar/Midland	Savings - General Fund	15,855,772.74	216.86	14,891,305.22	243,058.51	[illegible]	[illegible]	964,484.50
0020	[redacted]	HomeStar/Midland	Golf Course	8,378.03	0.04	8,378.00	217.54	[illegible]	0.04	0.04
0021	[redacted]	HomeStar/Midland	TIF #1	1,664,834.79	244.54	1,329,561.42	216,829.18	[illegible]	335,317.91	335,317.91
0022	[redacted]	HomeStar/Midland	Drug Enforcement - Savings						-	-
0023	[redacted]	HomeStar/Midland	S&A Equipment Capital	185,282.85	246.15	158,827.52	491,361.23	[illegible]	26,713.48	26,713.48
0024	[redacted]	HomeStar/Midland	Public Interest Checking	18,000,205.49	83.97	17,750,267.00	[illegible]	[illegible]	250,002.08	250,002.08
0025	[redacted]	HomeStar/Midland	ICS Public Funds	17,750,232.12	28,234.30			[illegible]	17,778,456.42	17,778,456.42
0026	[redacted]	HomeStar/Midland	Video Gaming	119,539.51	2.84	148,900.00	[illegible]	8.33	(29,346.65)	(29,346.65)
0027	[redacted]	HomeStar/Midland	Storm Sewer Capital / WPCC Equip		1.54		[illegible]	15,494.30	1.54	1.54
0028	[redacted]	HomeStar/Midland	Escrow Impact Fees	85,436.46	3.26	54,055.25	[illegible]	65,235.17	31,384.47	31,384.47
0029	[redacted]	HomeStar/Midland	Special Projects	12,666.00	2.66	17,105.16	[illegible]	30,273.95	(4,436.53)	(4,436.53)
0030	[redacted]	HomeStar/Midland	Police Department Surcharge	520.00	1.42		[illegible]	14,448.79	521.42	521.42
0031	[redacted]	HomeStar/Midland	003 GO Series 2010	9,081.69	10.18	[illegible]	[illegible]	30,409.17	(146,780.99)	(146,780.99)
0032	[redacted]	HomeStar/Midland	Legacy Park	35,915.69	7.70	[illegible]	73,398.27	82,025.80	8,627.53	8,627.53
0033	[redacted]	HomeStar/Midland	Tax Reimbursement Account						-	-
0034	[redacted]	HomeStar/Midland	DUI Enforcement		0.18		2,428.14	2,428.32	0.18	0.18
0035	[redacted]	HomeStar/Midland	CDARS Statement						-	-
0036	[redacted]	HomeStar/Midland	CDARS Statement						-	-
0037	[redacted]	National Bank of St. Anne	CDARS Statement for the Period 07/29/20 to 01/27/21	3,250,000.00				3,250,000.00	3,250,000.00	3,250,000.00
0038	[redacted]	National Bank of St. Anne	07/25/19 to 07/23/20			[illegible]	12,500,000.00	-	(12,500,000.00)	(12,500,000.00)
0039	[redacted]	National Bank of St. Anne	IntraFi Cash Service at ICS	10,252,973.12	[illegible]	30,785.51		10,254,213.33	10,254,213.29	10,254,213.33
0040										
				[illegible]	40,605.13	62,459,882.87	18,058,848.95	38,822,434.26		

Balance Per Financial Statement

[illegible]	4,604,866.30
[illegible] Tax Allocation Fund	589,086.30
Legacy Park	82,026.30
Non Major Funds	1,380,235.30
	6,682,225.30
Investments	
General Fund	25,835,504.30
Non Major Fund	2,450,000.30
	28,285,504.30
Total	34,967,819.30

Draft for Discussion

Village of Manteno
Bank Statement Summary
Cash Summary
2022 Fiscal

#	Account	Bank	Account	Total Credits	Interest Included in Credits for Homestar Bank Only	Total Debits	Beginning Balance	Ending Balance	Net Activity	Beginning Less Ending Balance
0001	[redacted]	HomeStar/Midland	TIF #3	8,504.95	5.32	1,402.85	46,951.46	54,059.48	7,108.02	7,108.02
0002	[redacted]	HomeStar/Midland	General Fund Checking	13,947,354.53	457.22	14,220,600.23	612,082.86	239,324.38	(372,758.48)	(372,758.48)
0003	[redacted]	The Illinois Funds	Motor Fuel Tax Fund	366,350.45	652.46	746,020.89	379,007.96		(379,007.98)	(379,007.98)
0004	[redacted]	The Illinois Funds	WFCC Equipment Replacement						-	-
0005	[redacted]	HomeStar/Midland	Motor Fuel Tax Fund Savings	226,007.68	27.24	486,158.94	387,739.49	147,615.47	(240,124.02)	(240,124.02)
0006	[redacted]	HomeStar/Midland	Investment - HomeStar - General Fund		582.85	1,990,000.00	2,312,929.86	320,512.71	(1,989,417.15)	(1,989,417.15)
0007	[redacted]	HomeStar/Midland	Investment - Recapture Fees	15,000.00	217.52		717,484.26	732,701.78	15,217.52	15,217.52
0008	[redacted]	HomeStar/Midland	Watersale Reserve Savings	755,999.96	222.78		222,946.01	979,168.75	756,222.74	756,222.74
0009	[redacted]	HomeStar/Midland	Payroll Checking	3,737,657.33	5.56	3,737,773.12	19,279.03	19,168.30	(110.23)	(110.23)
0010	[redacted]	The Illinois Funds	IL-Funds E-Pay	24,751.74	6.47	17,500.00	820.49	8,078.70	7,258.21	7,258.21
0011	[redacted]	HomeStar/Midland	FEMA	7,500.00	1.55	6,483.84	9,896.93	10,914.[illegible]	1,017.71	1,017.71
0012	[redacted]	Iroquois	MTT Water Capital							
0013	[redacted]	HomeStar/Midland	Recording Fees						-	-
0014	[redacted]	HomeStar/Midland	Village Events	126,042.06	7.93	106,543.03	82,601.50	[illegible]	19,506.96	19,506.96
0015	[redacted]	The Illinois Funds	General Fund State Receipts	1,732,856.82	315.06	1,240,000.00	[illegible]	[illegible]	493,171.88	493,171.88
0016	[redacted]	HomeStar/Midland	Capital Projects Interest Fund Checking	14,111,047.29	1.36	13,861,047.29		[illegible]50,001.36	250,001.36	250,001.36
0017	[redacted]	HomeStar/Midland	Capital Projects Fund - ICS Sweep	11,750,000.00		2,111,047.29		9,638,952.71	9,638,952.71	9,538,952.71
0018	[redacted]	HomeStar/Midland	Drug Enforcement						-	-
0019	[redacted]	HomeStar/Midland	Savings - General Fund	9,832,455.87	269.74	[illegible]	[illegible]	672,012.18	(535,530.83)	(535,530.83)
0020	[redacted]	HomeStar/Midland	Golf Course	579,078.71	24.76	[illegible]	[illegible]217.58	11.54	(206.04)	(206.04)
0021	[redacted]	HomeStar/Midland	TIF #1	1,246,567.42	248.10	[illegible]	[illegible]2,147.09	506,329.27	(45,817.82)	(45,817.82)
0022	[redacted]	HomeStar/Midland	Drug Enforcement Savings						-	-
0023	[redacted]	HomeStar/Midland	S&A Equipment Capital	183,462.05	[illegible]	[illegible]	518,074.71	636,528.66	118,453.95	118,453.95
0024	[redacted]	HomeStar/Midland	Public Interest Checking	12,000,100.00	[illegible]	[illegible]	250,002.06	250,004.11	2.05	2.05
0025	[redacted]	HomeStar/Midland	ICS Public Funds	76.03	[illegible]	[illegible]	17,779,456.42	5,806,946.82	(11,972,509.60)	(11,972,509.60)
0026	[redacted]	HomeStar/Midland	Video Gaming	276,200.43	[illegible]	[illegible]	8.93	43,268.95	43,260.02	43,260.02
0027	[redacted]	HomeStar/Midland	Storm Sewer Capital / WPCC Equip	[illegible]	[illegible]	7,211.29	15,404.30	8,194.44	(7,209.86)	(7,209.86)
0028	[redacted]	HomeStar/Midland	Escrow Impact Fees	82,873.25	[illegible]	57,282.17	65,235.17	90,833.11	25,597.94	25,597.94
0029	[redacted]	HomeStar/Midland	Special Projects	21,[illegible].00	3.70	12,896.58	30,273.95	38,801.73	8,527.78	8,527.78
0030	[redacted]	HomeStar/Midland	Police Department Surcharge	[illegible]	1.64	20.00	14,448.79	14,630.43	181.64	181.64
0031	[redacted]	HomeStar/Midland	GOB OC Series 2013	[illegible]	7.25	157,745.00	30,469.17	10,889.67	(19,579.50)	(19,579.50)
0032	[redacted]	HomeStar/Midland	Legacy Park	1,746,[illegible].64	226.48	795,792.18	82,025.80	1,033,409.74	951,383.94	951,383.94
0033	[redacted]	HomeStar/Midland	Tax Reimbursement Account							
0034	[redacted]	HomeStar/Midland	DUI Enforcement	152.03	0.29		2,428.32	2,580.64	152.32	152.32
0035	[redacted]	HomeStar/Midland	CD[illegible]						-	-
0036	[redacted]	HomeStar/Midland	CD[illegible]						-	-
0037	[redacted]	National Bank of St. Anne	CD[illegible]							
0038	[redacted]	National Bank of St. Anne	[illegible]/201[illegible]/07/21			3,250,000.00	3,250,000.00		(3,250,000.00)	(3,250,000.00)
0039	[redacted]	National Bank of St. Anne	07/[illegible]/07/23/20						-	-
0040	[redacted]		[illegible] Service or ICS	5,000.00	50,626.41	185,679.97	10,254,213.10	10,124,159.54	(130,053.56)	(130,053.56)
				56,702,549.12	79,559.63	61,135,657.72	34,143,647.43	29,740,098.46		

Balance Per Financial Statements

General Fund	3,894,716.00
Special Tax Allocation Fund	365,744.00
Legacy Park	1,033,410.00
Capital Projects	
Non Major Funds	1,641,496.00
	6,933,366.00
Investments	
General Fund	13,860,160.00
Capital Projects	9,889,363.00
Non Major Fund	2,320,000.00
	26,069,523.00
Total	33,002,889.00

Village of Manteno
Bank Statement Summary
Cash Summary
2023 Fiscal

#	Account	Bank	Account	Total Credits	Interest Included in Credits for Homestar Bank Only	Total Debits	Beginning Balance	Ending Balance	Net Activity	Beginning Less Ending Balance
0001	[redacted]	HomeStar/Midland	TIF #3	8,878.72	12.76	50,658.50	54,059.48	12,292.46	(41,767.02)	(41,767.02)
0002	[redacted]	HomeStar/Midland	General Fund Checking	13,947,384.53	457.22	14,320,600.23	612,082.88	239,124.38	(372,758.48)	(372,758.48)
0003	[redacted]	The Illinois Funds	Motor Fuel Tax Fund	374,023.15	14,105.14	850,000.00	746,020.89	284,149.18	(461,871.71)	(461,871.71)
0004	[redacted]	The Illinois Funds	WPCC Equipment Replacement						-	-
0005	[redacted]	HomeStar/Midland	Motor Fuel Tax Fund Savings	951,096.64	157.74	968,814.13	147,615.47	130,055.72	(17,559.75)	(17,559.75)
0006	[redacted]	HomeStar/Midland	Investment - HomeStar - General Fund	6,632,605.41	534.90	3,948,225.00	323,512.71	3,008,428.02	2,684,915.31	2,684,915.31
0007	[redacted]	HomeStar/Midland	Investment - Recapture Fees	1,202,378.00	174.02	1,417,150.00	732,701.78	518,100.80	(214,600.98)	(214,600.98)
0008	[redacted]	HomeStar/Midland	Watersale Reserve Savings	300,291.66	92.07	1,000,090.00	979,168.75	[illegible]	[illegible]	(689,706.27)
0009	[redacted]	HomeStar/Midland	Payrol Checking	3,826,828.07	44.76	3,825,609.33	19,168.80	[illegible]	[illegible]	1,263.50
0010	[redacted]	The Illinois Funds	IL-Funds E Pay	35,898.69	523.50	32,560.00	8,078.70	[illegible]	[illegible]	3,867.39
0011	[redacted]	HomeStar/Midland	FEMA	5,500.00	9.92	6,922.20	10,914.64	[illegible]	(1,412.28)	(1,412.28)
0012	[redacted]	Iroquois	MTF Water Capital	5,831,033.32		318,101.43	-	[illegible]	5,512,931.89	5,512,931.89
0013	[redacted]	HomeStar/Midland	Recording Fees						-	-
0014	[redacted]	HomeStar/Midland	Village Events	136,468.10	79.54	107,776.46	[illegible]	[illegible]	28,771.18	28,771.18
0015	[redacted]	The Illinois Funds	General Fund State Receipts	1,933,516.20	8,856.28	2,129,000.00	[illegible]	296,645.54	(196,827.42)	(196,627.42)
0016	[redacted]	HomeStar/Midland	Capital Projects Interest Fund Checking	14,331,119.49	1,186.28	14,420,340.50	[illegible]	161,966.63	(88,034.73)	(88,004.73)
0017	[redacted]	HomeStar/Midland	Capital Projects Fund - ICS Sweep	2,188,598.42	65,925.57	[illegible]	[illegible]	0.01	(9,638,952.70)	(9,638,952.70)
0018	[redacted]	HomeStar/Midland	Drug Enforcement	1,147.47	0.40	[illegible]	-	1,107.90	1,107.90	1,107.90
0019	[redacted]	HomeStar/Midland	Savings - General Fund	10,385,047.77	941.91	[illegible]	672,012.18	1,187,628.51	515,616.33	515,616.33
0020	[redacted]	HomeStar/Midland	Golf Course			11.54	11.54		(11.54)	(11.54)
0021	[redacted]	HomeStar/Midland	TIF #1	1,251,900.48	[illegible]	[illegible]	506,329.27	40,713.72	(465,615.55)	(465,615.55)
0022	[redacted]	HomeStar/Midland	Drug Enforcement - Savings						-	-
0023	[redacted]	HomeStar/Midland	S&A Equipment Capital	433,082.63	[illegible]	[illegible]	636,528.66	393,819.44	(242,709.22)	(242,709.22)
0024	[redacted]	HomeStar/Midland	Public Interest Checking	[illegible]	[illegible]	[illegible]	250,004.11	250,024.66	20.55	20.55
0025	[redacted]	HomeStar/Midland	ICS Public Funds	[illegible]	[illegible]	5,248,030.00	5,805,946.82	573,509.37	(5,232,437.45)	(5,232,437.45)
0026	[redacted]	HomeStar/Midland	Video Gaming	256,956.77	[illegible]	300,362.48	43,268.86	-	(43,268.85)	(43,268.86)
0027	[redacted]	HomeStar/Midland	Storm Sewer Capital / WPCC Equip	[illegible]	7.96	18,997.50	8,194.44	9,204.90	1,010.46	1,010.46
0028	[redacted]	HomeStar/Midland	Escrow Impact Fees	[illegible]	27.59	83,471.50	90,833.11	60,596.20	(30,236.91)	(30,236.91)
0029	[redacted]	HomeStar/Midland	Special Projects	[illegible]	31.90	15,115.89	38,801.73	41,818.75	3,017.02	3,017.02
0030	[redacted]	HomeStar/Midland	Police Department Surcharge	[illegible]	12.71		14,630.43	14,743.14	112.71	112.71
0031	[redacted]	HomeStar/Midland	GOB CC Series 2013	[illegible]	6.72	8,280.11	10,989.67	-	63,810.33	(10,989.67)
0032	[redacted]	HomeStar/Midland	[illegible]	[illegible]	884.48	2,105,371.32	1,003,409.74	391,864.85	(641,544.89)	(641,544.89)
0033	[redacted]	HomeStar/Midland	[illegible]	1,000,000.00	273.81	1,000,224.40	-	49.32	49.32	49.32
0034	[redacted]	HomeStar/Midland	DUI [illegible]		2.23		2,580.64	2,582.87	2.23	2.23
0035	[redacted]	HomeStar/Midland	[illegible] Statement						-	-
0036	[redacted]	HomeStar/Midland	[illegible] Statement						-	-
0037	[redacted]	National Bank of St. Anne	[illegible] Statement						-	-
0038	[redacted]	National Bank of St. Anne	[illegible] to 9/23/20						-	-
0039	[redacted]	National Bank of St. Anne	Intra Fi Cash Service or ICS	204,000.00	55,784.60	7,037,077.18	10,124,159.54	3,346,866.36	(6,777,292.68)	(6,777,292.68)
0040									-	-
				72,112,721.33	166,524.55	88,629,358.29	32,335,260.40	16,910,847.99	(16,350,112.41)	(16,474,812.41)
									-	-

Balance Per Financial Statement

General Fund	5,137,583.00
Special Tax Allocation Fund	53,006.00
Legacy Park	391,865.00
Capital Projects	161,967.00
Non Major Funds	655,690.00
	6,400,111.00
Investments	
General Fund	11,423,989.00
Capital Projects	4,750,000.00
Non Major Fund	1,334,149.00
	17,508,138.00
Total	23,908,249.00

Draft for Discussion

Village of Manteno
Bank Statement Summary
Cash Summary
2024 Fiscal

	Account	Bank	Account	Total Credits	Interest Included In Credits for Homestar Bank Only	Total Debits	Beginning Balance	Ending Balance	Net Activity	Beginning Less Ending Balance
0001	[redacted]	HomeStar/Midland	TIF #3	9,442.93	20.39	6,212.81	12,292.46	15,542.57	3,250.11	3,250.11
0002	[redacted]	HomeStar/Midland	General Fund Checking	11,595,847.20	549.06	11,675,403.58	239,024.38	160,296.06	(79,038.32)	(79,038.32)
0003	[redacted]	The Illinois Funds	Motor Fuel Tax Fund	404,098.71	27,594.01		284,149.18	715,841.90	431,692.72	431,692.72
0004	[redacted]	The Illinois Funds	WPCC Equipment Replacement						-	-
0005	[redacted]	HomeStar/Midland	Motor Fuel Tax Fund Savings	51,293.46	89.19	111,023.48	130,055.72	70,414.99	(59,640.83)	(59,640.83)
0006	[redacted]	HomeStar/Midland	Investment - HomeStar - General Fund	5,677,769.96	763.57	8,597,525.00	3,008,428.02	89,436.55	(2,918,991.47)	(2,918,991.47)
0007	[redacted]	HomeStar/Midland	Investment - Recapture Fees	-	155.73	-	516,100.80	516,256.53	155.73	155.73
0008	[redacted]	HomeStar/Midland	Watersale Reserve Savings		84.00		279,462.48	279,546.48	84.00	84.00
0009	[redacted]	HomeStar/Midland	Payroll Checking	3,999,409.50	61.63	3,982,035.55	20,432.63	37,867.21	17,434.58	17,434.58
0010	[redacted]	The Illinois Funds	Il-Funds E Pay	51,748.58	1,103.47	50,000.00	11,946.09	14,796.14	2,852.05	2,852.05
0011	[redacted]	HomeStar/Midland	FEMA	5,000.00	13.34	4,969.75	9,502.36	9,545.95	43.59	43.59
0012	[redacted]	Iroquois	MTF Water Capital	2,864,689.58		4,862,730.31	5,512,931.89	3,514,891.16	(1,998,040.73)	(1,998,040.73)
0013	[redacted]	HomeStar/Midland	Recording Fees						-	-
0014	[redacted]	HomeStar/Midland	Village Events	109,894.27	117.83	132,115.56	110,879.64	[illegible]	(22,103.46)	(22,103.46)
0015	[redacted]	The Illinois Funds	General Fund State Receipts	1,910,479.10	27,104.73	1,755,000.00	296,645.54	[illegible]	[illegible]	182,643.83
0016	[redacted]	HomeStar/Midland	Capital Projects Interest Fund Checking	6,129,096.16	324.45	6,218,570.57	161,966.60	[illegible]	[illegible]	(89,259.97)
0017	[redacted]	HomeStar/Midland	Capital Projects Fund - ICS Sweep	360,034.61	221.96	360,256.57	3.01	[illegible]	-	-
0018	[redacted]	HomeStar/Midland	Drug Enforcement		1.33		1,107.90	[illegible]	1.33	1.33
0019	[redacted]	HomeStar/Midland	Savings - General Fund	[illegible]	991.60	[illegible]	[illegible]	[illegible]	(640,541.05)	(640,541.05)
0020	[redacted]	HomeStar/Midland	Golf Course						-	-
0021	[redacted]	HomeStar/Midland	TIF #1	100.51	42.90	40,949.30	[illegible]	[illegible]	(40,711.96)	(40,711.96)
0022	[redacted]	HomeStar/Midland	Drug Enforcement - Savings						-	-
0023	[redacted]	HomeStar/Midland	SSA Equipment Capital	189,019.89	328.16	453,038.28	[illegible]	130,130.21	(263,689.23)	(263,689.23)
0024	[redacted]	HomeStar/Midland	Public Interest Checking	4,000,000.00	300.55	4,000,300.62	[illegible]	250,024.59	(0.07)	(0.07)
0025	[redacted]	HomeStar/Midland	ICS Public Funds	2,750,300.62	61,409.11	1,000,000.00	[illegible]	2,395,218.10	1,611,708.73	1,611,708.73
0026	[redacted]	HomeStar/Midland	Video Gaming						-	-
0027	[redacted]	HomeStar/Midland	Storm Sewer Capital / WPCC Equip		8.20	[illegible]	[illegible]	6,959.14	(2,245.76)	(2,245.76)
0028	[redacted]	HomeStar/Midland	Escrow Impact Fees	27,621.00	30.09	[illegible]	60,596.20	36,540.71	(24,052.49)	24,052.49)
0029	[redacted]	HomeStar/Midland	Special Projects	21,308.06	34.79	[illegible]	41,819.75	41,167.41	(651.34)	(651.34)
0030	[redacted]	HomeStar/Midland	Police Department Surcharge	69.50	17.20	[illegible]	14,743.14	11,761.95	(2,981.29)	(2,981.29)
0031	[redacted]	HomeStar/Midland	GOB GC Series 2010						-	-
0032	[redacted]	HomeStar/Midland	Legacy Park	161,071.00	[illegible]	[illegible]	391,904.85	287,543.50	(104,319.35)	(104,319.35)
0033	[redacted]	HomeStar/Midland	Tax Reimbursement Account	969,163.54	[illegible]	[illegible]	49.32	49.31	(0.01)	(0.01)
0034	[redacted]	HomeStar/Midland	DUI Enforcement	[illegible]	[illegible]		2,582.87	3,274.81	691.94	691.94
0035	[redacted]	HomeStar/Midland	CDARS Statement						-	-
0036	[redacted]	HomeStar/Midland	CDARS Statement						-	-
0037	[redacted]	National Bank of St. Anne	CDARS Statement						-	-
0038	[redacted]	National Bank of St. Anne	CDARS Statement						-	-
0039	[redacted]	National Bank of St. Anne	IntraFi Cash Service or ICS	1,750,000.00	[illegible]	3,041,359.11	3,346,866.86	2,097,429.67	(1,249,437.19)	(1,249,437.19)
0040	[redacted]	HomeStar/Midland							-	-
				[illegible]	183,876.94	57,605,476.37	16,910,648.32	11,665,502.41	(5,245,145.91)	(5,245,145.91)

Balance Per Financial Statement

General Fund	5,137,583.00
Special Tax Allocation Fund	53,006.00
Legacy Park	391,965.00
Capital Projects	161,967.00
Non Major Funds	655,690.00
	6,400,111.00
Investments	
General Fund	11,423,989.00
Capital Projects	4,750,000.00
Non Major Fund	1,334,149.00
	17,508,138.00
Total	23,908,249.00

Village of Manteno
Bank Statement Summary
Cash Summary
2025 Fiscal

#	Account	Bank		Total Credits	Interest Included in Credits for Homestar Bank Only	Total Debits	Beginning Balance	Ending Balance	Net Activity	Beginning Less Ending Balance
0001	[redacted]	HomeStar/Midland	TIF #3	13,337.07	20.05	3,123.21	15,542.57	25,776.48	10,233.91	10,233.91
0002	[redacted]	HomeStar/Midland	General Fund Checking	10,883,566.57	355.70	11,002,578.75	160,268.06	41,628.58	(118,357.48)	(118,657.48)
0003	[redacted]	The Illinois Funds	Motor Fuel Tax Fund	418,115.74	25,849.02	980,000.00	715,841.90	177,606.85	(538,235.24)	(538,235.24)
0004	[redacted]	The Illinois Funds	WPCC Equipment Replacement							
0005	[redacted]	HomeStar/Midland	Motor Fuel Tax Fund Savings	475,000.00	3,997.78		-	478,997.28	478,997.28	478,997.28
0006	[redacted]	HomeStar/Midland	Investment - HomeStar - General Fund	980,000.00	140.33	881,418.67	70,414.89	189,135.25	118,720.35	118,720.36
0007	[redacted]	HomeStar/Midland	Investment - Recapture Fees	8,910,388.15	50.69	7,000,473.38	88,435.55	-	(88,436.55)	(88,438.55)
0008	[redacted]	HomeStar/Midland	Watersale Reserve Savings	-	123.07	518,379.80	518,258.53	-	(518,258.53)	(518,258.53)
0009	[redacted]	HomeStar/Midland	Payroll Checking	-	88.28	278,312.74	278,548.48	-	(278,548.48)	(278,546.48)
0010	[redacted]	The Illinois Funds	IL-Funds E-Pay	4,016,828.34	52.64	4,012,643.18	37,867.21	41,103.03	3,225.82	3,235.82
0011	[redacted]	HomeStar/Midland	FEMA	48,380.07	1,908.96	540.00	14,788.14	84,547.17	[illegible]	49,748.03
0012	[redacted]	Iroquois	MTF Water Capital	5,305.00	10.13	9,184.08	9,545.95	5,977.02	[illegible]	(3,568.93)
0013	[redacted]	HomeStar/Midland	Recording Fees	1,802,991.80		4,058,216.63	3,514,891.16	[illegible]	[illegible]	(2,155,224.83)
0014	[redacted]	HomeStar/Midland	Village Events	113,343.47	68.85	150,996.92	88,778.18	[illegible]	(37,577.60)	(37,577.60)
0015	[redacted]	The Illinois Funds	General Fund State Receipts	8,598,136.80	271,124.91		[illegible]	[illegible]	8,957,261.71	8,957,261.71
0016	[redacted]	HomeStar/Midland	Capital Projects Interest Fund Checking	4,285,307.79	261.13	3,857,520.48	[illegible]	[illegible]	428,048.44	428,048.44
0017	[redacted]	HomeStar/Midland	Capital Projects Fund - ICS Sweep	353,783.87	1,261.57	189,851.39	[illegible]	165,214.06	165,214.05	165,214.05
0018	[redacted]	HomeStar/Midland	Drug Enforcement		1.04		[illegible]	1,110.27	1.04	1.04
0019	[redacted]	HomeStar/Midland	Savings - General Fund	8,820,976.54	857.39	8,779,627.71	[illegible]	469,293.[illegible]	142,206.22	142,206.22
0020	[redacted]	HomeStar/Midland	Golf Course							
0021	[redacted]	HomeStar/Midland	TIF #1							
0022	[redacted]	HomeStar/Midland	Drug Enforcement - Savings				1.76		(1.76)	(1.76)
0023	[redacted]	HomeStar/Midland	SSA Equipment Capital	184,821.72	[illegible]	[illegible]	130,130.21	214,407.75	84,277.54	84,277.54
0024	[redacted]	HomeStar/Midland	Public Interest Checking	2,418,085.08	187.83	[illegible]	260,024.58		(247,414.19)	(250,024.58)
0025	[redacted]	HomeStar/Midland	ICS Public Funds	171.99	[illegible]	[illegible]	2,385,218.10	0.01	(2,385,218.09)	(2,385,218.08)
0026	[redacted]	HomeStar/Midland	Video Gaming							
0027	[redacted]	HomeStar/Midland	Storm Sewer Capital / WPCC Equip	43,379.80	[illegible]	30,724.98			12,884.80	-
0028	[redacted]	HomeStar/Midland	Escrow Impact Fees	[illegible]	[illegible]	28,298.00	36,543.71	28,692.37	(7,851.34)	(7,851.34)
0029	[redacted]	HomeStar/Midland	Special Projects	[illegible]	28.03	33,824.73	41,167.41	28,288.24	(11,889.17)	(11,869.17)
0030	[redacted]	HomeStar/Midland	Police Department Surcharge							
0031	[redacted]	HomeStar/Midland	GOB GC Series 2013	[illegible]	10.79	312.00	11,761.85	11,480.63	(281.22)	(281.22)
0032	[redacted]	HomeStar/Midland	Legacy Park	[illegible]	1,024.15	787,402.84	287,545.50	974,267.11	688,721.61	688,721.61
0033	[redacted]	HomeStar/Midland	Tax Reimbursement Account							
0034	[redacted]	HomeStar/Midland	[illegible]		0.05	0.05	48.31	48.31	-	-
0035	[redacted]	HomeStar/Midland	COARS [illegible]	688.50	3.44		2,582.87	3,274.81	691.94	691.94
0036	[redacted]	HomeStar/Midland	COARS [illegible]						-	-
0037	[redacted]	National Bank of St. Anne	[illegible]						-	-
0038	[redacted]	National Bank of St. Anne	[illegible]						-	-
0039	[redacted]	National Bank of St. Anne	[illegible]						-	-
0040	[redacted]		[illegible] or ICS	500,000.00	38,494.51	2,172,994.50	2,097,429.66	492,929.67	(1,604,499.99)	(1,604,499.59)
				51,183,788.47	340,087.48	48,778,982.63	9,580,421.66	12,782,980.45	2,744,884.32	3,222,538.79

Balance Per Financial Statement

General Fund	1,383,180.00
Special Tax Allocation Fund	15,543.00
Legacy Park	287,548.00
Capital Projects	72,707.00
Non Major Funds	[illegible]
	2,034,331.00
Investments	
General Fund	13,418,[illegible].00
Capital Projects	1,000,000.00
Non Major Fund	1,765,[illegible].00
	16,184,[illegible].00
Total	18,219,[illegible].00

Draft for Discussion

INVESTMENT OF SEWER SYSTEM PROCEEDS WITH HOMESTAR BANK

Background

This section discusses the sale of the Manteno Sewer System and the use of the sale proceeds during the period that HomeStar Financial Group (including HomeStar Bank) was negotiating to merge with Midland States Bancorp, Inc.

As noted above, on February 20th, 2017, the Village enacted a Village Investment Policy (Ordinance 17-30). Shortly thereafter, on April 17, 2017, Sheila Martin was appointed Treasurer of Manteno.

On September 18, 2017, the Village approved Ordinance 17-17 to sell its Sewer System to Aqua for $24.335 million.

In late June and early July 2018, the Village placed the entire $25.3M it received from Aqua at HomeStar Bank, where the funds remained until HomeStar Bank's merger with Midland States Bancorp, Inc., which was finalized a year later.

HomeStar Sale

<u>2017 HOMESTAR AUDITED FINANCIAL STATEMENT OPINION</u>

On March 20, 2018, HomeStar Financial Group, Inc published its Consolidated Financial Report for the year ended December 31, 2017.

The auditor expressed a "going concern" opinion:

> ***Emphasis of Matter Regarding Going Concern***
>
> *The accompanying consolidated financial statements have been prepared assuming HomeStar Financial Group, Inc. and Subsidiary will continue as a going concern. As discussed in Note 9 to the consolidated financial statements, as of December 31, 2017, the Company was deferring interest payments on its junior subordinated debentures. The maximum allowable deferral period under the instruments ended in 2015 and the Company was in default under the terms of the junior subordinated debenture agreements.*

As discussed in Note 9 to the consolidated financial statements, the Company entered into a supplemental indenture with the holders of a portion of the subordinated debentures in default to extend the deferral period until June 30, 2019; however, a portion of the subordinated debentures remains in default. On December 29, 2017, an agent for holders of the junior subordinated debentures remaining in default filed a lawsuit demanding full repayment of all amounts due under the terms of the agreement. The Company is presently involved in negotiations with the agent. The ability of the Company to continue as a going concern is dependent on the ability of management to negotiate terms with holders of the junior subordinated debentures in default whereby they agree not to exercise their rights and remedies under default and economic conditions allow the Company and its subsidiary to remain profitable. Management's plans in regard to these matters are described in Note 20. The accompanying consolidated financial statements do not include any adjustments that might result from the outcome of these uncertainties.

2017 FINANCIAL STATEMENT FOOTNOTES

The Financial Statement Footnotes included the following notes regarding the bank's financial condition as of December 31, 2017.

Note 9 Discussed the Borrowings:

Note 9 -Borrowings

The Bank had no advances from the Federal Home Loan Bank of Chicago (the "FHLB") outstanding as of December 31, 2017, or 2016. At December 31, 2017, the Bank had the ability to enter into advances of $9,147,000 with the FHLB and has pledged $9,272,000 of investment securities -available for sale for that available borrowing capacity.

The Company invested $480,000 and formed two statutory trusts, Trust I in March 2000 and Trust II in December 2005, for the purpose of issuing trust preferred securities of $9,500,000 and $6,000,000, respectively, as part of pooled offerings of such securities. The Company issued junior subordinated debentures aggregating $15,980,000 to the trusts in exchange for the *proceeds of the offering. The debentures represent the sole assets of the trusts. Trust I debentures must be redeemed no later than 30 years from the date of issue but may be redeemed at face value, in whole or in part, any time beginning 10 years from the date of issue. Trust II debentures must also be redeemed no later than 30 years from the date of issue but may be redeemed at face value, in whole or in part, any time beginning five years from date of issue. The costs associated with the issuance of the junior subordinated debentures are being amortized over 30 years.*

Trust I debentures pay interest semiannually based on a fixed rate of 10.875 percent. Trust II debentures pay interest quarterly based on a variable rate that resets quarterly, equal to the sum of the three-month LIBOR plus 1.55 percent. At December 31, 2017 and 2016, the contract interest rate on Trust II debentures was 3.244 percent and 2.527 percent, respectively.

During 2010, the Company decided to defer the payment of interest on all $15,980,000 of the junior subordinated debentures, in accordance with the provisions of the related agreements. As a result the Company has not made any of the regularly scheduled interest payments since this decision. At December 31, 2017 and 2016, deferred interest payable on the junior subordinated debentures totaled $15,[illegible]46,2[illegible]8 and $12,630,013, respectively. The five-year deferral period, as allowed under the provisions of Trust I and Trust II and during which time interest accrues on a compounding basis, ended on March 8, 2015 and March 15, 2015, respectively.

On February 7, 2017, the Company entered into a supplemental indenture with the holders of Trust I to extend the deferral period to June 30, 2019, and, as such, is no longer in default on Trust I. As part of the supplemental indenture, the holders of the Trust I subordinated debentures granted the Company, or its designees, a right to purchase all of the Trust I debentures. The right to purchase the debentures is at a fixed price based on the date of purchase, and the right expires on June 30, 2019. The purchase price of the Trust I debentures was $14,887,028 at December 31, 2017, which increases approximately 11 percent per anum through the expiration date. As of December 31, 2017, liabilities recognized related to the Trust I debentures, including accrued interest thereon, totaled $22,913,727.

At December 31, 2017, the Company is in default under the terms of the Trust II junior subordinated debenture agreements and does not have the ability to pay all amounts due thereunder. On December 29, 2017, an agent for holders of the Trust II junior subordinated debentures filed a lawsuit *demanding full repayment of all amounts due under the terms of the agreement. The Company is presently involved in negotiations with the agent and hopes to achieve a resolution in the near future. As of December 31, 2017, liabilities recognized related to the Trust II debentures, including accrued interest thereon, totaled $8,516,285.*

Note 16 – Minimum Regulatory Capital Requirements. The footnote noted that *"the Bank did not meet the requirements to be considered well capitalized."*

Note 17 - Regulatory Matters. This footnote discussed the Consent Orders between the Bank, the FDIC, and the IDFPR which had been in effect since May 24, 2010. These orders imposed a number of conditions and restrictions on the Bank.

Note 20 – Management's Plans

Note 20 -Management's Plans

As discussed in Note 9, the Company signed a supplemental indenture with the holders of the Trust I subordinated debentures to extend the interest deferral period to June 30, 2019, and, as such, is no longer in default on the Trust I subordinated debentures. The Company remains in default on the Trust II subordinated debentures. On December 29, 2017, an agent for holders of the Trust II junior subordinated debentures filed a lawsuit demanding full repayment of all amounts due under the terms of the agreement. ***The Company plans on utilizing all available legal opportunities to cure this default in the future, which may include settlement or bankruptcy reorganization.***

Management's success will ultimately be determined by conditions in the capital markets and the ability to negotiate with the holders of the remaining subordinated debentures in default. Most likely, the ability for the Company to raise the capital needed to take advantage of the "right-to-purchase" option included in the supplemental indenture to Trust I will depend on a successful resolution with holders of the Trust II subordinated debentures.

Management believes they have taken appropriate steps aimed at returning the Bank to sustained profitability. Management's success will ultimately be determined by their ability to implement the stated plans and the impact of certain factors beyond their control, such as conditions in the capital markets and the willingness of creditors to negotiate a settlement on the subordinated debentures.

The entire financial statement is found in Exhibit IX.

<u>Consent Orders</u>

The original consent order was issued in 2010 by the FDIC and the Illinois Department of Financial and Professional Regulation. It was replaced by a new consent order on May 4, 2013. That consent order was terminated by the FDIC and the Illinois Department of Professional Regulation Division of Banking on April 20, 2018. The consent orders can be found in Exhibit X.

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IDFPR CHICAGO
APR 23 2018
DIVISION OF
BANKING

FEDERAL DEPOSIT INSURANCE CORPORATION
WASHINGTON, D.C.

and

STATE OF ILLINOIS
DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
DIVISION OF BANKING
SPRINGFIELD, ILLINOIS

In the Matter of HOMESTAR BANK AND FINANCIAL SERVICES MANTENO, ILLINOIS (Illinois Chartered Insured Nonmember Bank)	ORDER TERMINATING CONSENT ORDER FDIC-12-0475b 2012-DB-56

The Federal Deposit Insurance Corporation and the Illinois Department of Financial and Professional Regulation, Division of Banking, hereby issue this ORDER TERMINATING CONSENT ORDER, terminating all provisions of the Consent Order entered on May 14, 2013, against Homestar Bank and Financial Services, Manteno, Illinois, pursuant to section 8(b) of the Federal Deposit Insurance Act, 12 U.S.C. § 1818(b), and Illinois Banking Act, 205 ILCS 5/48.

Pursuant to delegated authority.

Dated this 20th day of April, 2018.

[redacted]

John P. Conneely Regional Director Chicago Regional Office Federal Deposit Insurance	Kerri Doll Director Illinois Department of Financial and Professional

USE OF HOMESTAR BANK FOR AQUA SALE PROCEEDS

On June 25, 2018, the Village opened HomeStar Bank Account [redacted] to receive funds from the sale of the Village's sewer system to Aqua America. On June 25, 2018, Aqua wired $300,000 into this account. On July 2, 2018, the Village received an additional $25,000,000 from Aqua. By July 18, 2018, the funds had been moved out of this account into other HomeStar accounts, and this account was closed on October 4, 2018.

HomeStar Bank
& Financial Services

Member FDIC

576 William Latham Dr., Bourbonnais, IL 60914
435 E. North St., Bradley, IL 60915
255 E. Station St., Kankakee, IL 60901
303 Section Line Rd., Manteno IL 60950
105 McGuire Dr., Manteno IL 60950
(815) 468-2265

25640 S. Gougar Rd., Manhattan, IL 60442
(815) 361-4455

000 00003 01
ACCOUNT: [redacted]

07/31/2018

VILLAGE OF MANTENO
98 E THIRD ST
MANTENO IL 60950-1245

30
0
3

MM PUBLIC FUNDS ACCOUNT [redacted]

DESCRIPTION	DEBITS	CREDITS	DATE	BALANCE
BALANCE LAST STATEMENT			06/29/18	300,004.93
WIRE IN AQUA AMERICA - ZS		25000,000.00	07/02/18	25300,004.93
CHECK	25300,000.00		07/03/18	4.93
WIRE IN ICS SETTLEMENT - ZS		25000,000.00	07/16/18	25000,004.93
CHECK	12500,000.00		07/17/18	12500,004.93
CHECK	12500,000.00		07/17/18	4.93
INTEREST		836.71	07/31/18	841.64
SERVICE CHARGE	25.00		07/31/18	816.64
BALANCE THIS STATEMENT			07/31/18	816.64

TOTAL CREDITS (3) 50,000,836.71
TOTAL DEBITS (4) 50,300,025.00

YOUR CHECKS SEQUENCED

DATE...CHECK #......AMOUNT	DATE...CHECK #......AMOUNT	DATE...CHECK #......AMOUNT
07/03 *25300000.00	07/17 *12500000.00	07/17 12500000.00

(*) INDICATES A GAP IN CHECK NUMBER SEQUENCE

- - - - - - - - - - I N T E R E S T - - - - - - - - - -

AVERAGE LEDGER BALANCE:	1,590,629.93	INTEREST EARNED:	836.71
INTEREST PAID THIS PERIOD:	836.71	DAYS IN PERIOD:	32
INTEREST PAID 2018:	841.64	ANNUAL PERCENTAGE YIELD EARNED:	.60%

* * * C O N T I N U E D * * *

MPPS 21-05-000050

NOTICE: SEE REVERSE SIDE FOR IMPORTANT INFORMATION

The $25M+ in sale proceeds remained with HomeStar Bank though 2018.

HomeStar Bank and Financial Services
3 Diversatech Drive
Manteno, IL 60950

Date 09/28/18
Page 1 of 14

VILLAGE OF MANTENO
C/O SHEILA MARTIN
98 E THIRD ST
MANTENO, IL 60950

Subject: CDARS® Customer Statement

Legal Account Title: VILLAGE OF MANTENO
C/O SHEILA MARTIN

Below is a summary of your certificate(s) of deposit, which we are holding for you as your custodian. These certificate(s) of deposit have been issued through CDARS by one or more FDIC-insured depository institutions. Should you have any questions, please contact us at **815-468-2265** or send an email to **mbade@homestarbank.com.**

Summary of Accounts Reflecting Placements Through CDARS

Account ID	Effective Date	Maturity Date	Interest Rate	Opening Balance	Ending Balance
[redacted]	07/19/18	01/17/19	1.[illegible]%	$12,500,000.00	$12,550,286.10
	07/19/18	07/18/19	2.22[illegible]4%	$12,500,000.00	$12,556,516.56
TOTAL				**$25,000,000.00**	**$25,106,802.66**

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VILLAGE OF MANTENO

Draft for Discussion

CDARS® is a registered service mark of Promontory Interfinancial Network, LLC.

CONTAINS CONFIDENTIAL INFORMATION

Approximately one-half of the $25M sale proceeds ($12.5M CD in Account [redacted]) matured on January 17, 2019. During the Manteno Finance Committee meeting on January 9, 2019, Mr. LaRocque recommended rolling over the CD at HomeStar Bank.

> *WPCC Funds – Mr. LaRocque stated that the 6 month CD for $12.5 million is coming due. The committee recommended that the money be reinvested for another 6 months at a rate of 2.3% at HomeStar Bank.*

Announcement of HomeStar & Midland Bank Corp Merger

Midland States Bancorp, Inc. filed form 8-K on April 2, 2019, announcing the merger of Midland and HomeStar Financial Group (the parent of HomeStar Bank) and issued a press release announcing the merger. Midland's detailed presentation is found in Exhibit XI.

EX-99.1 2 exh_991.htm PRESS RELEASE

EXHIBIT 99.1

Midland States Bancorp, Inc. to Acquire HomeStar Financial Group, Inc.

EFFINGHAM, Ill. and MANTENO, Ill., April 02, 2019 (GLOBE NEWSWIRE) -- Midland States Bancorp, Inc. (NASDAQ: MSBI) (the "Company" or "Midland") and HomeStar Financial Group, Inc. ("HomeStar") today announced that they have entered into a definitive agreement whereby Midland will acquire 100% of the common stock of HomeStar, and its wholly owned subsidiary HomeStar Bank and Financial Services ("HomeStar Bank"), in exchange for 405,000 shares of Midland common stock.

HomeStar Bank is a full-service community bank headquartered in Manteno, Illinois, with approximately $375 million of assets, $223 million in loans and $333 million in deposits as of December 31, 2018. Serving its communities for over 70 years, HomeStar Bank has 5 locations in northern Illinois and has the #1 deposit market share in the Kankakee, IL metropolitan statistical area (MSA). For the quarter ended December 31, 2018, HomeStar had a cost of deposits of 0.20%, an average loan yield of 5.13%, and a net interest margin of 3.88%.

Jeff Ludwig, President and Chief Executive Officer of Midland, commented, "HomeStar has a deep history and strong commitment to their customers, employees and communities as evidenced by their leading market share position. HomeStar will complement our Kankakee presence and is consistent with our strategy of partnering with institutions that have attractive deposit bases and a proven commitment to their local customers."

Bill Smith, Chief Executive Officer of HomeStar, said, "I am very proud of all we have accomplished at HomeStar. Midland [illegible] excellent merger partner for HomeStar due to their commitment to serving their clients and similar community banking model. We believe the complementary strengths of this combined organization will provide a stronger future for our customers, employees and the communities we serve."

Based upon the closing price of Midland common stock of $24.46 as of April 1, 2019, the transaction has a value to HomeStar shareholders of approximately $9.9 million assuming adjusted shareholders' equity of HomeStar at closing of $10.4 million, after taking into account certain transaction-related gains. The value of the actual consideration paid will adjust dollar-for-dollar (up or down) with respect to HomeStar's shareholders' equity at closing versus the $10.4 million target in the manner set forth in the Merger Agreement.

Midland expects the transaction to close in the third quarter of 2019 and be approximately 9% accretive to [illegible] per share in 2020, the first full year of combined operations. Midland also expects to incur tangible book value per share dilution of approximately [illegible] upon the closing of the transaction, with an expected earn-back period of approximately 2 years using the cross-over method, inclusive of expected gains and purchase accounting adjustments.

Under the terms of the definitive agreement, prior to, or concurrent, with closing, HomeStar's outstanding TruPS will be redeemed with $23.5 million of cash provided by Midland, at a discount to par value plus accrued interest, generating an expected gain of approximately $11.7 million. Additionally, prior to closing, HomeStar will sell its interests in both its Insurance Agency and Title Company business lines.

The transaction has been approved by HomeStar's board of directors and is subject to regulatory approvals, the approval of HomeStar's shareholders, and the satisfaction of customary closing conditions.

A presentation with additional information regarding the transaction can be accessed on the Webcasts and Presentations page of the Company's investor relations website.

Keefe, Bruyette & Woods, *A Stifel Company* served as financial advisor to Midland, and Barack Ferrazzano Kirschbaum & Nagelberg LLP served as Midland's legal advisor. Monroe Financial Partners, Inc. served as financial advisor to HomeStar, and Gerrish Smith Tuck served as HomeStar's legal advisor.

About Midland States Bancorp, Inc.

Midland States Bancorp, Inc. is a community-based financial holding company headquartered in Effingham, Illinois, and is the sole shareholder of Midland States Bank. As of December 31, 2018, the Company had total assets of $5.6 billion and its Wealth Management Group had assets under administration of approximately $2.9 billion. Midland provides a full range of commercial and consumer banking products and services, merchant credit card services, trust and investment management, and insurance and financial planning services. In addition, commercial equipment leasing services are provided through Heartland Business Credit, and multi-family and healthcare facility FHA financing is provided through Love Funding, Midland's non-bank subsidiaries. For additional information, visit www.midlandsb.com or follow Midland on LinkedIn at https://www.linkedin.com/company/midland-states-bank.

Forward-Looking Statements

Readers should note that in addition to the historical information contained herein, this press release includes "forward-looking statements," including but not limited to statements about Midland's expected loan production, operating expenses, future earnings levels and other projections relating to the proposed transaction. These statements are subject to many risks and uncertainties, including (i) the possibility that any of the anticipated benefits of the proposed transaction will not be realized within the expected time period or at all; (ii) the risk that integration of HomeStar's operations will be materially delayed or will be more costly or difficult than expected; (iii) the failure of the proposed transaction to close for any other reason; (iv) the effect of the announcement of the transaction on customer relationships and operating results; (v) the possibility that the transaction may be more expensive to complete than anticipated, including as a result of unexpected factors or events; and (vi) other risks detailed from time to time in filings made by Midland with the Securities and Exchange Commission (the "SEC"). Readers should note that the forward-looking statements included in this press release are not a guarantee of future events, and that actual events may differ materially from those made in or suggested by the forward-looking statements. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "will," "propose," "may," "plan," "seek," "expect," "intend," "estimate," "anticipate," "believe" or "continue," or similar terminology. Any forward-looking statements presented herein are made only as of the date of this press release, and we do not undertake any obligation to update or revise any forward-looking statements to reflect changes in assumptions, the occurrence of unanticipated events, or otherwise.

Additional Information

This disclosure is being made in respect of the Merger and does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval.

CONTACTS:

For Midland:
Jeffrey G. Ludwig, President and CEO, at jludwig@midlandsb.com or (217) 342-7321
Steve Erickson, Chief Financial Officer, at serickson@midlandsb.com or (217) 540-1712

For HomeStar:
William Smith, CEO, at wsmith@homestarbank.com or 312-366-3921

The Aqua proceeds of **$25.3M** which were invested with HomeStar constituted **7.6%** of HomeStar's total deposits of **$333M** as of December 31, 2018, and without those funds, HomeStar would have shown deposits on December 31, 2018, of $307.8M or a 6.5% decrease in deposits from the prior year (2017).

The merger of the two banks was scheduled to be completed in July 2018. The minutes of June 12, 2019, Village Finance Committee meeting included a discussion on the Aqua funds:

> ***Sewer Funds Reinvestment*** *– On July 19th the $25 million that is currently in CD's at HomeStar Bank will be coming due. Mr. LaRocque would like to look at all options even with other banks.*
>
> *Mayor Nugent stated that there will be two (2) new banks that will be opening offices in Manteno. People's Bank has purchased property and will be building a new building. The National State Bank of St. Anne have rented an office on the west side of I-57, but will be remolding the old Family Video building to have a permanent office. There is some interest from the new banks concerning our investments. The village wishes to receive the highest interest rate as possible. The rates have declined since last year. All banks will be contacted to gauge their interest. The People's Bank building site is in the Enterprise Zone, but the National Bank of St. Anne's building is not. All information will be available at the next Finance Committee meeting in July for a decision.*

July 12, 2019, Finance Committee minutes state:

> ***Sewer Funds Reinvestment*** *– Mr. LaRocque contacted all local banks to see what interest rates they each have for the investment of the sewer fund monies. The village heard from four (4) banks. The rates range from 1.75% to 2.3%. The village would like to see if all banks could offer the 2.3% then the money would be equally divided among the banks that participate. Mayor Nugent would like to invest for at least 12 – 18 months. Mr. LaRocque will contact the banks. Trustee Gesky would like to give 50% of the monies to the bank that started with the 2.3% rate and then divide the rest between any other banks that will also offer 2.3%.*
>
> *Trustee Crockett exited the meeting at 7:51 a.m.*

The Aqua sale proceeds remained with HomeStar for a year until shortly after Midland's acquisition of HomeStar on July 17, 2019.

Midland

Press Releases Investor Calendar Webcasts and Presentations

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Press Release

Midland States Bancorp, Inc. Completes the Acquisition of HomeStar Financial Group

EFFINGHAM, Ill., July 17, 2019 (GLOBE NEWSWIRE) -- Midland States Bancorp, Inc. (NASDAQ: MSBI) (the "Company" or "Midland") today announced that it has completed its acquisition of HomeStar Financial Group, Inc. ("HomeStar"), the parent company of HomeStar Bank and Financial Services ("HomeStar Bank"). As of March 31, 2019, HomeStar Bank had approximately $381.4 million in assets, $216.6 million in loans and $339.3 million in deposits.

Jeff Ludwig, President and Chief Executive Officer of Midland, commented, "We are excited to welcome HomeStar's customers, employees and shareholders to Midland. We look forward to offering HomeStar customers a broader selection of financial products and services, while maintaining the same exceptional service level that they have come to expect. With the financial strength that Midland provides, we believe we can expand upon the leading position that we now have in the Kankakee, IL market, capitalize on the synergies of this combination, and create strong value for our new and existing shareholders."

Bill Smith, Chief Executive Officer of HomeStar, said, "We have worked closely with the Midland team over the past few months to ensure a smooth transition for our customers and employees. We are confident that the strength of the combined organization will provide a superior banking experience for our customers in the years ahead."

Investors

of its outstanding Trust Preferred Securities prior to the closing.

About Midland States Bancorp, Inc.

Midland States Bancorp, Inc. is a community-based financial holding company headquartered in Effingham, Illinois, and is the sole shareholder of Midland States Bank. As of March 31, 2019, the Company had total assets of approximately $5.64 billion and its Wealth Management Group had assets under administration of approximately $3.10 billion. Midland provides a full range of commercial and consumer banking products and services, business equipment financing, merchant credit card services, trust, investment management and financial planning services. In addition, multi-family and healthcare facility FHA financing is provided through Love Funding, Midland's non-bank subsidiary. For additional information, please visit www.midlandsb.com or follow Midland on LinkedIn at https://www.linkedin.com/company/midland-states-bank.

Forward-Looking Statements

Readers should note that in addition to the historical information contained herein, this press release includes "forward-looking statements," including but not limited to statements about Midland's expected loan production, operating expenses, future earnings levels and other projections relating to the transaction. These statements are subject to many risks and uncertainties, including (i) the possibility that any of the anticipated benefits of the transaction will not be realized within the expected time period or at all; (ii) the risk that integration of HomeStar's operations will be materially delayed or will be more costly or difficult than expected; (iii) the effect of the announcement of the transaction on customer relationships and operating results; (iv) the possibility that the transaction may be more expensive to complete than anticipated, including as a result of unexpected factors or events; and (v) other risks detailed from time to time in filings made by Midland with the Securities and Exchange Commission. Readers should note that the forward-looking statements included in this press release are not a guarantee of future events, and that actual events may differ materially from those made in or suggested by the forward-looking statements. Forward-looking statements generally can be identified by the use of forward-

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terminology. Any forward-looking statements presented herein are made only as of the date of this press release, and we do not undertake any obligation to update or revise any forward-looking statements to reflect changes in assumptions, the occurrence of unanticipated events, or otherwise.

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Midland States Bancorp, Inc.

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National Bank of St Anne

The National Bank of St. Anne is in St. Anne, Illinois. In 2020, the bank opened the National Bank of Manteno. The bank president is Edward Meier, who we understand is the son-in-law of the former mayor of Manteno, Tim Nugent.

On July 25, 2019, approximately one week after Midland's acquisition of HomeStar, the Treasurer transferred $12,500,000 in Aqua sale proceeds from Midland Bank (formerly HomeStar) to the National Bank of St. Anne.

National Bank of St. Anne
158 W. Station St.
P.O. Box 380
St.Anne, IL 60954

Date 11/29/19
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VILLAGE OF MANTENO
98 EAST THIRD STREET
MANTENO, IL 60950

Subject: CDARS® Customer Statement

Legal Account Title. VILLAGE OF MANTENO

Below is a summary of your certificate(s) of deposit, which we are holding for you as your custodian. These certificate(s) of deposit have been issued through CDARS by one or more FDIC-insured depository institutions. Should you have any questions, please contact us at 815-427-8154, send an email to lstrate@natbankil.com, or visit our website at www.natbankil.com.

Summary of Accounts Reflecting Placements Through CDARS

Account ID	Effective Date	Maturity Date	Interest Rate	Opening Balance	Ending Balance
[redacted]	07/25/19	07/23/20	2.3%	$12,500,000.00	$12,500,000.00
TOTAL				$12,500,000.00	$12,500,000.00

 CONTAINS CONFIDENTIAL INFORMATION

Timeline

The following timeline outlines the key transactions discussed above.