



**Rantoul Village Board of Trustees**  
**Regular Board Meeting**  
**Louis B. Schelling Memorial Board Room**  
**Rantoul Municipal Building**

**March 13, 2018**

**6:00 pm**

*Order of Business*

*Board Packet Page(s)*

1. Call to Order – Mayor Smith  
Invocation –  
Pledge of Allegiance – Pastor Maxine Rixman, Bethany Park Christian Church  
Roll Call
2. Approval of Agenda
3. Public Participation  
*Citizens wishing to address the Village Board with respect to any item of business listed on the agenda or any matter not appearing on the agenda are asked to complete a public participation form and submit it to the Village Clerk prior to the meeting. Comments will be limited to three minutes for each item.*

**Section A – Consent Agenda**

4. Approval of Consent Agenda by Omnibus Vote  
*All items under the Consent Agenda are considered to be routine in nature and will be enacted by a single motion and subsequent roll call vote. There will be no separate discussion of these items unless a Village Board member so requests, in which event the item will be removed from the Consent Agenda and considered as the first item after approval of the Consent Agenda.*
  - (A) Affirm the appointment of Christopher King to the Citizen’s Advisory Committee for a term to expire 2021
5. Approval of Any Items Removed from Consent Agenda

**Section B – Consideration of Bids, Contracts & Other Expenditures**

6. Approval of Bills and Monthly Financial Reports
7. Motion to approve Minutes, Regular Study Session [February 6, 2018](#)
8. Motion to approve Minutes, Regular Board Meeting [February 13, 2018](#)
9. Motion to authorize and approve an [engineering agreement](#) with Fehr Graham for the Murray/Chandler Road Box Culvert project - \$19,000.00 50-58

*Order of Business*

*Board Packet Page(s)*

10. Motion to authorize and approve the purchase of [In-Squad computers](#) 77-78  
from CDS Office Technologies - \$34,967.00

Section C – Consideration of Ordinances & Resolutions

11. Motion to pass [Ordinance No. 2563](#), AN ORDINANCE AUTHORIZING THE ACCEPTANCE OF THE CONTRACT AND BY-LAWS DOCUMENT OF THE INTERGOVERNMENTAL PERSONNEL BENEFIT COOPERATIVE AND AUTHORIZING MEMBERSHIP IN THE IPBC BY A MUNICIPALITY 3-49
12. Motion to pass [Ordinance No. 2564](#), AN ORDINANCE AMENDING CHAPTER 40 OF THE RANTOUL CODE BY REVISING SECTION 40-90 AND BY ADDING A NEW SECTION 40-90.5 IN CONNECTION WITH ESTABLISHING A PROCEDURE TO CHALLENGE A UTILITY BILL 79-81, 96-98
13. Motion to pass [Ordinance No. 2565](#), AN ORDINANCE ADOPTING A REVISED [LICENSE](#), PERMIT AND SERVICE FEES AND ADMINISTRATIVE PENALTIES SCHEDULE 1-2, 82-89
14. Motion to pass [Ordinance No. 2566](#), AN ORDINANCE AUTHORIZING AND APPROVING A CONTRACT FOR THE SALE OF REAL ESTATE OWNED BY THE VILLAGE OF RANTOUL, ILLINOIS (735, 801 AND 909 PACESETTER DRIVE) 59-70, 90-92
15. Motion to pass [Resolution No. 3-18-1253](#), A RESOLUTION AUTHORIZING [WITHDRAWAL](#) FROM INTERGOVERNMENTAL PERSONNEL BENEFIT COOPERATIVE 93-95

Section D – New Business

*Discussion of any items of new business not listed upon the formal agenda. No formal action will be taken on these items during this proceeding.*

16. Discussion of proposed [Budget for FY 2018-2019](#) ([Budget Slides](#)) 99-119

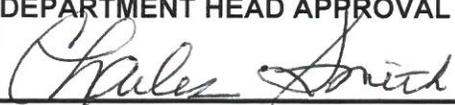
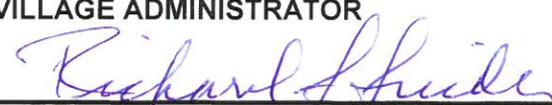
Section E – Public Announcements

17. Special Meeting to review proposed FY 2018-19 Budget, March 27, 6:00 pm
18. Special Meeting to approve proposed FY 2018-19 Budget, April 17, 6:00 pm

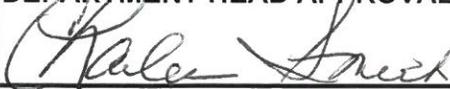
Section F – Adjournment

19. Motion to Adjourn

**BOARD OF TRUSTEES  
VILLAGE OF RANTOUL**

AGENDA ITEM	PAGE	OF																																																
<b>ITEM:</b> Increase in Liquor License	<b>DEPARTMENT:</b> Mayor																																																	
<b>AGENDA SECTION:</b>	<b>AMOUNT:</b>																																																	
<b>ATTACHMENTS:</b> <input type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION <input type="checkbox"/> OTHER (See Summary) <input type="checkbox"/> SUPPORTING DOCUMENTS	<b>DATE:</b> February 28, 2018																																																	
<b>SUMMARY HIGHLIGHTS:</b>																																																		
<p>The Liquor Advisory Committee met to discuss the current liquor license fees to determine if the fees covered the cost of staff time in processing these licenses. The fees were last reviewed in 2009 and staff and operating costs have increased in that time.</p> <p>The Committee recommended a 5% increase in all classifications.</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><u>Classifications</u></th> <th style="text-align: right;"><u>Current Fees</u></th> <th style="text-align: right;"><u>Increase</u></th> <th style="text-align: right;"><u>Proposed Fees</u></th> </tr> </thead> <tbody> <tr> <td>A - Bar</td> <td style="text-align: right;">\$2,000.00</td> <td style="text-align: right;">\$100.00</td> <td style="text-align: right;">\$2,100.00</td> </tr> <tr> <td>R - Restaurant</td> <td style="text-align: right;">\$1,500.00</td> <td style="text-align: right;">\$75.00</td> <td style="text-align: right;">\$1,575.00</td> </tr> <tr> <td>P1- Package - full</td> <td style="text-align: right;">\$2,000.00</td> <td style="text-align: right;">\$100.00</td> <td style="text-align: right;">\$2,100.00</td> </tr> <tr> <td>P2 - Pkg - Beer/Wine</td> <td style="text-align: right;">\$1,500.00</td> <td style="text-align: right;">\$75.00</td> <td style="text-align: right;">\$1,575.00</td> </tr> <tr> <td>C - Club</td> <td style="text-align: right;">\$1,000.00</td> <td style="text-align: right;">\$50.00</td> <td style="text-align: right;">\$1,050.00</td> </tr> <tr> <td>GC - Golf Course</td> <td style="text-align: right;">\$2,000.00</td> <td style="text-align: right;">\$100.00</td> <td style="text-align: right;">\$2,100.00</td> </tr> <tr> <td>H - Hotels</td> <td style="text-align: right;">\$1,000.00</td> <td style="text-align: right;">\$50.00</td> <td style="text-align: right;">\$1,050.00</td> </tr> <tr> <td>T1 - Education, NFP</td> <td style="text-align: right;">\$50.00</td> <td style="text-align: right;">\$2.50</td> <td style="text-align: right;">\$52.50</td> </tr> <tr> <td>T2 - Adjacent Prop.</td> <td style="text-align: right;">\$50.00</td> <td style="text-align: right;">\$2.50</td> <td style="text-align: right;">\$52.50</td> </tr> <tr> <td>T3 - Village Property</td> <td style="text-align: right;">\$150.00</td> <td style="text-align: right;">\$7.50</td> <td style="text-align: right;">\$157.50</td> </tr> <tr> <td>T4 - Airport Property</td> <td style="text-align: right;">\$150.00</td> <td style="text-align: right;">\$7.50</td> <td style="text-align: right;">\$157.50</td> </tr> </tbody> </table>			<u>Classifications</u>	<u>Current Fees</u>	<u>Increase</u>	<u>Proposed Fees</u>	A - Bar	\$2,000.00	\$100.00	\$2,100.00	R - Restaurant	\$1,500.00	\$75.00	\$1,575.00	P1- Package - full	\$2,000.00	\$100.00	\$2,100.00	P2 - Pkg - Beer/Wine	\$1,500.00	\$75.00	\$1,575.00	C - Club	\$1,000.00	\$50.00	\$1,050.00	GC - Golf Course	\$2,000.00	\$100.00	\$2,100.00	H - Hotels	\$1,000.00	\$50.00	\$1,050.00	T1 - Education, NFP	\$50.00	\$2.50	\$52.50	T2 - Adjacent Prop.	\$50.00	\$2.50	\$52.50	T3 - Village Property	\$150.00	\$7.50	\$157.50	T4 - Airport Property	\$150.00	\$7.50	\$157.50
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<b>RECOMMENDED ACTION:</b> Approve proposed fees for FY 18-19																																																		
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<b>AGENDA PAGE NUMBER:</b>																																																		

**BOARD OF TRUSTEES  
VILLAGE OF RANTOUL**

AGENDA ITEM	PAGE	OF
<b>ITEM:</b> Gaming Establishment License	<b>DEPARTMENT:</b> Mayor	
<b>AGENDA SECTION:</b>	<b>AMOUNT:</b>	
<b>ATTACHMENTS:</b> <input type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION <input type="checkbox"/> OTHER (See Summary) <input type="checkbox"/> SUPPORTING DOCUMENTS	<b>DATE:</b> February 28, 2018	
<b>SUMMARY HIGHLIGHTS:</b>		
<p>The Village of Rantoul currently has 29 liquor licenses issued in the various classifications. Thirteen of those license holders have gaming machines in their establishments. Most of these establishments have the maximum number of video gaming machines.</p> <p>The Liquor Advisory Committee discussed creating a license to set a fee per machine. The recommendation is to charge a flat annual \$250.00 license fee per establishment. This fee would be in place for the coming year and must be paid prior to to renewing their liquor license.</p>		
<b>RECOMMENDED ACTION:</b> Approve a Gaming Establishment license of \$250.00 annually.		
<b>DEPARTMENT HEAD APPROVAL</b> 	<b>VILLAGE ADMINISTRATOR</b> 	
<b>AGENDA PAGE NUMBER:</b>		

**BOARD OF TRUSTEES  
VILLAGE OF RANTOUL**

AGENDA ITEM PAGE \_\_\_\_\_ OF \_\_\_\_\_

<b>ITEM:</b> Approval of Bylaws for Intergovernmental Personnel Benefit Cooperative	<b>DEPARTMENT:</b> Village of Rantoul
<b>AGENDA SECTION:</b> Administrator	<b>AMOUNT:</b>
<b>ATTACHMENTS:</b> <input checked="" type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input type="checkbox"/> Supporting Documents	<b>DATE:</b> 3/1/2018
<b>SUMMARY HIGHLIGHTS:</b>	
<p>The attached ordinance, if approved, would change the Village's status within the Intergovernmental Personnel Benefit Cooperative (IPBC) from a member of the Eastern Will Benefit Council (EWBC) sub pool to that of an individual member.</p> <p>The Village opted to join the in February 2016 as part of a solution to contain its health insurance costs. Since early December, I have been working with staff regarding a number of issues related to our membership in IPBC and the self-funded health insurance program. There have been a number of service lapses impacting our employees, including repeated unexplained terminations of coverage, failures to reimburse employees for covered expenses in a timely manner, and inadequate provider network coverage.</p> <p>In addition to service issues, our deteriorating financial position within the sub pool is also a concern. The accrued liability due to IPBC is approximately \$230,000. In the twelve-month period ending 30 November 2017, total claims before allowances were \$2,563,000. After discounts, the claims totaled \$1,547,625, far in excess of our monthly assessments. As the largest sub pool member, our claims are draining the reserves of the sub pool and if not addressed, will cause the sub pool to collapse.</p> <p>Adoption of this ordinance would position Rantoul to leverage the stability of the statewide pool and to setup a potential exit plan from the IPBC if determined to be in the best interests of the Village.</p>	
<b>RECOMMENDED ACTION: Approval of Ordinance to Transition the Village to an Individual Membership within the Intergovernmental Public Benefits Cooperative (IPBC).</b>	
<b>DEPARTMENT HEAD APPROVAL</b>	<b>VILLAGE ADMINISTRATOR</b>

**FIFTH CONSOLIDATED AMENDMENT TO THE  
CONTRACT AND BY-LAWS  
INTERGOVERNMENTAL PERSONNEL BENEFIT COOPERATIVE**

ARTICLE I. Definitions and Purpose.

DEFINITIONS:

As used in this agreement, the following terms shall have the meaning hereinafter set out:

**ADMINISTRATIVE FUND** - A fund of monies established by the MEMBERS of the Intergovernmental Personnel Benefit Cooperative to pay for the joint administration of the personnel non-salary benefit programs offered by each MEMBER to its employees and officers and turned over for administration to the COOPERATIVE.

**ADMINISTRATOR** - An independent contractor of the COOPERATIVE employed by the Board of Directors to administer the personnel benefit programs of the various MEMBERS of the COOPERATIVE.

**BENEFIT FUND** - A fund of monies established by the MEMBERS of the Intergovernmental Personnel Benefit Cooperative to fund certain benefits granted by the individual MEMBERS to their respective officers and employees and to purchase excess, aggregate, or other insurance.

**BENEFITS** - Non-salary payments made to employees or officers, including but not limited to payments or reimbursements of expenses arising out of an illness or an accident and life insurance proceeds. The units of local government which participate in the COOPERATIVE have determined not to purchase insurance coverage for benefit payments below certain high limits but rather to rely upon their pooled financial capabilities

to pay benefits within the financial obligations of the COOPERATIVE and to purchase some insurance to protect against catastrophic and certain other benefit claims.

**CASH FLOW ACCOUNT** - A fund of monies established by the MEMBERS of the Intergovernmental Personnel Benefit Cooperative to fund needed cash flow in the Benefit Pool. The Board of Directors shall establish, from time-to-time, the funding requirements from the MEMBERS to generally provide at least an estimated funding for the Benefit Pool, based upon IBNR calculated by or for the Administrator.

**COOPERATIVE** - The Intergovernmental Personnel Benefit Cooperative established pursuant to the Constitution and the statutes of this State by this intergovernmental agreement.

**EXECUTIVE BOARD** – A Board, composed of nine (9) members, which is responsible for implementing the policy decisions of the Board of Directors and carrying out duties specified in this Contract and By-Laws or assigned by the Board of Directors.

**EXECUTIVE DIRECTOR** – A part or full-time employee or independent contractor, who shall be selected and have his or her compensation chosen by the Board of Directors who shall administer and supervise the operations of the COOPERATIVE and make recommendations to the Board of Directors and the Executive Board in all areas where they have decision-making authority. All references to the Executive Director shall only be applicable if there is an Executive Director in place.

**HMO FUND** - A fund of monies established by the MEMBERS of the Intergovernmental Personnel Benefit Cooperative to fund certain benefits granted by the individual MEMBERS to their respective officers and employees relating to health maintenance organizations.

**LISTED ENTITIES** - Governmental bodies, quasi governmental bodies and non-profit public service entities listed by a MEMBER as having their employees and officers under a benefit program which will be administered along with that of a MEMBER by the COOPERATIVE.

**MEMBERS** - The units of local government or intergovernmental agencies established pursuant to an intergovernmental agreement composed of units of local government (sub-pool) which initially or later enter into this intergovernmental contract for the benefit of their employees and officers along with the employees and officers of other listed entities. Whenever in this agreement the phrase "units of local government," "municipality" or similar phrase is used, it shall also refer to any intergovernmental agency established pursuant to an intergovernmental agreement composed of units of local government.

**TERMINAL RESERVE FUND OR TERMINAL RESERVES** - A fund of monies retained by the Intergovernmental Personnel Benefit Cooperative on behalf of MEMBERS whose fund balances may be in excess of all financial requirements for that MEMBER.

PURPOSE:

The Intergovernmental Personnel Benefit Cooperative is a cooperative entity voluntarily established by contracting units of local government as are permitted by Article VII, Section 10 of the 1970 Constitution of the State of Illinois, and the Intergovernmental Cooperation Act and other provisions of law to jointly administer some or all of the personnel benefit programs offered by its MEMBERS to their officers and employees and the officers and employees of other governmental, quasi-governmental and non-profit public service entities with which some or all MEMBERS have separately arranged to list as if such officers and employees were employed by the MEMBER.

To the extent provided for in this Contract and By-Laws, and as approved by the Board of Directors, the Intergovernmental Personnel Benefit Cooperative shall provide benefit coverage to the officers or employees of its MEMBERS. The Intergovernmental Personnel Benefit Cooperative shall also carry out such claim reduction and educational programs as shall be authorized by its Board of Directors. The creation of the various funds established in this Contract and By-Laws are not intended by the parties to constitute the transaction of an insurance business within the State of Illinois. The intent of the parties is to separately establish benefit programs and to utilize the Intergovernmental Personnel Benefit Cooperative to achieve reduced costs of administration and insurance purchases by providing similar services to all MEMBERS and to require MEMBERS to pay for the costs of such benefits or to share such costs in the manner from time-to-time established by the Board of Directors.

ARTICLE II. Powers and Duties.

The powers of the COOPERATIVE to perform and accomplish the purposes set forth above, within the budgetary limits and procedures set forth in these By-Laws, shall be the following:

- (a) To employ agents, employees and independent contractors,
- (b) To lease real property and to purchase or lease equipment, machinery, or personal property necessary for the carrying out of the purpose of the COOPERATIVE,
- (c) To carry out educational and other programs relating to health, accident and other claims reductions,
- (d) To cause the creation of, see to the collection of funds necessary for the administration and operation of the COOPERATIVE,
- (e) To purchase such types of insurance as are approved by the Board of Directors,
- (f) Solely within the budgetary limits established by the MEMBERS to carry out such other activities as are necessarily implied or required to carry out the purposes of the COOPERATIVE specified in Article I or the specific powers enumerated in Article II, and in conjunction with the obligation of MEMBERS specified in Article XI.

### ARTICLE III. Participation

The membership of the COOPERATIVE shall consist of those MEMBERS and previously approved listed entities which were MEMBERS of the COOPERATIVE on July 1, 2012, and those subsequently admitted to membership and continuing as MEMBERS. Listed entities are other governmental, quasi-governmental and non-profit public service entities which MEMBERS have chosen to include within their membership in the COOPERATIVE. Such listing fulfills a public purpose in that such listed entities have so few employees and officers that they could not bear the risk inherent in offering such benefit programs on their own. In other cases, the MEMBER itself has so few employees that it requires the participation of such other listed entities for the same reason. The MEMBER which lists entities shall, however, be the sole MEMBER of the COOPERATIVE and shall be responsible for all costs and duties of membership provided herein. The MEMBER may make such arrangement as is desired with members of a sub-pool or the listed entities regarding the manner of payment, sharing of risks and duration of such arrangement. Such arrangement is not a part of this Contract and By-Laws. New MEMBERS and their listed entities and the listing of additional entities by existing MEMBERS shall be added to the COOPERATIVE only after at least the concurrence of at least two-thirds (2/3) of the entire membership of the Board of Directors and subject to the payment of such sums and under such conditions as the Board of Directors shall in each case or from time-to-time establish. The Board of Directors may establish standards for admission and assign the power to admit MEMBERS and listed entities to the Executive Board.

ARTICLE IV. Term of the COOPERATIVE.

The Intergovernmental Personnel Benefit Cooperative shall operate with fiscal years beginning on July 1<sup>st</sup> of each calendar year, and the COOPERATIVE shall continue in existence with a term ending on June 30, 2025. At the end of this multi-year period, the term of the COOPERATIVE may be extended for a multi-year period of time, or if not acted upon by the MEMBERS, it shall continue in existence from year-to-year as an intergovernmental agreement with the membership of those governmental bodies which do not provide a notice of withdrawal. The ability of an individual MEMBER of the COOPERATIVE to withdraw shall be as provided in Article XVII.

ARTICLE V. Board of Directors.

(a) There is hereby established a Board of Directors of the COOPERATIVE. Each MEMBER unit of local government shall choose in the manner applicable to that governmental body one (1) person to represent that body on the Board of Directors and shall promptly notify the COOPERATIVE of such selection. The MEMBER may also select an alternate representative to serve when the initial representative is unable to carry out his duties. The person and alternate selected need not be an elected official of the MEMBER. The Board of Directors may from time-to-time establish other officers of the Board, in addition to those established in this Agreement, and choose the manner of selection of such officers.

(b) The Board of Directors shall determine the general policy of the COOPERATIVE which policy shall be followed by all officers, agents, employees and independent contractors working for the COOPERATIVE. It shall have the responsibility for (1) Hiring of COOPERATIVE officers, agents, non-clerical employees and independent contractors, (2) Setting of compensation for all persons, firms and corporations employed by the COOPERATIVE, (3) Program approval, (4) Vendor approval, (5) Setting of fidelity bonding requirements for employees or other persons, (6) Approval of amendments to the By-Laws, (7) The acceptance of new MEMBERS and listed entities, provided, however, that the Board of Directors may assign, in whole or in part, this authority to the Executive Board and it may choose to do so under stated criteria and process mandated by the Board of Directors, (8) Approval of educational and other programs relating to claim reduction, (9) Approval of monthly and supplementary payments to the

Administrative Fund and the Benefit Fund, including that portion of the cost of insurance attributable to each MEMBER, (10) Any other matters not assigned to another committee, officer, independent contractor, or agent, (11) Expulsion of MEMBERS.

- (c) Each MEMBER shall be entitled to one (1) vote on the Board of Directors. Such vote may be cast only by the designated representative of the MEMBER, who shall be called a Director, or in the Director's absence by an alternate selected by the MEMBER in the same manner as specified for the selection of the principal representative. No proxy votes or absentee votes shall be permitted, but, Directors or Alternates may participate in a meeting by electronic means in accordance with law. Voting shall be conducted by voice vote unless one (1) or more MEMBERS of the Board of Directors shall request a roll call vote; provided, however, that any vote to authorize the payment of bills or which requires a greater than a majority vote for passage, shall be by roll call.
- (d) The representative selected by the MEMBER shall serve for a one fiscal year term commencing at the beginning of each fiscal year and until a successor has been selected. The representative chosen by the MEMBER may be removed by the MEMBER during the period of his or her term. In the event that a vacancy occurs in the representative or alternate representative, that MEMBER shall appoint a successor. The failure of a MEMBER to select a representative or his or her failure to participate shall not affect the responsibilities or duties of a MEMBER under this contract.

- (e) The Board of Directors, the Executive Board and any authorized committees may establish rules governing their own conduct and procedure consistent with the By-Laws. All notices required in this Contract and By-Laws document shall be in writing.
- (f) A quorum shall consist of a majority of the MEMBERS of the Board of Directors. Except as provided in Subsection (g) herein, or elsewhere in these By-Laws, a simple majority of a quorum shall be sufficient to pass upon all matters.
- (g) A greater vote than a majority of a quorum shall be required to approve the following matters:
  - (i) Such matters as the Board of Directors shall establish within its rules as requiring for passage a vote greater than a majority of a quorum; provided, however, that such a rule can only be established by a greater than majority vote at least equal to the greater than majority percentage within the proposed rule,
  - (ii) The expulsion of a MEMBER shall require at least the concurrence of two-thirds (2/3) of the entire membership of the Board of Directors,
  - (iii) Any amendment of these By-Laws except as provided in Subsection (iv) below, shall require the concurrence of at least two-thirds (2/3) of the entire membership of the Board of Directors,
  - (iv) The payment of a contested employee benefit to a MEMBER by the COOPERATIVE in a manner contrary to that reported by the Administrator or the Executive Director, which is brought to the Board of Directors,

shall require the concurrence of at least two-thirds (2/3) of a quorum at a Board of Directors meeting.

- (v) The approval of the benefit programs being offered, annual payments of all kinds, and the allocation of those payments among MEMBERS, shall require the concurrence of at least two-thirds (2/3) of a quorum at a Board of Directors meeting.
- (h) Except as provided herein, no one serving on the Board of Directors shall receive any salary or other payment from the COOPERATIVE and any salary, compensation, payment or expenses for such representative, shall be paid by each MEMBER separate from this Contract. Provided, however, that in the event the person chosen or acting as Treasurer is a member of the Board of Directors, that person may receive such compensation as is established from time-to-time by the Board of Directors. In addition, the Chair of the Board, Treasurer and such other officers as may be selected from time-to-time may submit to the Executive Board for its approval, reimbursement of expenses incurred in the pursuit of their position as officers of the COOPERATIVE. The reimbursement for such expenses, which shall be reported to the Board of Directors in the same manner as other approved payments, may include amounts advanced on behalf of the COOPERATIVE either by the officer or by a MEMBER of the COOPERATIVE.

ARTICLE VI. Board of Directors Meetings.

- (a) Regular meetings of the Board of Directors shall be held at least four (4) times a year. The dates of regular meetings of the Board of Directors shall be established at the beginning of each fiscal year. Any item of business may be considered at a regular meeting. At least two (2) meetings must be held during the first half of the fiscal year and at least two (2) meetings must be held during the second half of the fiscal year. A failure to hold these meetings, as required, shall not invalidate acts otherwise taken. Special meetings of the Board of Directors may be called by its Chair, or by any two (2) Directors. Five (5) days written notice of regular or special meetings of the Board of Directors shall be given to the official representatives of each MEMBER and an agenda specifying the subject of any special meeting shall accompany such notice. Business conducted at special meetings shall be limited to those items specified in the agenda.
- (b) The time, date and location of regular and special meetings of the Board of Directors shall be determined by the Chair of the Board of Directors or by the convening authority.
- (c) To the extent consistent with these By-Laws, and except as modified by procedural rules established, Roberts Rules of Order, latest edition, shall govern all meetings of the COOPERATIVE. Minutes of all regular and special meetings of the Board of Directors and the Executive Board shall be sent to all MEMBERS.

ARTICLE VII. Cooperative Officers.

- A-3
- (a) In addition to such other officers as may be established from time-to-time by the Board of Directors, the officers of the COOPERATIVE, who shall constitute the Executive Board, shall be the following: Chair, Vice-Chair, Past Chair, Treasurer, (as Chairman of the Finance Committee), Operations Committee Chair, Sub-Pool Representative, Large Member Representative, (Representing non-sub-pool MEMBERS with the top 50% number of lives), Medium MEMBER Representative, (Representing non-sub-pool MEMBERS with the bottom 50% number of lives), At-Large Representative. The computation of 50% shall be rounded downward to deal with the appropriate placement when there is an odd number of Members. The Chair, Vice-Chair, Treasurer, Operations Committee Chair and At-Large Representative shall be chosen by the Board of Directors. The Past Chair shall be that person who served as the immediate Past Chair, or if that person is not prepared to serve, a Past Chair chosen by the Chair, and in the absence of such a person, an additional At-large Representative chosen by the Chair based upon that person's experience in the operations of the COOPERATIVE. The MEMBERS of the Board of Directors, who constitute Sub-Pools, Large MEMBERS and Medium MEMBERS, shall vote respectively to choose the Executive Board Members who shall represent the appropriate groups.
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- (b) The Executive Board shall be responsible for implementing the policy directions of the Board of Directors and shall be responsible for the regular activities of the COOPERATIVE, including but not limited to: the approval of warrants and bills; compliance with growth policy; review audit; recommend investment policy to

Board of Directors; recommend programs and vendors to Board of Directors; service level assessment; recommend goals and policy changes to Board of Directors; coordinate selection process and recommend and oversee the performance of the Executive Director. The Executive Board may enter into contracts and expenditures in amounts up to \$10,000 and may authorize the Executive Director to enter into contract and expenditures in amounts up to \$5,000. The Board of Directors, by motion, may increase the dollar amounts of the contracts and expenditures, which may be from time-to-time authorized to the Executive Board or the Executive Director.

- (c) Except for the election for a term beginning July 1, 2012, the Chair and Vice-Chair shall be limited to one (1) two (2) year term. The term for the remaining Executive Board positions shall be limited to no more than two (2) two-year consecutive terms, but persons may be selected to a different position. For the fiscal year of the COOPERATIVE, commencing on July 1, 2012, and thereafter, the Chair, Vice-Chair, Treasurer, and Operations committee Chair shall be elected to an initial term of one (1) year and thereafter for two (2) years to achieve staggered terms. Other Members of the Executive Board shall be elected for two (2) year terms commencing on July 1, 2012. The election of officers can take place one hundred and twenty (120) days prior to or after the start of a new fiscal year. Officers shall serve until their successors have been chosen and begin their terms. All Members of the Executive Board are expected to conscientiously prepare for, attend, and actively participate in all Board of Directors and Executive Board meetings.

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- (d) The Chair is the chief elected officer of the COOPERATIVE and directs the overall affairs and operations of the Executive Board; presides over all meetings of the Executive Board and the Board of Directors; and performs all other duties as are authorized in the By-Laws, or as the Executive Board or Board of Directors may authorize and as may be defined in the policies of the COOPERATIVE. The Chair, when authorized, shall execute documents on behalf of the COOPERATIVE and shall perform those duties normally associated with the Chair of an intergovernmental agency. In the absence or inability of the Chair to perform these duties, the Vice-Chair shall temporarily provide those services. If the Chair shall resign or permanently be unable to perform such duties, the Vice-Chair shall succeed to the position of Chair. In the case of vacancies, in all other offices of the Cooperative other than the Executive Director or the Treasurer, the Chair shall appoint individuals with the required qualifications to fill any vacancies until the end of the term of the person leaving the office. The Vice-Chair assists the Chair in directing the affairs and operations of the Executive Board and Board of Directors; acts as presiding officer at meetings in the absence of the Chair.
- (e) The Treasurer shall have charge and custody of and be responsible for all funds and securities of the COOPERATIVE; receive and give all receipts for monies due and payable to the COOPERATIVE from any source whatsoever; deposit all such monies in the name of the COOPERATIVE in such banks, savings and loan associations or other depositories as shall be selected by the Board of Directors; keep the financial records of the COOPERATIVE and invest the funds of the

COOPERATIVE as are not immediately required in such securities as the Board of Directors shall specifically or generally select from time-to-time. Provided, however, that all investments of COOPERATIVE funds shall be made only in those securities which may be purchased by Illinois non-home rule communities under the statutory provisions of Illinois law. The Treasurer shall perform all the duties incident to the office of Treasurer and such other duties as from time-to-time may be assigned to the Treasurer by the Board of Directors.

In the absence of the Treasurer, or in the event of the inability or refusal of such officers to act, the Chair of the Board of Directors may temporarily perform the duties of the Treasurer and, when so acting, shall have all of the powers of and be subject to all of the restrictions upon the Treasurer. A new Treasurer shall be selected at the next regular or special meeting of the Board of Directors, but the Chair may act, in any case, until the selection is made. The Treasurer shall also serve as Chair of the Finance Committee.

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- (f) The Board of Directors may, by at least a two-thirds (2/3) vote of the MEMBERS remove the Chair, Vice-Chair, Treasurer or the Chair or any member of any Committee. Such removal shall be within the total discretion of the Board of Directors. The Executive Board may also, by at least a two-thirds (2/3) vote, and within its total discretion, remove an Executive Board member, except for the Chair, Vice Chair, Treasurer or Chairman of the Operations Committee. After removal, the Executive Board shall notify in writing the individual removed and give that person an opportunity to request an appearance before the Executive Board with at least seven (7) days' prior written notice to contest the removal.
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The Executive Board shall permit the person removed to explain why that person would wish to be reinstated to the Executive Board, but the decision of the Executive Board on removal or reinstatement shall not be required to meet any due cause or due process standard. The Executive Board shall notify in writing all of the MEMBERS of the COOPERATIVE of its decision to remove or reinstate the MEMBER of the Executive Board. The decision of the Executive Board shall be final. These officers serve in “at will” positions. In the event that the Chair is removed by the Board of Directors, the Vice-Chair shall take over that position and the new Chair will select the Vice-chair to fill out the remainder of that term.

(g) Ten (10) or more MEMBERS of the COOPERATIVE may request a special meeting of the Board of Directors held for the purpose of removal of a member or members of the Executive Board. The person proposed to be removed from such a position may address the meeting of the Board of Directors, which, by a majority vote, may remove the member or members. A decision to remove the “at will” members of the Executive Board shall be totally within the discretion of the Board of Directors, which shall not be required to make its decision based upon due cause or due process standards but, rather, simply as a determination of its absolute discretion.

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(h) A Finance Committee is established. The Committee shall have nine (9) members, one of whom, the Treasurer shall serve as Chair. The members of the Committee except for its Chair shall be selected by the Chair of the COOPERATIVE and approved by the Executive Board. The Committee members shall be appointed for a term of two (2) years which shall be staggered. The

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Finance Committee shall serve as a recommending body to the Executive Board. It shall review and recommend the annual budget, programs and vendor performance and other projects and tasks as assigned by the Chair or the Executive Board. The Chairman of the COOPERATIVE shall fill vacancies on the Finance Committee, which appointments shall be until the end of the term of the person replaced.

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- (i) An Operations Committee is established. The Committee shall have nine (9) members. The members of the Committee except for its Chair shall be selected by the Chair of the COOPERATIVE and approved by the Executive Board. The Committee members shall be appointed for a term of two (2) years which shall be staggered. The Operations Committee shall serve as a recommending body to the Executive Board. It shall review the day-to-day operations of the COOPERATIVE and make recommendations for changes needed or actions to create greater efficiencies. The Chairman of the COOPERATIVE shall fill vacancies on the Operations Committee, which appointments shall be until the end of the term of the person replaced.

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- (j) A Membership Development committee is established. The Committee shall have at least five (5) members. The members of the Committee and its Chair shall be selected by the Chair of the COOPERATIVE and approved by the Executive Board. The Committee members shall be appointed for a term of two (2) years which shall be staggered. The Membership Development Committee shall provide onboarding, mentoring, education, training, networking, and leadership

development to the IPBC membership. The Chairman of the COOPERATIVE shall fill vacancies on the Membership Development Committee which appointments shall be until the end of the term of the person replaced.

- (k) The Board of Directors or the Executive Board may establish on a permanent or ad hoc basis other committees or Boards to serve the COOPERATIVE.
- (l) When officers of the COOPERATIVE need to be selected by the Board of Directors, the Executive Board shall name a Nominations Committee, which will consider candidates and make a recommendation for the filling of the positions. The Executive Board may, but shall not be required to, select a past Chair who shall serve as Chair of the Nominations Committee. The past Chair may be authorized to select Delegates or Alternates to serve as Members of the Nominations Committee. The Nominations Committee shall present to the Board of Directors a recommended slate of candidates for review by the membership. This report shall be submitted no later than thirty (30) days before the date of the meeting of the Board of Directors at which the elections shall take place. Other persons seeking to be named to positions on the Executive Board may have their names offered in nomination for such positions.
- (m) The COOPERATIVE shall purchase a blanket fidelity bond in an amount to be established by the Board of Directors to assure the fidelity of all officers, directors, and employees of the COOPERATIVE who shall have the authority to receive or authorize by their signature or order the payment of COOPERATIVE

funds. Additional fidelity and similar coverages may be procured by the COOPERATIVE from time-to-time.

- (n) The Board of Directors may select a financial institution to carry out some or all of the functions which would otherwise be assigned to a Treasurer and may select a management company or agent to carry out some or all of the functions which would otherwise be assigned to an Administrator.

ARTICLE VIII. Finances.

A. Administrative Fund.

The cost of the administration of the COOPERATIVE shall be borne by each of its MEMBERS in direct proportion to the number of employees and officers of the MEMBER and listed entities whose benefit programs are to be administered by the COOPERATIVE as compared to the total number of such persons served by the COOPERATIVE.

Whenever payments to the Administrative Fund shall be based upon an estimate, the MEMBER shall promptly receive a refund or pay a deficiency when final figures become available. The Administrative Fund shall pay all of the administrative costs of the COOPERATIVE and payment shall be made to cause the administration of all actions approved by the Board of Directors and the Executive Board.

B. The Benefit Fund.

Payments into the Benefit Fund will be developed and administered in the following manner:

1. Before the start of each fiscal year, the Administrator and the Executive Director, will determine on the basis of financial data the amount of total payments from all MEMBERS necessary to fund anticipated benefit payments and the cost of insurance.
2. The Administrator and the Executive Director, will also recommend how this total amount of anticipated expenses should be divided among the MEMBERS. The charges to be made to the MEMBERS shall be determined by a vote of the Board of Directors which shall, in establishing such sums due, treat all similarly situated MEMBERS in an equal manner.

Such a vote must receive at least the concurrence of two-thirds (2/3) of a quorum at a Board of Directors meeting.

3. The Board of Directors may, each fiscal year, choose an allocation of the payments into the Benefit Fund whereby some or all of the costs are divided among the MEMBERS based upon general increases or decreases in the total costs of the COOPERATIVE without regard to the claims made against individual MEMBERS or it may elect to grant debits or credits based upon the individual plans offered by the MEMBERS or the level of claims. Debits or credits may be expressed through the use of a banding formula. (Also see Article IX.)
4. In the event that the Board of Directors shall fail to approve the charges or allocations by the requisite vote, the charges and allocations for the next year shall, until and unless modified, be based upon the prior year's allocations with charges increased by ten percent (10%) and additionally subject to the obligation to make Supplementary Payments.
5. The COOPERATIVE will purchase such other insurance coverage as may be approved by the Board of Directors.
6. Without regard to any other provision contained within this Article VIII, the Board of Directors may establish charges to be paid by the MEMBERS for life insurance benefits to be based upon total pooling of the experience of all MEMBERS with each MEMBER paying the same cost per employee for such life insurance coverage. The time at which a determination regarding the amounts due for such life insurance coverage

and the manner in which such amounts shall be paid shall be the same as that established for other payments into the Benefit Fund. The Board of Directors may also establish a program to provide dental or other benefits to MEMBERS which wish such coverage.

C. Cash Flow Account.

The Cooperative shall maintain a Cash Flow Account. Each MEMBER shall make payments into that account equal to some percentage set by the Board of Directors of the payments that MEMBER has made into the Benefit Fund. The Board of Directors shall determine the manner in which each MEMBER'S obligation to make payments into the Cash Flow Account is established to assure that an adequate balance for the payment of claims remains in that account at all times. Automatic withdrawals from the Terminal Reserves of a MEMBER may be made by the MEMBER or the Executive Board to fund deficits in the Cash Flow Account. The Board of Directors shall determine whether the Cash Flow Account shall be treated as a single fund which can be utilized for the payment of the claims of any MEMBER or whether each MEMBER shall be obligated to maintain its own individual account. If separate accounts are maintained, MEMBERS may be individually required to make up deficiencies in their accounts. The establishment of payments into the Cash Flow Account from a single fund must receive at least the concurrence of at least the vote of two-thirds (2/3) of a quorum at a Board of Directors meeting.

D. General Fiscal Matters.

The Board of Directors shall provide to the MEMBERS an annual audit of the financial affairs of the COOPERATIVE to be made by a certified public accountant at the end of each fiscal year in accordance with generally accepted auditing principals.

E. Supplementary Payments.

If, during any year, the funds on hand are not sufficient to pay benefits or administrative expenses which are the responsibility of the COOPERATIVE and not through a failure of insurance coverage or other causes, the Board of Directors shall require Supplementary Payments. The increased payments shall be computed utilizing the same method under which payments were made for the year in question and except for payments into the Administrative Fund where payments shall be made by all MEMBERS, they shall only be due from MEMBERS which were entitled to receive benefits from the account which requires Supplementary Payments. If a MEMBER transfers employees and officers from a fund where Supplementary Payments are due to another fund, a determination shall be made by the Board of Directors as to the amount of Supplementary Payments due from that MEMBER arising from its prior participation in that fund.

F. Terminal Reserves

During any fiscal year, and with the approval of the Treasurer, a MEMBER may withdraw from the COOPERATIVE any amount of Terminal Reserves provided that there shall be deducted from that payment any amounts owed by the MEMBER or reasonably anticipated to be owed by the MEMBER to the COOPERATIVE either being then due and payable or estimated to be due based upon tentative figures or preliminary audits, or any other amounts due from the MEMBER to the COOPERATIVE. The Treasurer may always deduct from a MEMBER's Ter-

minal Reserves any amounts necessary to pay for that MEMBER's obligations to the COOPERATIVE. Within thirty (30) days after a final audit, approved by the Board of Directors, the amounts then determined to be owed to the COOPERATIVE shall be deducted from the Terminal Reserves. Thereafter, the MEMBER shall receive a determination of the Treasurer within sixty (60) days of a written request. The Treasurer shall provide a written report to the Executive Board of any approved requests for withdrawals from Terminal Reserves within sixty (60) days after the withdrawal. If the COOPERATIVE shall have advanced funds on behalf of a MEMBER such that the MEMBER is expected to have a deficit balance in its Terminal Reserves, then, within sixty (60) days after written notice, the MEMBER shall be required to pay to the COOPERATIVE at least sufficient funds so as to remove the deficit in its Terminal Reserves.

G. Suspension or Termination of Claim or Other Payments.

In any situation, where the Executive Board should determine that a Members has not promptly paid to the COOPERATIVE any financial obligation then due, which is in excess of the amount of \$50,000.00, or is more than one-half of one month's contribution, whichever is less, it may direct that the payment of the Member's claims or other sums sought shall be suspended or terminated for a specified period of time or until certain specified actions have taken place. If the decision is made by the Executive Board, the suspension may be for a period of time up to and including the date at which the Board of Directors considers and takes action relating to a proposed termination of membership or other action. The Executive Board shall notify the Members of the Board of Directors of its decision. The Board of Directors may also vote to suspend or terminate the payment of claims in the situations provided for above.

As is provided in the PURPOSE section, the IPBC is to "jointly administer some or all of

the personnel benefit programs offered by its MEMBERS to their officers and employees....”

The COOPERATIVE has determined that the funding of those administrative acts is dependent upon the prompt and full payment by MEMBERS of their obligations. A defaulting MEMBER, rather than the COOPERATIVE, shall be fully responsible for any claims, demands or suits, or any increased costs allegedly caused by a suspension or termination of claim payment on behalf of a MEMBER in financial default. In case such a claim, demand, suit or increased cost is made or incurred by the COOPERATIVE, the defaulting MEMBER shall hold harmless, defend and indemnify the COOPERATIVE, its other MEMBERS and their officers and employees against such claim, demand, suit or cost.

H. Payments in Error.

If the COOPERATIVE should in error pay any benefit claims, administrative fees or other charges on behalf of a Member, which it was not obligated to pay, the Member shall, upon thirty (30) days' written notice, reimburse the COOPERATIVE for the amounts improperly paid.

ARTICLE IX. Plan of Benefits, HMOs and Reductions In Coverage.

MEMBERS may change the Plan of Benefits provided at any time, but shall notify the Administrator and the Executive Director at least sixty (60) days prior to the intended effective date of such change; and such change shall be subject to a redetermination on the underwriting basis of the payments due the COOPERATIVE. The Administrator shall make a determination as to the amount of the increased or reduced payment required in light of the change. If the MEMBER should dispute the amount of the redetermination, an initial decision regarding such amount shall be made by the Executive Board with an appeal to the Board of Directors. In the event that the Administrator should determine that the proposed change provides a level or type of coverage, the cost of which cannot be determined on an underwriting basis or which would provide an excessive risk to the COOPERATIVE, or is inconsistent with the insurance purchased by the COOPERATIVE or would otherwise not be in the best interest of the COOPERATIVE, the Administrator shall present that opinion and the reasons supporting that opinion in writing to the MEMBER requesting the change and to the Chair and the Executive Director. The change shall not come into effect within the COOPERATIVE's plan of benefits except in the manner recommended by the Administrator unless the decision of the Administrator is overturned or modified by the Executive Board or the Board of Directors. The MEMBER may institute the change, but shall be individually financially responsible for the administration and payment of such benefits as are not eventually authorized to be provided within the COOPERATIVE. The Administrator shall as promptly as possible re-price covered benefits. No claim may be made against the COOPERATIVE for the unauthorized change.

The COOPERATIVE may offer to its MEMBERS participation in an HMO Fund separate from the Benefit Fund to pay the costs of providing HMO services to the officers and em-

employees of the participating MEMBERS. Accounting for this Fund, including surplus or deficit amounts, shall be separate from the Benefit Fund. For any fiscal year if the Board of Directors of the COOPERATIVE votes to provide an HMO Fund for the fiscal year, all MEMBERS offering HMO benefits to their officers and employees shall only offer the Plan of Benefits of the COOPERATIVE'S HMO Fund or those in union-sponsored programs.

An HMO Plan of Benefits shall mean any plan which provides benefits to participants through a restriction on the doctors who provide services, an absence of substantial deductible or co-payments and an absence of or simplified claim forms. An HMO Plan of Benefits may be offered by the COOPERATIVE either through joint purchase or pooling.

The rates for the HMO Plan or Plans of Benefits offered by the COOPERATIVE for the specific plans of its MEMBERS shall be established by the Board of Directors. The Board may establish an average annual rate percentage change for the HMO Fund as a whole, and may then, through the use of a banding formula, establish bands of no more than 10 percentage points more or less than the average annual price adjustment for those MEMBERS whose claims experience has been above or below the average. It may also approve other allocation formulas.

Where the COOPERATIVE establishes set rates, under two (2) circumstances and upon a report of the Administrator or the Executive Director, the Board of Directors may individually rate a MEMBER or MEMBERS. Where the actual paid claims, incurred by a MEMBER during any two (2) or more years of a three (3) year period, were both in the highest or both in the lowest bands, or where it is discovered that claim history material submitted by a MEMBER was improperly stated, that MEMBER or MEMBERS may be individually rated and may be required to contribute to the appropriate Fund a sum no more than 100% greater or lesser than the amount which would be payable had that MEMBER or MEMBERS been rated with the group as a

whole. Such individual rating shall carry into another cycle until such time as the paid claims of the MEMBER have declined for a year so that the MEMBER would be entitled to be rated with the group as a whole.

If, for any year or years, the Board of Directors should determine that there are surplus funds within the HMO Fund which can be distributed to the MEMBERS without harming the fiscal integrity of the HMO Fund, those surplus funds shall be distributed to all existing and prior MEMBERS of the COOPERATIVE (who validly withdrew) who made contributions into the HMO Fund in the proportion in which those contributions were made. A determination as to whether surplus funds shall be distributed to the remaining MEMBERS of the COOPERATIVE shall be made from time-to-time by the Board of Directors.

If a MEMBER, in accordance with the By-Laws, elects to withdraw from the COOPERATIVE, or if it has no officers or employees who will receive the HMO Plan of Benefits for the next fiscal year, it shall be the obligation of that MEMBER to pay all the claims of its officers and employees for HMO services under the COOPERATIVE which were performed prior to the commencement of that next fiscal year, but not submitted and processed before the end of that fiscal year, but within the time period allowed for submissions. The Executive Board, on the recommendation of the Administrator, may require a MEMBER to pre-fund an amount estimated to be sufficient to pay for such HMO runoff claims and administration.

Within sixty (60) days after the approval of the audit of the COOPERATIVE's HMO Fund for the prior fiscal year, a final accounting of funds owed or owing shall take place. If a MEMBER which has offered an HMO Plan of Benefits shall have no officers or employees receiving such benefits in a subsequent fiscal year, or if that MEMBER has validly withdrawn from the COOPERATIVE, then that MEMBER, subject to a pre-funding of HMO run-off claims

and administration, shall be entitled to its percentage of any surplus funds within the HMO Fund. The payment of surplus funds or the receipt of amounts otherwise due from the MEMBER shall be carried out in accordance with the provisions of Article XVII.

In the event that HMO coverage is no longer offered by the COOPERATIVE, any surplus funds remaining shall, after audit and the setting aside of run-off amounts, be distributed to the MEMBERS (except for expelled MEMBERS) in the proportion in which they contributed funds to the HMO Fund.

If the number of employees or officers of the MEMBERS eligible to receive some portion of any of the COOPERATIVE's benefits should decline or where for some other reason the Administrator is concerned about the ability of a specific fund to cover potential claims, the matter shall be brought to the attention of the Executive Board and the Board of Directors. The Board of Directors may determine that the coverage shall no longer be offered or its scope or amount of coverage shall be prospectively reduced. A decision to make such a reduction shall not become effective for at least sixty (60) days after the vote of the Board of Directors.

ARTICLE X. Insurance and Other Coverages.

The COOPERATIVE may purchase insurance from a company permitted to write such coverage in Illinois. The COOPERATIVE may also join with other intergovernmental entities to provide collective self-insurance. The obligation of any MEMBER to the COOPERATIVE shall be limited to funding those benefits collectively self-insured by the COOPERATIVE. No MEMBER shall be responsible for the benefit claims of another MEMBER which were to be paid by insurance but were not paid or at levels above the insurance purchased for MEMBERS.

ARTICLE XI. Obligations of Members.

The obligations of MEMBERS of the COOPERATIVE shall be as follows:

- (a) To appropriate or budget for, where necessary to levy for and to promptly pay all monthly and supplementary or other payments to the COOPERATIVE at such times and in such amounts as shall be established by the Board of Directors within the scope of this Contract and By-Laws. Any delinquent payments shall be paid with a penalty which shall, for the period of non-payment, be equivalent to the prime rate of interest on the date of delinquency charged by the bank in Illinois with the largest assets or the highest interest rate allowed by statute to be paid by an Illinois non-home rule municipality whichever is greater. In the event that the COOPERATIVE shall be required to expend funds for administrative, legal or other costs brought about by the failure of a MEMBER to pay sums owed the COOPERATIVE or to otherwise comply with its obligations, such amounts expended shall be added to the sums due the COOPERATIVE and shall be payable by the MEMBER. In the event that a MEMBER of the COOPERATIVE should sue the COOPERATIVE or any of its MEMBERS or officers regarding an interpretation of this Contract and By-Laws, an action taken by the Board of Directors or officers or any other matter arising out of its membership in the COOPERATIVE, and should not be the prevailing party in that suit, it shall, as part of its contractual obligation to this COOPERATIVE, pay the reasonable attorneys' fees and other costs and expenses expended by the COOPERATIVE in defending against that suit.

- (b) During its entire membership in the IPBC, a MEMBER shall only exclusively provide to its employees and officers, except independent contractors, or those in union-sponsored programs, the health and accident benefits and associated life insurance coverage of the COOPERATIVE.

In entering into this intergovernmental agreement, each MEMBER, sub-pool and sub-pool member acknowledges, recognizes and accepts that intergovernmental agreements are voluntary associations where the MEMBERS can determine, by contract and, by authorized actions of the Board of Directors and the Executive Board, the identity of the MEMBERS, how MEMBERS and those otherwise bound can be admitted, dealt with during membership and expelled.

- (c) To select a person to serve on the Board of Directors and to select an alternate representative.
- (d) To allow the COOPERATIVE reasonable access to all facilities of the MEMBER and all records including but not limited to financial records which relate to the purpose and powers of the COOPERATIVE.
- (e) To furnish full cooperation with the COOPERATIVE's Executive Director, Committees, attorneys, claims adjusters, the Administrator and any Board or committee, agent, employee, officer or independent contractor of the COOPERATIVE relating to the purpose and powers of the COOPERATIVE.
- (f) To furnish the COOPERATIVE with a copy of revisions to its written benefit program at least sixty (60) days prior to the effective date of such change.
- (g) To report to the COOPERATIVE as promptly as possible all claims made to it within its benefit program as administered by the COOPERATIVE.

- (h) To follow those procedures regarding the administration of and application for benefits adopted by the Board of Directors which do not reduce the level of benefits contained within any MEMBER's individual benefit program, which are to be paid for by funds of or through the COOPERATIVE. For example, large case management, frequency and amount of claim submissions and wellness programs. The adoption of such procedures shall require at least the concurrence of at least the votes of two-thirds (2/3) of the entire membership of the Board of Directors.
- (i) This Contract and By-Laws document is not intended to create or provide any rights in third-parties, including, but not limited to the individuals to whom the MEMBERS provide benefits.

ARTICLE XII. Liability of Board of Directors or Officers.

The MEMBERS of the Board of Directors or officers of the COOPERATIVE should use ordinary care and reasonable diligence in the exercise of their power and in the performance of their duties hereunder; they shall not be liable for any mistake of judgment or other action made, taken or omitted by them in good faith; nor for any action taken or omitted by any agent, employee or independent contractor selected with reasonable care; nor for loss incurred through investment of COOPERATIVE funds, or failure to invest. No Director shall be liable for any action taken or omitted by any other Director. No Director shall be required to give a bond or other security to guarantee the faithful performance of their duties hereunder. The Administrative Fund shall be used to defend and hold harmless any Director or officer for actions taken by the Board of Directors, the Executive Board, Committee members, or performed by the Director within the scope of his of her authority. The COOPERATIVE may purchase insurance providing similar coverage for such Directors or officers.

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ARTICLE XIII. Additional Insurance.

The Administrator and the Executive Director, through the distribution of the minutes of the Board of Directors or through other means, shall inform all MEMBERS of the scope and amount of insurance in force from time-to-time. Membership in the COOPERATIVE shall not preclude any MEMBER from purchasing any insurance coverage above those amounts or in addition to that purchased by the COOPERATIVE. The COOPERATIVE may also create and administer programs to pay dental or other claims. All funds for the operation of such programs shall be accounted for separately and the financial obligations arising from such programs shall only be the responsibility of MEMBERS which participate.

ARTICLE XIV. Disputes Over Coverage.

In the event that a MEMBER should question whether its employee or officer or that of a listed entity is entitled to payments, that MEMBER shall, in writing, direct the COOPERATIVE not to pay any further amounts arising from such claim after the date of the receipt of the written direction. When so directed, the COOPERATIVE shall not pay such claim unless the MEMBER's order is withdrawn. Provided, however, that the MEMBER shall defend and hold harmless the COOPERATIVE against all costs, including defense costs, or damages which the COOPERATIVE shall incur in acting on the direction of the MEMBER. The COOPERATIVE may require the MEMBER to advance funds to support this obligation and on a failure of the MEMBER to do so, it may choose to make the payment.

In the event that an officer or employee or other person claiming benefits from a MEMBER or the MEMBER itself should contest the decision of the Executive Board or the Board of Directors, which declines to pay a benefit in whole or in part, the decision of the Executive Board or the Board of Directors shall be final in the absence of fraud. The COOPERATIVE shall have no financial responsibility if a company which provides insurance for benefit claims refuses or is unable to pay such claims. In the absence of action by the Board of Directors to recover such funds from the Company the MEMBER affected may pursue the matter at its expense.

ARTICLE XV. Contractual Obligation.

This document shall constitute a contract among the MEMBERS of the COOPERATIVE. The obligations and responsibilities of the MEMBERS set forth herein including the obligation to take no action inconsistent with this Contract and By-Laws as originally written or validly amended shall remain a continuing obligation and responsibility of the MEMBER. The terms of this contract may be enforced in a court of law either by the COOPERATIVE itself or by any of its MEMBERS. The consideration for the duties herewith imposed upon the MEMBERS to take certain actions and to refrain from certain other actions shall be based upon the mutual promises and agreements of the MEMBERS set forth herein and the advantage gained by MEMBERS in anticipated reduction of administrative costs for the processing of personnel benefits. Provided, however, that the financial obligations of a MEMBER are limited to that agreed to herein or such additional obligations as may come about through amendments to these By-Laws. The Scope of Coverage of the COOPERATIVE shall extend only to the MEMBERS. This intergovernmental agreement is not intended to, nor does it grant, any rights, including but not limited to, the right to an interpretation of its provisions or benefits to any third-parties.

ARTICLE XVI. Expulsion of Members.

By at least the concurrence of the vote of at least two-thirds (2/3) of the entire remaining membership of the Board of Directors, any MEMBER may be expelled. Such expulsion, which shall take effect in the manner set out below, may be carried out for one or more of the following reasons:

- (a) Failure to make any payments due to the COOPERATIVE,
- (b) Failure to exclusively provide to its employees and officers, except independent contractors, or those in union-sponsored programs, the health and accident benefits and associated life insurance coverage of the COOPERATIVE,
- (c) Failure to furnish full cooperation with the COOPERATIVE's attorneys, Executive Director, Administrator and any agent, employee, officer or independent contractor of the COOPERATIVE relating to the purpose and powers of the COOPERATIVE,
- (d) Failure to carry out any obligation of a MEMBER which impairs the ability of the COOPERATIVE to carry out its purpose and powers.

No MEMBER may be expelled, except after notice from the COOPERATIVE, of the alleged failure along with a reasonable opportunity of not less than fifteen (15) days to cure the alleged failure. The MEMBER, within that 15 day period, may request a hearing before the Board of Directors before any decision is made as to whether the expulsion shall take place. The Board of Directors shall set the date for a hearing which shall not be less than fifteen (15) days after the expiration of the time to cure has passed. The Board of Directors may appoint a hearing officer to conduct such hearing and make a recommendation to the Board of Directors based upon findings of fact. If the Board conducts the hearing itself, it may make a decision at the close

of the hearing. A decision by the Board of Directors to expel a MEMBER after notice and hearing and a failure to cure the alleged defect shall be final unless the Board of Directors shall be found by a court to have committed a gross abuse of discretion. After expulsion, the former MEMBER shall continue to be fully obligated for any payments due to the COOPERATIVE which were created during the term of its membership along with any other unfulfilled obligation as if it were still a MEMBER of the COOPERATIVE.

The obligation of the COOPERATIVE to administer the claims filed under the benefit program of the expelled MEMBER shall cease thirty (30) days after the date of expulsion, provided that the MEMBER is not in financial arrears to the COOPERATIVE. If the expelled MEMBER is in financial arrears to the COOPERATIVE, including estimated deficits, the administration of claims shall cease immediately upon expulsion. After expulsion, the COOPERATIVE or its Administrator may agree by contract to administer and pay the claims of the expelled MEMBER using funds furnished by the expelled MEMBER. The expelled MEMBER shall be required to pay the cost of the transfer of such document if it should choose to pay claims by itself or through others.

ARTICLE XVII.      Withdrawal of a Member and Continuation  
                          or Termination of the COOPERATIVE.

MEMBERS shall have the right to withdraw from membership at the end of any fiscal year if proper notice of withdrawal is given in the manner provided in this Article. The obligation of a MEMBER shall include continuing participation with regard to all classes of officers and employees of the MEMBER, not including its listed entities, established as being entitled to benefits at the commencement of each fiscal year. Provided, however, that if a MEMBER should choose to end continuing participation with regard to officers and employees of the MEMBER, other than at the end of a one-year term, who are to be provided health and life insurance coverage in a union-sponsored program, the COOPERATIVE shall permit such withdrawal, but it may re-price the costs of benefits to the continuing employees or officers based upon the same underwriting criteria used by that COOPERATIVE in the normal course of its business. If officers or employees are withdrawn from the COOPERATIVE into a union-sponsored program, they may subsequently be returned to coverage, but only on an underwriting basis. In addition, when the withdrawal is into a union-sponsored program, no MEMBER shall be expelled from the COOPERATIVE if the continuing employees or officers meet the general criteria required from time-to-time for other MEMBERS of the COOPERATIVE. If a MEMBER, which no longer meets the underwriting criteria as a MEMBER should be voluntarily admitted to an intergovernmental agency (sub-pool), which itself is a MEMBER of the COOPERATIVE, it may continue receiving benefits from the COOPERATIVE under the Contract and By-Laws of the Intergovernmental Agency. Provided, however, that upon at least a two-thirds (2/3) affirmative vote of the entire membership of the Board of Directors, any MEMBER may be relieved of continuing participation with regard to a particular class or classes of officers and employees of the

MEMBER. In addition, a MEMBER shall only be required to provide continuing participation for those persons within such classes of officers and employees as are actually employed or working for the MEMBER.

Any MEMBER of the COOPERATIVE may withdraw from the COOPERATIVE at the end of a fiscal year of the COOPERATIVE upon the giving of at least ninety (90) days prior written notice of withdrawal. Such notice shall be addressed to the Chairman of the COOPERATIVE and the Executive Director, and shall be accompanied by a resolution of the Corporate Authorities of the MEMBER electing to withdraw from the COOPERATIVE.

If a MEMBER should withdraw from the COOPERATIVE, no benefit claims of the MEMBER shall be processed or paid by the COOPERATIVE after the close of the fiscal year in which withdrawal takes place, unless the withdrawing MEMBER shall enter into a contract with the COOPERATIVE or the Administrator to provide such services using funds furnished by the withdrawing MEMBER. Pending claims and other records relating to the withdrawing MEMBER shall, in the absence of such a contract, be turned over to that MEMBER in a prompt manner and at that MEMBER's cost.

With regards to benefit claims and administrative fees after a MEMBER withdraws in any way from the COOPERATIVE, the contract between the COOPERATIVE and the entity offering HMO benefits may provide that the COOPERATIVE is responsible for certain payments to the HMO for benefit claims and administrative costs for a continuing period. If a contract contains such a provision, the withdrawing MEMBER is responsible for the payment to the COOPERATIVE for all of such payments for the period contained within that agreement.

Within one-hundred twenty (120) days after the approval of the audit of the COOPERATIVE for the prior fiscal year, a final accounting of funds owed or owing shall take

place. Such accounting shall include all funds of the COOPERATIVE. If the amount owed to or owing from the withdrawing MEMBER shall be \$25,000 or less, the party owing such funds shall make payment within ninety (90) days after the final accounting. If the amount owed to or owing from the withdrawing MEMBER shall be over \$25,000, the party owing such funds may pay such funds owed in no more than 13 equal monthly payments with interest at the highest amount lawfully payable by a non-home rule Illinois municipality with the first payment to commence within ninety (90) days after the final accounting is established.

If the withdrawal of MEMBERS prior to the start of the next fiscal year shall reduce the number of covered employees and officers of the remaining MEMBERS, and any new MEMBERS legally committed to membership for the next fiscal year, to less than 2,000 covered lives, the COOPERATIVE shall, except for winding up its affairs, cease its operations at the end of the then-concluding fiscal year. In that case, the Board of Directors shall continue to meet on such a schedule as shall be necessary to carry out the winding up of the affairs of the COOPERATIVE. If, during any fiscal year, the number of covered employees and officers should, through the withdrawal or expulsion of listed entities or attrition, be reduced to below 2,000 covered lives persons, any MEMBER may call a special meeting to discuss the feasibility of continuing the COOPERATIVE in operation until the close of that fiscal year.

All withdrawing MEMBERS shall remain fully obligated for their portion of all expenses of and claims against the COOPERATIVE incurred during the period of their membership.

If any MEMBER should file a suit against the COOPERATIVE questioning the validity of the Contract and By-Laws document, or should raise the validity of this document in a suit by the COOPERATIVE and the validity of the Contract and By-Laws document is sustained, that MEMBER shall pay for the full legal and defense costs of the COOPERATIVE in that suit.

Signature Version  
Adopted 11/20/13

By execution of this Contract and By-Laws document, we do hereby certify that its approval and our membership in the IPBC has been authorized by our governing Board.

DATED: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**ORDINANCE NO. 2563**

**AN ORDINANCE AUTHORIZING THE  
ACCEPTANCE OF THE CONTRACT AND  
BY-LAWS DOCUMENT OF THE  
INTERGOVERNMENTAL PERSONNEL  
BENEFIT COOPERATIVE AND AUTHORIZING  
MEMBERSHIP IN THE IPBC BY A MUNICIPALITY**

**WHEREAS**, a number of Illinois municipalities and Sub-Pools have entered into an intergovernmental agreement and created the Intergovernmental Personnel Benefit Cooperative (“IPBC”); and

**WHEREAS**, the IPBC has existed for several decades, and has provided benefit coverages for the officers and employees of many Illinois municipalities; and

**WHEREAS**, the Village of Rantoul “municipality” wishes to become a Member of the IPBC; and

**WHEREAS**, the obligation of membership requires the acceptance by the Corporate Authorities of the municipality of the Contract and By-Laws document of the IPBC as an intergovernmental contractual obligation to which the municipality will become bound;

**NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF RANTOUL, CHAMPAIGN COUNTY, ILLINOIS**, as follows:

**Section 1:** This municipality, as of the starting date at which admission to membership was or is granted by the IPBC Board of Directors, shall become a Member of that intergovernmental cooperative.

**Section 2:** The terms and conditions of that membership shall be such terms and conditions as were imposed by the Board of Directors of the IPBC in the acceptance motion, and the contractual obligations under the terms of the Contract and By-Laws of the IPBC as such document currently exists and as it may be amended in accordance with its terms. This municipality assumes such terms and conditions.

**Section 3:** The Mayor of this municipality, or such other officer, as shall be authorized, is directed to execute any documents necessary to indicate the membership of the municipality in the IPBC.

**Section 4:** This Ordinance shall be in full force and effect upon its passage, approval and publication in pamphlet form, if required by law.

**PASSED** this 13 day of March, 2018.

AYES: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

\_\_\_\_\_  
Village Clerk

**APPROVED** this 13<sup>th</sup> day of March, 2018.

\_\_\_\_\_  
Village President

**BOARD OF TRUSTEES  
VILLAGE OF RANTOUL**

<b>AGENDA ITEM</b>	<b>PAGE</b> _____	<b>OF</b> _____
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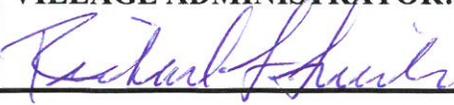
<b>ITEM: Engineering Services to Design the Murray Road/Chandler Road Box Culvert Project</b>	<b>DEPARTMENT: Public Works</b>
<b>AGENDA SECTION:</b>	<b>AMOUNT: \$19,000.00</b>
<b>ATTACHMENTS:</b> <input type="checkbox"/> <b>ORDINANCE</b> <input type="checkbox"/> <b>RESOLUTION</b> <input checked="" type="checkbox"/> <b>OTHER (See Summary Highlights)</b> <input checked="" type="checkbox"/> <b>SUPPORTING DOCUMENTS</b>	<b>DATE: February 23, 2018</b>

**SUMMARY HIGHLIGHTS:**  
This agenda item provides for an engineering service agreement with Fehr Graham to update the plans and specifications for the box culvert reconstruction on S Murray Road (at Chandler Road) along with specifications to oil and chip the Village’s perimeter roadways. The original box culvert replacement plans were developed in 1999 by Sodemann and Associates, Inc. (who has since evolved into Fehr Graham), however the project did not move forward to construction. The objective at this time is to update the drawings and specifications to current standards as well as modify the bid documents for complete construction. The existing box culvert is undersized and needs to be extended to provide adequate room for proper turning movements at the intersection. The intersection has become a major safety concern and of the utmost importance to repair.

The Village’s jurisdiction includes approximately 4.5 miles of oil and chip roads, many of which have exceeded their service life and are in need of repair or extensive maintenance. In addition to the culvert replacement, it is proposed to include an oil and chip maintenance component to the plans.

This project will be funded by the Village’s storm water and local motor fuel tax funds, with funds allocated in FY18 for the design and FY19 for the construction.

**RECOMMENDED ACTION:** Authorize an engineering service agreement with Fehr Graham in a not-to-exceed amount of \$19,000.00 for the development of plans and specifications for the reconstruction of the Murray Road/Chandler Road Box Culvert Project and for the maintenance of the Village’s oil and chip roadways.

<b>DEPARTMENT HEAD APPROVAL:</b> G. Gregory Hazel, P.E. 	<b>VILLAGE ADMINISTRATOR:</b> 
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**AGENDA PAGE NUMBER:**

February 20, 2018

Mr. Greg Hazel  
Director of Public Works  
Village of Rantoul  
200 W. Grove Avenue  
Rantoul, IL 61866

**RE: Murray Road/Chandler Road Box Culvert  
Proposal for Engineering Services**

Dear Mr. Hazel,

Per your request, we are providing this proposal to define scope and professional service fees for the aforementioned project. Drawings for the box culvert were completed by Sodemann and Associates in 1999, however the project did not move forward to construction. The original intent of the project at that time was to provide information for a material letting only.

The objective at this time is to update the drawings and specifications to current standards as well as modify the bid documents for complete construction rather than material only. We have assumed 100% local funds will be used and Illinois Department of Transportation (IDOT) District 5 will not be involved in the review process. In addition, the Village has identified several local roads to have a bituminous surface treatment applied. A detailed scope of services is as follows:

#### **Topographic Survey**

- Fehr Graham has the original topographic survey in CAD archived and this will be used as a background.
- Fehr Graham will field check the survey to assure accuracy and locate any changes that may have taken place since 1999.
- Fehr Graham will make approximate width measurements on the roads designated for bituminous surface treatment. Lengths and plan views will be provided using aerial photos.

#### **Preliminary Engineering**

- Project Meetings: meet with Village representatives to outline objectives, schedule, and budget. Progress meetings are also anticipated.
- We have assumed a U.S. Army Corps of Engineers 404 permit will be required.
- Original drainage calculations will be reviewed and checked for current conditions.
- Since only local funds are being used, we have assumed a PESA will not be required.

#### **Construction Documents**

- Fehr Graham will update drawings and specifications.
- Quantities will be provided and a cost estimate prepared.
- BLR forms will be utilized for bid proposals and contract documents.

**Bidding Phase**

- Fehr Graham will submit for advertising in media outlets of the Village's choosing.
- Fehr Graham will provide response to RFI's during bidding.
- A Fehr Graham representative will attend the bid opening and provide a tabulation of bids.

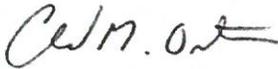
**Easement Plat**

- Fehr Graham will provide an easement plat for permanent and temporary easements as shown to be required in the 1999 drawings.
- Legal descriptions for the easements will be included.

**Total Estimated Fees.....\$19,000.00**

Please see the attached breakdown of manhours and fees for the basic services. If you have any questions regarding this proposal please call me at 217-352-7688 or [costerbur@fehr-graham.com](mailto:costerbur@fehr-graham.com). We at Fehr Graham appreciate the opportunity to provide you with this proposal.

Sincerely,



Chad M. Osterbur, P.E., PLS  
Project Engineer

CMO:lmb

Enclosures

**AGREEMENT  
FOR PROFESSIONAL SERVICES**

Client Mr. Greg Hazel  
Village of Rantoul  
333 South Tanner  
P.O. Box 38  
Rantoul, IL 61866  
  
217.892.6828

Description of Services:

Rantoul - Murray/Chandler Roads Box Culvert

Fehr Graham will provide the following professional services included in the proposal dated February 20, 2018.

COST: You will be billed on a time and material basis as per the annually established fee schedule. The fee for performing the above services is estimated to be \$19,000.

ESTIMATED PROJECT COMPLETION DATE: June 1, 2018.

The attached General Conditions are incorporated into and made a part of this Agreement.

ACCEPTED AND AGREED TO:

I/we, the undersigned, authorize Fehr Graham to provide services as outlined above, and also agree that I/we are familiar with and ACCEPT THE TERMS OF THE ATTACHED GENERAL CONDITIONS.

CLIENT:

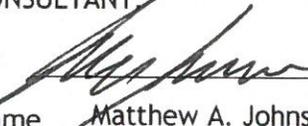
Signature \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

Date Accepted \_\_\_\_\_

CONSULTANT:

By  \_\_\_\_\_

Name Matthew A. Johnson

Title Branch Manager

Date Proposed February 20, 2018

## GENERAL CONDITIONS TO AGREEMENT FOR PROFESSIONAL SERVICES

1. The Client requests the professional services of Fehr Graham hereinafter called "The Consultant" as described herein.
2. The Consultant agrees to furnish and perform the professional service described in this Agreement in accordance with accepted professional standards. Consultant agrees to provide said services in a timely manner, provided, however, that Consultant shall not be responsible for delays in completing said services that cannot reasonably be foreseen on date hereof or for delays which are caused by factors beyond his control or delays resulting from the actions or inaction of any governmental agency. Consultant makes no warranty, expressed or implied, as to his findings, recommendations, plans and specifications or professional advice except that they were made or prepared in accordance with the generally accepted engineering practices.
3. It is agreed that the professional services described in the Agreement shall be performed for Client's account and that Client will be billed monthly for said services. A 1½% per month service charge will be incurred by Client for any payment due herein and not paid within 30 days of such billing which is equal to an ANNUAL PERCENTAGE RATE OF 18%. Partial payments will be first credited to the accrued service charges and then to the principal.
4. The Client and the Consultant each binds himself, his partners, successors, executors, and assigns to the other party to this agreement and to the partners, successor, executors, and assigns of such other party in respect to this agreement.
5. The Client shall be responsible for payment of all costs and expenses incurred by the Consultant for his account, including any such monies that the Consultant may advance for Client's account for purposes consistent with this Agreement.
6. The Consultant reserves the right to withdraw this Agreement if not accepted within 30 days.
7. A claim for lien will be filed within 75 days of the date of an invoice for services (last day of services rendered) unless the account is paid in full or other prior arrangements have been made. All attorney fees incurred by the Consultant due to the filing of said lien or the foreclosure thereof shall be borne by the Client.

In the event suit must be filed by Consultant for the collection of fees for services rendered, Client will pay all reasonable attorney's fees and court costs.

If Client defaults in payment of fees or costs due under the terms of this Agreement and Consultant incurs legal expenses as a result of such failure, Client shall be responsible for payment for Consultant's reasonable attorney fees and costs so incurred.

8. The Consultant shall present, for the consideration of the Client, engineering and technical alternatives, based upon its knowledge and experience in accordance with accepted professional standards, with selection of alternatives and final decisions as requested by the client to be the sole responsibility of the Client.
9. Construction Phase Activities (When applicable) - In connection with observations of the work of the Contractor(s) while it is in progress the Consultant shall make visits to the site at intervals appropriate to the various stages of construction as the Consultant deems necessary in Agreement to observe as an experienced and qualified design professional the progress and quality of the various aspects of the Contractor(s)'s work. Based on information obtained during such visits and on such observation, the Consultant shall endeavor to determine in general if such work is proceeding in accordance with the Contract Documents and the Consultant shall keep the Client informed of the progress of the work.

The purpose of the Consultant's visits to the site will be to enable the Consultant to better carry out the duties and responsibilities assigned to and undertaken by the Consultant during the Construction Phase, and, in addition, by exercise of the Consultant's efforts as an experienced and qualified design professional, to provide for the Client a greater degree of confidence that the completed work of the Contractor(s) will conform generally to the Contract Documents and that the integrity of the design concept as reflected in the Contract Documents has been implemented and preserved by the Contractor(s). The Consultant shall not, during such visits or as a result of such observations of Contractor(s)' work in progress, supervise, direct or have control over Contractor(s)' work nor shall the Consultant have authority over or responsibility for the means, methods, techniques, sequences, or procedures of construction selected by Contractor(s), for safety precautions and programs incident to the work of Contractor(s) or for any failure of Contractor(s) to comply with laws, rules, regulations, ordinances, codes, or orders applicable to Contractors(s) furnishing and performing their work. Accordingly, the Consultant can neither guarantee the performance of the construction contracts by Contractor(s) nor assume responsibility for Contractor(s)' failure to furnish and perform their work in accordance with the Contract Documents.

10. Estimates of Fees - When fees are on a time and material basis the estimated costs required to complete the services to be performed are made on the basis of the Consultant's experience, qualifications, and professional judgment, but are not guaranteed. If the costs appear likely to exceed the estimate in excess of 20%, the Consultant will notify the Client before proceeding. If the Client does not object to the additional costs within seven (7) days of notification, the increased costs shall be deemed approved by the Client.
11. The Consultant is responsible for the safety on site of his own employees. This provision shall not be construed to relieve the Client or the Contractor(s) from their responsibility for maintaining a safe work site. Neither the professional services of the Consultant, nor the presence of his employees or subcontractors shall be construed to imply that the Consultant has any responsibility for any activities on site performed by personnel other than the Consultant's employees or subcontractors.
12. Original survey data, field notes, maps, computations, studies, reports, drawings, specifications and other documents generated by the Consultant are instruments of service and shall remain the property of the Consultant. The Consultant shall provide copies to the Client of all documents specified in the Description of Services.

Any documents generated by the Consultant are for the exclusive use of the Client and any use by third parties or use beyond the intended purpose of the document shall be at the sole risk of the Client. To the fullest extent permitted by law, the Client shall indemnify, defend and hold harmless the Consultant for any loss or damage arising out of the unauthorized use of such documents.

13. No claim may be asserted by either party against the other party unless an action on the claim is commenced within two (2) years after the date of the Consultant's final invoice to the Client.
14. If a Client's Purchase Order form or acknowledgment or similar form is issued to identify the agreement, authorize work, open accounts for invoicing, provide notices, or document change orders, the preprinted terms and condition of said Purchase Order shall be superseded by the terms hereof.
15. Standard of Care - Services performed by Consultant under this agreement will be conducted in a manner consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing under similar conditions. No other representation expressed or implied, and no warranty or guarantee is included or intended in any report, opinion or document under this agreement.
16. Liability Insurance - Consultant will maintain such liability insurance as is appropriate for the professional services rendered as described in this Agreement. Consultant shall provide Certificates of Insurance to Client, upon Client's request, in writing.
17. Indemnification and Limitation of Liability - Client and Consultant each agree to indemnify and hold the other harmless, including their respective officers, employees, agents, members, and representatives, from and against liability for all claims, costs, losses, damages and expense, including reasonable attorney's fees, to the extent such claims, losses, damages or expenses are caused by the indemnifying party's acts, errors or omissions.

The Client understands that for the compensation herein provided Consultant cannot expose itself to liabilities disproportionate to the nature and scope hereunder. Therefore, the Client agrees to limit Consultant's liability to the Client arising from Consultant's professional acts, errors or omissions, such that the total aggregate liability of Consultant shall not exceed \$50,000 or Consultant's total fee for services rendered on this Project, whichever is less.

18. Allocation of Risk - Consultant and Client acknowledge that, prior to the start of this Agreement, Consultant has not generated, handled, stored, treated, transported, disposed of, or in any way whatsoever taken responsibility for any toxic substance or other material found, identified, or as yet unknown at the Project premises. Consultant and Client further acknowledge and understand that the evaluation, management, and other actions involving toxic or hazardous substances that may be undertaken as part of the Services to be performed by Consultant, including subsurface excavation or sampling, entails uncertainty and risk of injury or damage. Consultant and Client further acknowledge and understand that Consultant has not been retained to serve as an insurer of the safety of the Project to the Client, third parties, or the public.

Client acknowledges that the discovery of certain conditions and/or taking of preventative measures relative to these conditions may result in a reduction of the property's value. Accordingly, Client waives any claim against Consultant and agrees to indemnify, defend, and hold harmless Consultant and its subcontractors, consultants, agents, officers, directors, and employees from any claim or liability for injury or loss allegedly arising from procedures associated with environmental site assessment (ESA) activities or the discovery of actual or suspected hazardous materials or conditions. Client releases Consultant from any claim for damages resulting from or arising out of any pre-existing environmental conditions at the site where the work is being performed which was not directly or indirectly caused by and did not result from, in whole or in part, any act or omission of Consultant or subcontractor, their representatives, agents, employees, and invitees.

If, while performing the Services set forth in any Scope of Services, pollutants are discovered that pose unanticipated or extraordinary risks, it is hereby agreed that the Scope of Services, schedule, and costs will be reconsidered and that this Agreement shall immediately become subject to renegotiation or termination. Client further agrees that such discovery of unanticipated hazardous risks may require Consultant to take immediate measures to protect health and safety or report such discovery as may be required by law or regulation. Consultant shall promptly notify Client upon discovery of such risks. Client, however, hereby authorizes Consultant to take all measures Consultant believes necessary to protect Consultant and Client personnel and the public. Furthermore, Client agrees to compensate Consultant for any additional costs associated with such measures.

19. In the event of legal action to construe or enforce the provisions of this agreement, the prevailing party shall be entitled to collect reasonable attorney fees, court costs and related expenses from the losing party and the court having jurisdiction of the dispute shall be authorized to determine the amount of such fees, costs and expenses and enter judgment thereof.
20. Termination - The obligation to provide further services under this Agreement may be terminated by either party upon seven (7) days written notice in the event of substantial failure by the other party to perform in accordance with the terms hereof through no fault of the terminating party. In the event of any termination, Consultant will be paid for all services rendered to the date of receipt of written notice of termination, at Consultant's established chargeout rates, plus for all Reimbursable Expenses including a 15% markup.
21. Provision Severable - The unenforceability or invalidity of any provisions hereof shall not render any other provisions herein contained unenforceable or invalid.
22. Governing Law and Choice of Venue - Client and Consultant agree that this Agreement will be governed by, construed, and enforced in accordance with the laws of the State of Illinois. If there is a lawsuit, Client and Consultant agree that the dispute shall be submitted to the jurisdiction of the Illinois District Court in and for Stephenson County, Illinois.

**Village of Rantoul**  
Oil & Chip  
Road Repair

— Oil & Chip Roads

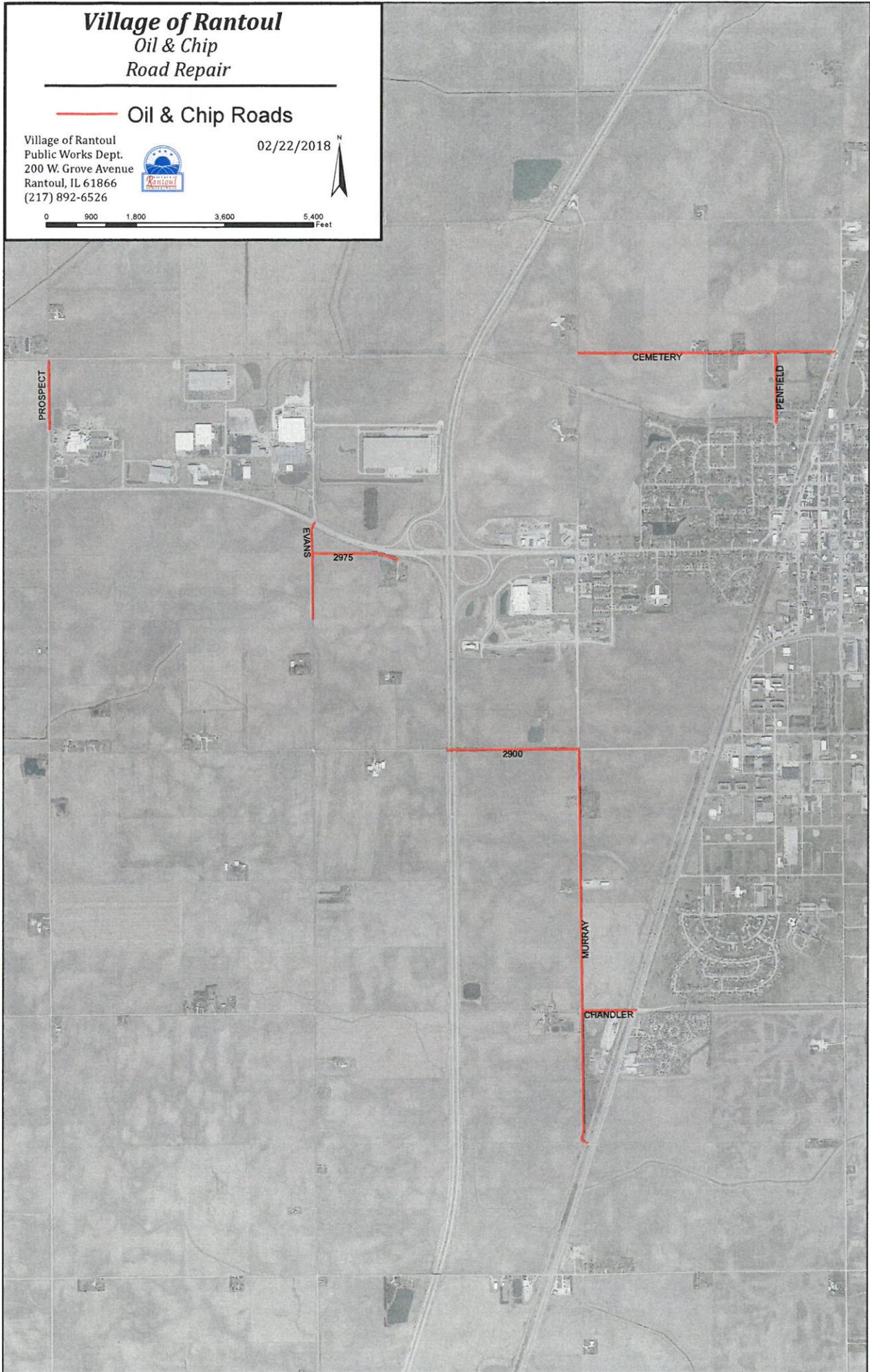
Village of Rantoul  
Public Works Dept.  
200 W. Grove Avenue  
Rantoul, IL 61866  
(217) 892-6526



02/22/2018



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**BOARD OF TRUSTEES  
VILLAGE OF RANTOUL**

<b>AGENDA ITEM</b>	<b>PAGE</b> _____ <b>OF</b> _____
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<b>ITEM: Sale of properties at 735, 801 &amp; 909 Pacesetter Dive (Hangars 1, 2 &amp; 3)</b>	<b>DEPARTMENT: Public Works - Airport</b>
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<b>AGENDA SECTION:</b>	<b>AMOUNT: \$3,400,000.00</b>
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<b>ATTACHMENTS:</b> <input type="checkbox"/> <b>ORDINANCE</b> <input type="checkbox"/> <b>RESOLUTION</b> <input type="checkbox"/> <b>OTHER (See Summary Highlights)</b> <input checked="" type="checkbox"/> <b>SUPPORTING DOCUMENTS</b>	<b>DATE: February 27, 2018</b>
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**SUMMARY HIGHLIGHTS:**

This Agenda Item provides for the sale of the properties at 735 Pacesetter Drive (Hangar 1), 801 Pacesetter Drive (Hangar 2), and 909 Pacesetter Drive (Hangar 3) in the amount of \$3,400,000.00. These properties have been utilized by numerous entities over the years including Rantoul Products, Bell Sports & Donco in Hangar 1; I & I in Hangar 2; and Bell Sports and others in Hangar 3. While the leasing options have become more limited in recent years, since early 2016 Coldwell Banker Devonshire Realty has been marketing (for sale or lease) these properties on behalf of the village.

The party seeking to buy these properties is Mr. John Van Der Velde, who has tenants in mind for these facilities, which includes a Bio Engineering Technology company. The buyer will undertake the necessary renovations and improvements for these buildings.

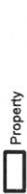
These properties are currently within the Airport’s footprint and once the final deeds for Hangars 2 and 3 are received from the Air Force, a release by the Federal Aviation Authority (FAA) will be required to fully complete the sale process. The proceeds from this sale will be earmarked for future Airport capital improvement projects as outlined in the five (5) year Transportation Improvement Plan (TIP).

**RECOMMENDED ACTION:** Authorize the approval of the sale of 735 Pacesetter Drive (Hangar 1), 801 Pacesetter Drive (Hangar 2), and 909 Pacesetter Drive (Hangar 3) in the amount of \$3,400,000.00.

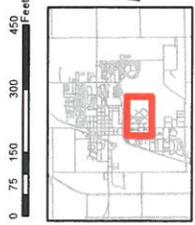
<b>DEPARTMENT HEAD APPROVAL:</b> G. Gregory Hazel, P.E.  Eric Vences	<b>VILLAGE ADMINISTRATOR:</b> Rick Snider 
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**AGENDA PAGE NUMBER:**

# Village of Rantoul Airport Plat

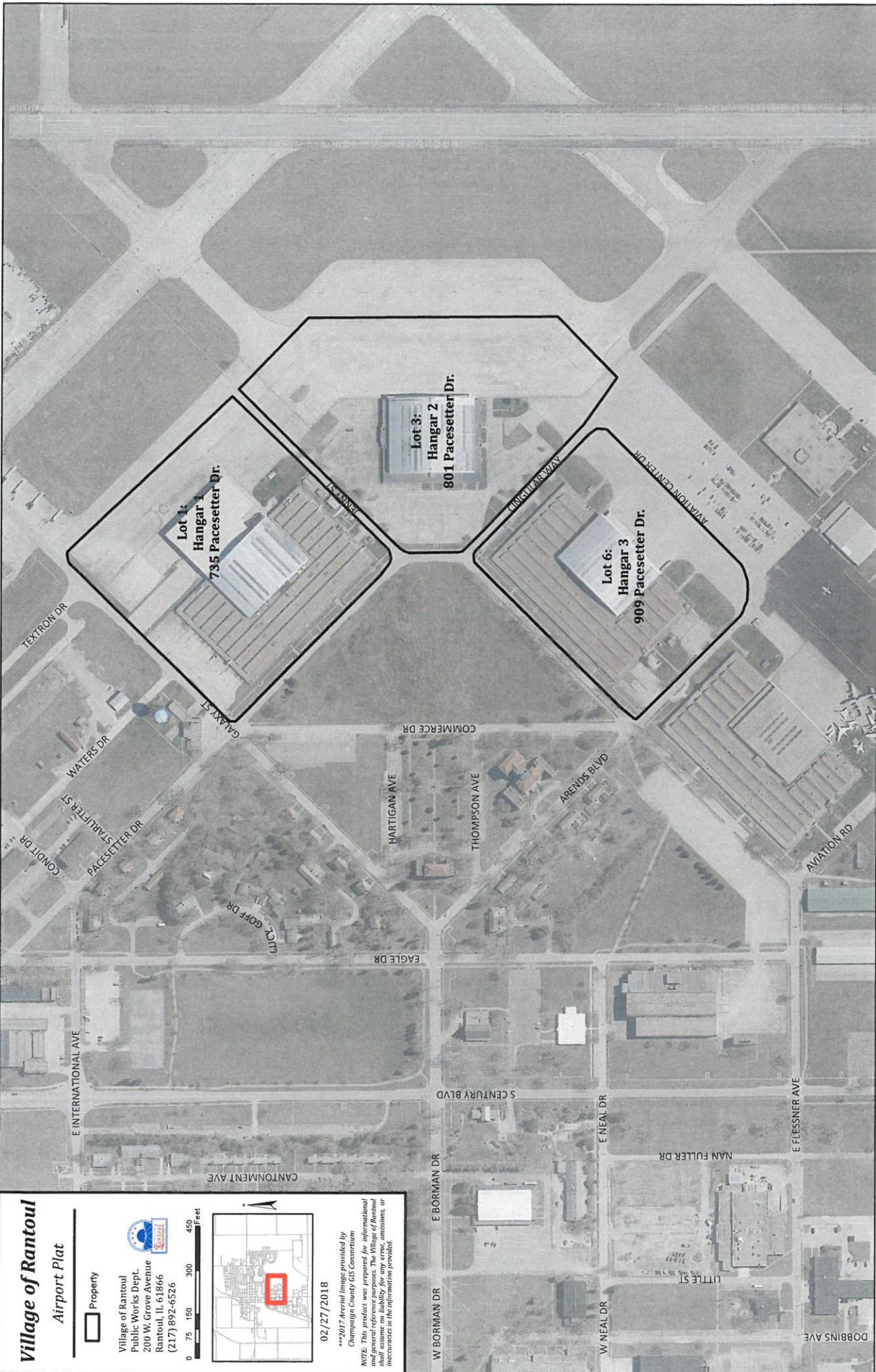


Property  
 Village of Rantoul  
 Public Works Dept.  
 200 W. Grove Avenue  
 Rantoul, IL 61866  
 (217) 892-6526



02/27/2018

\*\*\*2017 Aerial Image provided by  
 Champaign County GIS Consortium  
 NOTE: This product was prepared for informational  
 and general reference purposes. The Village of Rantoul  
 shall assume no liability for any error, omissions, or  
 inaccuracies in the information provided.



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**AGREEMENT FOR SALE OF REAL ESTATE**

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**BY AND BETWEEN THE**

**VILLAGE OF RANTOUL, CHAMPAIGN COUNTY, ILLINOIS,  
AS SELLER**

**AND**

**JOHN VAN DER VELDE,  
AS BUYER**

**DATED AS OF MARCH 1, 2018**

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## AGREEMENT FOR SALE OF REAL ESTATE

**THIS AGREEMENT FOR SALE OF REAL ESTATE**, including Exhibit A, which is attached hereto and made a part hereof (collectively, this “**Agreement**”), is dated for reference purposes only as of March 1, 2018, by and between the Village of Rantoul, Champaign County, Illinois, an Illinois municipal corporation, as Seller (“**Seller**”) and John Van Der Velde, an individual of Los Angeles, California, as Buyer (“**Buyer**”). For the purposes of this Agreement, the term “**Parties**” is sometimes used to refer to and identify both Seller and Buyer collectively. This Agreement shall become effective upon the date of its actual execution by the last of the Parties hereto as set forth on the signature page hereof (the “**Effective Date**”).

### RECITALS

**NOW, THEREFORE**, for and in consideration of the mutual covenants and agreement contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer agree as follows:

### ARTICLE I SALE AND PURCHASE

**Section 1.1. Real Estate Description.** Seller agrees to sell and Buyer agrees to purchase the real estate commonly known as 735 Pacesetter Drive (“**Hangar 1**”) and 801 and 809 Pacesetter Drive (“**Hangars 2 and 3**”), Rantoul, Illinois, which are more particularly described on Exhibit A attached hereto and made a part hereof (the “**Real Estate**”), together with all improvements and appurtenances thereon, (the Real Estate and any such improvements being, collectively, the “**Premises**”), upon the terms and conditions set forth in this Agreement.

**Section 1.2. Purchase Price.** Buyer agrees to pay to Seller \$3,400,000.00 as the total purchase price for the Premises. Such total purchase price, adjusted by prorations and credits allowed the Parties by this Agreement, shall be paid to Seller at closing in cash, by cashier’s check, by check issued by a lending institution, or other form of payment acceptable to Seller.

**Section 1.3. Due Diligence.**

(a) For a period of 180 days after the Effective Date of this Agreement (the “**Due Diligence Period**”), Buyer and his agents and representatives shall be entitled to conduct an inspection of the Premises, which may include, but shall not be limited to, the rights to (1) enter on the Premises to perform inspections and tests, including, but not limited to, inspection, evaluation and testing of the heating, ventilation and air-conditioning systems and all components thereof, the roof of the buildings, the parking lots, all structural and mechanical systems within the buildings, including, but not limited to, sprinkler systems, power lines and panels and plumbing; (2) inspect leases and all other contracts, agreements, documents and environmental reports in the possession or control of Seller relating to the Premises, copies of which shall be provided to Buyer by Seller to the extent in Seller’s possession or control; and (3) make investigations with regard to zoning, environmental, building code and other legal requirements, including, but not limited to, an environmental assessment. If Buyer, in its sole and absolute discretion, determines that the results of any inspection, test or examination do not meet Buyer’s criteria for purchase or operation of the Premises in the manner contemplated by Buyer, or if Buyer, in his sole discretion, otherwise determines that the Premises are unsatisfactory to him, then Buyer may terminate this Agreement by

written notice to Seller, given not later than the last day of the Due Diligence Period. Upon such termination, and, except as otherwise provided in this Section, neither of the Parties shall have any further liability to the other hereunder. In the event Buyer fails to notify Seller of his intent to terminate this Agreement prior to the expiration of the Due Diligence Period, Buyer's right to terminate this Agreement shall be waived and become null and void.

(b) All inspections, investigations, tests, examinations and appraisals required by Buyer under this Section shall be at Buyer's expense unless otherwise expressly provided in this Agreement.

(c) Neither Buyer, nor any of his agents or representatives, shall damage the Premises or any portion thereof, except for any immaterial damage caused by environmental and other tests, all of which shall promptly be repaired by Buyer at Buyer's sole cost and expense. Buyer agrees to indemnify and defend Seller and hold Seller harmless from any and all claims, demands, actions, lawsuits, damages and costs, including reasonable attorneys' fees, arising out of any act or omission of Buyer, or its agents and/or representatives, in connection with Buyer's due diligence review. The foregoing obligation shall survive the closing of this transaction and any termination of this Agreement.

(d) The physical condition of the Premises shall be substantially the same on the date of possession, as it exists as of the Effective Date of this Agreement, reasonable wear and tear excepted.

**Section 1.4. Contingency of Agreement.** This Agreement is contingent upon Seller being expressly authorized by the Federal Aviation Administration (the "FAA") to sell and convey the Premises to a third party purchaser. In the event that Seller has been unable to obtain such authorization from the FAA within 180 days of the Effective Date, this Agreement shall be deemed null and void and of no force and effect and neither Seller nor Buyer shall have any obligation or liability with respect thereto.

**Section 1.5. Possession and Closing.** Seller shall deliver possession of the Premises to Buyer at the time of the closing of this transaction (the "**Closing**") which shall occur fifteen (15) days after the last day of the Due Diligence Period described in Section 1.3 of this Agreement above, or after satisfaction of the contingency described in Section 1.4 of this Agreement above, whichever occurs last (the "**Closing Date**"), at the office of Allied Capital Title, 201 W. Springfield Avenue, Champaign, Illinois (the "**Title Company**"). Provided, however, that in the event that the Closing Date does not occur within 180 days of the Effective Date, this Agreement shall be deemed null and void in accordance with Section 1.4 above. All keys, combinations and other similar items required to properly deliver possession and control of the Premises to Buyer shall be delivered to Buyer at closing.

## **ARTICLE II** **TITLE MATTERS**

**Section 2.1. Evidence of Title.** Within a reasonable time after the Effective Date, Seller shall deliver to Buyer a Commitment for Title Insurance issued by the Title Company committing the Title Company to issue a title policy in the usual form insuring title to the Premises in the name of Buyer for the amount of the purchase price. Seller shall be responsible for payment of the

Owner's premium and Seller's search charges. The balance of the cost of providing title insurance shall be borne by Buyer.

### **Section 2.2. Exceptions to Title.**

(a) Permissible exceptions to title shall include the following (the "**Permitted Exceptions**"): the lien of general taxes and special assessments, if any; zoning laws and building codes and ordinances; easements (apparent or of record) which do not underlie any buildings; and covenants and restrictions of record which are not violated by the existing improvements or the present uses of the Premises and which do not restrict reasonable use of the Premises; all existing leases for all or any part of the Premises (the "**Existing Leases**"); and all applicable covenants and restrictions contained in the following: (i) that certain Airport Phase I Quit Claim Deed dated July 12, 2007 from the United States of America, acting by and through the Secretary of the Air Force (the "**Government**"), to the Village of Rantoul for Hangar 1 (the "**Hangar 1 Quit Claim Deed**"); and (ii) that certain Quit claim Deed to be delivered to Seller from the Government for Hangars 2 and 3 (the "**Hangars 2 and 3 Quit Claim Deed**"), copies of which Existing Leases and Hangar 1 Quit Claim Deed have been provided to or otherwise been made available to the Buyer and a copy of which Hangars 2 and 3 Quit Claim Deed shall be provided to Buyer within ten (10) business days after delivery thereof from the Government to Seller.

(b) Except for the Permitted Exceptions, Seller agrees that it will not further encumber the Real Estate in any manner that will affect title to the Real Estate.

(c) If title evidence discloses exceptions other than the Permitted Exceptions, Buyer shall give written notice of such exceptions to Seller within a reasonable time. Seller shall have a reasonable time to have such title exceptions removed, or, any such exception which may be removed by the payment of money may be cured by paying the amount due at or prior to the Closing. If Seller is unable to cure any such exception, then this Agreement may be terminated in the sole discretion of Buyer.

### **Section 2.3. Special Warranty Deed; Other Deliveries.**

(a) Prior to the Closing, Seller or Seller's attorney shall prepare and Seller shall execute a recordable Special Warranty Deed sufficient to convey the Real Estate to Buyer or its nominee, in fee simple absolute, subject only to the Permitted Exceptions. Such executed Special Warranty Deed shall be delivered to Buyer at the Closing of this transaction upon compliance with the terms of this Agreement.

(b) Upon Buyer's request at any time during the Due Diligence Period, Seller shall deliver to Buyer the following:

- (i) the form of the Special Warranty Deed and copies of all originals of the Existing Leases and any other contracts, licenses, permits and agreements pertaining to the Premises to the extent not previously delivered to Buyer under Section 1.3(a)(2) above; and
- (ii) the form of Seller's assignment to Buyer of all of Seller's interest in the Existing Leases and all rent payable thereunder.

Buyer shall have the right during the Due Diligence Period to approve each of the items described in parts (i) and (ii) above.

### **ARTICLE III**

#### **PRORATIONS, REPRESENTATIONS AND OTHER OBLIGATIONS**

**Section 3.1. Taxes and Assessments.** Real estate taxes apportioned through the date of possession shall be Seller's expense. The proration thereof shall be calculated upon the basis of the most current tax information, including confirmed multipliers. Transfer tax and all special assessments which are a lien upon the Real Estate as of the Effective Date of this Agreement shall be Seller's expense. All such taxes and special assessments shall constitute a credit to Buyer against the purchase price and shall release Seller from any further liability to Buyer in connection therewith.

**Section 3.2. Proration of Rents.** The proration of rents derived from the Existing Leases, if any, shall be prorated as of the day prior to the Closing Date, with Seller being entitled to all such rent accruing prior to the Closing Date and Buyer being entitled to all rent accruing on and after the Closing Date.

**Section 3.3. Authority.** Each of the Parties represents and warrants, as of the date of execution of this Agreement and as of the Closing (i) that it or they have legal right, power and authority to execute and fully perform its or their obligations under this Agreement and (ii) that the persons executing this Agreement and other related documents required hereunder are authorized to do so. The representations and warranties given by each of the Parties in this Section 3.3 shall survive the Closing.

**Section 3.4. Casualty and Condemnation.** If, prior to the Closing, all or any portion of the Premises is damaged by fire or other natural casualty (collectively "**Damage**"), or is taken or made subject to condemnation, eminent domain or other governmental acquisition proceedings (collectively "**Condemnation**"), then the following procedures shall apply:

(a) If the aggregate cost of repair or replacement of the Damage (collectively, "**Repair and/or Replacement**") is \$340,000 or less, Buyer shall close and take the Property as diminished by such events, subject to a reduction in the Purchase Price applied against the balance of the purchase price otherwise due at the Closing in the full amount of the Repair and/or Replacement. Any casualty insurance shall be the sole property of Seller.

(b) If the aggregate cost of Repair and/or Replacement is greater than \$340,000 or in the event of a Condemnation, then Buyer, at its sole option, may elect either to (1) terminate this Agreement by written notice to Seller, in which event Buyer shall be entitled to a return of the Earnest Money; or (2) proceed to close subject to (i) a reduction on the Purchase Price of \$340,000, applied against the balance of the purchase price otherwise due at the Closing; together with (ii) an assignment of the proceeds of Seller's casualty insurance for all Damage (or condemnation awards for any Condemnation) in excess of \$340,000. In such event, Seller shall fully cooperate with Buyer in the adjustment and settlement of the insurance claim.

(c) In the event of a dispute between Seller and Buyer with respect to the cost of Repair and/or Replacement in connection with the matters set forth in this Section, Seller and Buyer shall select an independent engineer licensed to practice in Champaign County, Illinois, who shall resolve such dispute. All fees, costs and expenses of such licensed engineer so selected shall be shared equally by Seller and Buyer.

#### **ARTICLE IV** **DEFAULT**

**Section 4.1. Default.** The failure of either of the Parties to timely perform any obligation or condition contained in this Agreement shall constitute a “**Default**” under this Agreement.

**Section 4.2. Remedies.** Upon the occurrence of a Default, the party claiming the Default (the “**Non-Defaulting Party**”) may serve written notice of the Default upon the other party (the “**Defaulting Party**”), and if such Default is not corrected within ten (10) calendar days of the date of such notice, the Non-Defaulting Party may take one or more of the following actions: elect to treat this Agreement as cancelled and of no further force and effect; maintain a claim for monetary damages for breach of contract; maintain an action for specific performance; or maintain any other or different action or combination thereof as allowed by law.

**Section 4.3. Non-Exclusive Remedies.** The remedies set forth in Section 4.2 above in the event of a Default are not intended to be exclusive and the Parties shall have the right to all other lawful remedies, including specific performance.

**Section 4.4. Costs or Expenses and Fees.** If the Non-Defaulting Party prevails in any litigation to enforce any provision of this Agreement, the Defaulting Party shall pay all of the Non-Defaulting Party’s charges, costs and expenses, including the reasonable fees of attorneys, agents and others, as may be paid or incurred by such Non-Defaulting Party in enforcing any of the Defaulting Party’s obligations under this Agreement.

#### **ARTICLE V** **MISCELLANEOUS PROVISIONS**

**Section 5.1. Entire Agreement and Amendments.** This Agreement (together with Exhibit A, which is attached hereto and made a part hereof) is the entire agreement between Seller and Buyer relating to the subject matter hereof. This Agreement supersedes all prior and contemporaneous negotiations, understandings and agreements, written or oral, and may not be modified or amended except by a written instrument executed by both of the Parties.

**Section 5.2. Construction.** The captions and headings used in this Agreement are inserted for convenience of reference only and are not intended to define, limit or affect the construction or interpretation of any term or provision hereof.

**Section 5.3. Third Parties.** Nothing in this Agreement, whether expressed or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any other persons other than the Parties and their respective successors and assigns, nor is anything in this Agreement intended to relieve or discharge any obligation or liability of any third persons to either of the Parties, nor shall any provision give any third parties any rights of subrogation or action over or

against either of the Parties. This Agreement is not intended to and does not create any third party beneficiary rights whatsoever.

**Section 5.4. Counterparts.** Any number of counterparts of this Agreement may be executed and delivered and each shall be considered an original and together they shall constitute one agreement.

**Section 5.5. Time of the Essence.** Time is of the essence of this Agreement; including, without limitation, all time deadlines for satisfying conditions and the Closing on or before the Closing Date.

**Section 5.6. Waiver.** Each of the Parties to this Agreement may elect to waive any right or remedy it may enjoy hereunder, provided that no such waiver shall be deemed to exist unless such waiver is in writing. No such waiver shall obligate the waiver of any other right or remedy hereunder, or shall be deemed to constitute a waiver of other rights and remedies provided pursuant to this Agreement.

**Section 5.7. Notices and Communications.** All notices, demands, requests or other communications under or in respect of this Agreement shall be in writing and shall be deemed to have been given when the same are (a) deposited in the United States mail and sent by registered or certified mail, postage prepaid, return receipt requested, (b) personally delivered, or (c) sent by a nationally recognized overnight courier, delivery charge prepaid, in each case, to Seller and Buyer at their respective addresses (or at such other address as each may designate by notice to the other), as follows:

- (i) In the case of Seller, to:  
Village of Rantoul, Illinois  
333 South Tanner Street  
Rantoul, IL 61866  
Attn: Airport Manager  
Tel: (217) 892-6896  
  
With a copy to:  
Kenneth N. Beth  
Evans, Froehlich, Beth & Chamley  
44 Main Street, Third Floor  
Champaign, IL 61820  
Tel: (217) 359-6494
- (ii) In the case of Buyer, to:  
John Van Der Velde  
3230 Overland Avenue, #217  
Los Angeles, CA 90034  
Tel: (310) 202-1035

Whenever any party hereto is required to deliver notices, certificates, opinions, statements or other information hereunder, such party shall do so in such number of copies as shall be reasonably specified.

**Section 5.8. Assignment.** Buyer agrees that he shall not sell, assign or otherwise transfer any of his rights and obligations under this Agreement to any party other than to an entity having common ownership with the Buyer without the prior written consent of the Seller, which shall not be unreasonably denied. Except as authorized in this Section above, any assignment in whole or in part shall be void and shall, at the option of the Seller, terminate this Agreement. No such sale, assignment or transfer as authorized in this Section, including any with or without the Seller's prior written consent, shall be effective or binding on the Seller, however, unless and until the Buyer delivers to the Seller a duly authorized, executed and delivered instrument which contains any such sale, assignment or transfer and the assumption of all the applicable covenants, agreements, terms and provisions of this Agreement by the assignee.

**Section 5.9. Successors in Interest.** Subject to Section 5.8 above, this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respectively authorized successors, assigns and legal representatives.

**Section 5.10. No Joint Venture, Agency, or Partnership Created.** Nothing in this Agreement nor any actions of either Seller or Buyer shall be construed by either Seller or Buyer or any third party to create the relationship of a partnership, agency, or joint venture between or among Seller and Buyer.

**Section 5.11. Illinois Law; Venue.** This Agreement shall be construed and interpreted under the laws of the State of Illinois. If any action or proceeding is commenced by either of the Parties to enforce any of the provisions of this Agreement, the venue for any such action or proceeding shall be in Champaign County, Illinois.

**Section 5.12. Construction of Agreement.** This Agreement has been jointly negotiated by the Parties and shall not be construed against either one of them because that party may have primarily assumed responsibility for preparation of this Agreement.

**IN WITNESS WHEREOF,** Buyer has caused this Agreement to be executed by him individually and the Seller has caused this Agreement to be executed by its duly authorized Mayor and Village Clerk, as of each of the dates set forth below.

**VILLAGE OF RANTOUL, CHAMPAIGN COUNTY,  
ILLINOIS, AS SELLER**

By: \_\_\_\_\_  
Village President

ATTEST:

By: \_\_\_\_\_  
Village Clerk

Date: \_\_\_\_\_

**JOHN VAN DER VELDE, AS BUYER**

Date: February 22, 2015

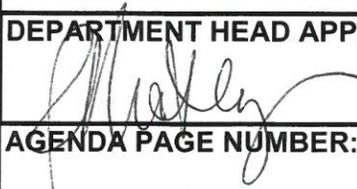
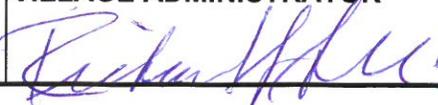


[Exhibit A follows this page and is an integral part of this Agreement in the context of use.]

**EXHIBIT A**

**Legal Description**

**BOARD OF TRUSTEES  
VILLAGE OF RANTOUL**

AGENDA ITEM		PAGE	OF
<b>ITEM:</b> EDA Revolving Loan Request	<b>DEPARTMENT:</b> Economic Development		
<b>AGENDA SECTION:</b>	<b>AMOUNT:</b>		
<b>ATTACHMENTS:</b> <input type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION <input type="checkbox"/> OTHER (See Summary) <input checked="" type="checkbox"/> SUPPORTING DOCUMENTS	<b>DATE:</b> February 27, 2018		
<b>SUMMARY HIGHLIGHTS:</b>			
<p>Duane and Jennifer Smith are requesting a loan to purchase the Family Table Restaurant at 1724 E. Grove Ave. The purchase price is \$40,000.00 and the Smiths are requesting \$15,000 for working capital and to purchase additional equipment. They will have \$14,000 to put into this purchase. See attached documents.</p> <p>The Revolving Loan Committee is recommending approval of this loan with the follow stipulations.</p> <p>Loan Amount: \$55,000.00  Term: 7 years  Interest: 4%  Collateral: Lien on contract for 1500 Eater Drive - funds to be applied to the loan  \$6,000 to be Escrowed before Village loan is advanced  Security Agreement and 1st lien position on equipment  Personal Guaranty from the Smiths</p>			
<b>RECOMMENDED ACTION:</b> Approve the loan to Mr. and Mrs. Smith			
<b>DEPARTMENT HEAD APPROVAL</b> 		<b>VILLAGE ADMINISTRATOR</b> 	
<b>AGENDA PAGE NUMBER:</b>			

DATE: 2.22.18

Borrower: Duane & Jennifer Smith

Loan Amount: \$55,000

Term: 7 years

Rate: 4%

Collateral: furniture, fixtures, equipment

The Smiths propose to purchase the Family Table Restaurant, located in the ~~Eastgate~~ Mall at 1724 E. Grove Avenue, which opened in early 2013. The purchase price of the restaurant and its equipment, furniture, fixtures is \$40,000 and the borrowers are requesting an additional \$15,000 for working capital and some additional equipment. They plan to have \$14,000 from a tax refund, bonus and family gift as additional cash on hand.

Loan Repayment: Loan payments total \$9,180/year. The current business had a net income of \$30,686 in 2015 and \$29,680 in 2016. Mr. Smith earns a salary of \$71,459 in 2017 at Aramark Uniform Services and will continue his job. Mrs. Smith will be a full-time employee of the restaurant.

The Smiths will be adding both liquor sales and gaming machines, projected to add an additional \$2500-6000/month in net sales. They project that adding a salad bar and other menu changes will increase sales as well.

Collateral: The restaurant leases its space. Collateral will consist of restaurant equipment and furniture/fixtures, with an original purchase price of \$49,000. Discounting this 50% leaves the loan mostly unsecured, so the Village will be relying on restaurant income and other employment income from the Smiths for repayment.

Job creation/retention: The business currently employs 10 people and the Smiths plan to add more staff as sales increase. The EDA loan fund requires a minimum of 1 job created or retained for each \$30,000 loaned.

Summary:

We have always dreamed of owning a family restaurant and the opportunity has arisen to fulfill that dream. We both have restaurant and food management/handling experience. We would employ initially 10-20 people that we personally know to be highly regarded in their fields to help run and maintain the success of the restaurant.

Opportunity:

We, Duane and Jennifer Smith, are seeking financial assistance with opening an already existing restaurant under new management. The purchase would be of restaurant equipment and all other items being currently used and known as "Family Table" in Rantoul, Illinois located at 1724 E. Grove Avenue.

Sellers would like to have completed by 2/25/2018.

Rantoul has a population of approximately 12,000 people and it is currently underserved in the sit down restaurant area. It has a need for an affordable yet tasty place to sit down and eat comparable to the Champaign restaurants without the higher costs. We would be targeting not only the Rantoul population but also the other feeder towns in the area along with the local rural customers. Currently Rantoul has only one other comparable restaurant in town the Red Wheel located on Broadmeadow Rd at the other end of town.

Our plans to take over the restaurant also include the following:

Menu changes, addition of salad bar and consistent dessert options

Requesting of a liquor license with the city and county

Requesting of a gaming license with the city and state

Major changes in management and staff

Advertising and specific marketing in the area

Atmosphere/décor changes (nothing major at this time)

We initially will have 10-20 employees (mostly family as it is currently run to maximize profits) and add additional employees as business grows.

Financial Plan and Projections:

Requesting loan of \$55,000 to purchase business inclusions and have \$15,000 towards licenses, salad bar purchase and business operation.

The purchase includes approximately \$49,000 in equipment.

Average monthly expenses are currently at the following rates

Rental of the storefront \$2000.00

Electricity and water \$1300.00

Gas \$450.00

Trash \$180.00

Insurance \$500.00 (includes work comp and liability)

Phone, tv and wifi \$105.00

2015 Gross Receipts were \$271, 994.00 and Net Profit was \$30,686.00

2016 Gross Receipts were \$255, 550.00 and Net Profit was \$29,680.00

2017 Tax year is not available at this time.

As the business stands now without modifications we anticipate sales to be at minimum over \$21,000 a month. Adding the gaming machines will add an additional average of \$2,500-\$6,000 a month based on the state and local averages. Making the menu changes and adding the salad bar will also increase profits by an estimated \$1,500-\$3,000 a month. This is an expectation of an increased total sales of \$48,000-\$108,000 a year. The menu changes and dessert options along with fresher consistent ingredients will increase total sales as well. Obviously with these additions and changes utilities and food costs will also increase however will be covered multiple times over by the increased profits.

#### Duane & Jennifer Smith Financials and other information

Duane's 2017 earnings were \$71,459. As his territorial district continues to grow he is expected to make even higher earnings in 2018 with additional bonuses. He will continue to work with Aramark as the business is created and beyond. At this time Duane is expected to receive a bonus over \$7000 in April 2018 which after taxes can be used towards payment.

Jennifer's 2017 earnings were \$5394 at the preschool, \$3420 at the restaurant and approx \$2800 substitute teaching, crafting and doing other side jobs helping others in the community. Jennifer will become full time employed with the new business venture increasing her total income as well in 2018. As stated before Jennifer's father is providing \$3000 cash towards a down payment.

For 25 years Duane and Jennifer have banked with Vermilion Valley Bank in Piper City, Illinois. During this time they have had ongoing personal, vehicle and mortgage loans. Everything has been paid on time and directly debited from the account however the bank does not provide updates to the credit bureaus otherwise credit scores would be drastically higher.

Duane is an RTHS graduate and has been a resident of Rantoul for over 35 years and is a United States Army veteran. Jennifer is a lifelong resident of Rantoul. Both of their children Devin and Jordan Smith graduated from RTHS and were recognized for their academic and athletic successes. Jordan continues to live and work in Rantoul. She too will become a full time employee of the new business.

Duane and Jennifer have residential properties in Rantoul as well.

528 E Grove Avenue- primary residence

1500 Eater Drive- currently under a rent to own land contract sale expected close date July 1, 2018 and any monies made at the time will go towards loan repayment.

Both properties do have equity in them.

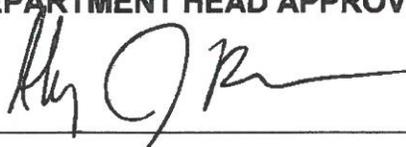
Duane and Jennifer are fully vested and well respected in the community and would be honored to bring another positive change to the townsmen, community and it's reputation.

Item	Age	# inventory	cost	total asset	replacement cost
tables		48	250	12000	
chairs		83	60	4980	
booths		16	400	6400	
stools		9	37	333	
misc utensils/knives			800	800	
stoves	5	2	800	1600	
double fryer	5	1	1200	1200	
grill	5	1	2200	2200	
backup grill		1	600	600	
steam table	5	1	600	600	
soup warmer	4	1	110	110	
microwave	3	2	285	570	
prep table	4	3	600	1800	
salad cooler		1	2200	2200	
prep cooler		1	1800	1800	
standard cooler		1	1300	1300	
dessert display		1	1200	1200	
ice cream freezer		1	300	300	
stainless steel shelving		13	100	1300	
upright freezer		1	800	800	
dishes			1500	1500	
silverware			200	200	
glasses/cups			100	100	
pots/pans			1500	1500	
table top containers			660	660	
high chairs		5	30	150	
boosters		4	40	120	
tv		1	300	300	
lighting sconces			500	500	
floor buffer		1	250	250	
dish carts		4	100	400	
décor			380	380	
cash register					
timeclock					
food inventory					
total assets				48153	

**BOARD OF TRUSTEES  
VILLAGE OF RANTOUL**

AGENDA ITEM

PAGE \_\_\_\_\_ OF \_\_\_\_\_

<b>ITEM:</b> Replacement of In-Squad Computers (MDC's)	<b>DEPARTMENT:</b> <b>Police</b>
<b>AGENDA SECTION:</b>	<b>AMOUNT:</b> <b>\$34,967.00</b>
<b>ATTACHMENTS:</b> <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Supporting Documents	<b>DATE:</b> <b>February 28, 2018</b>
<b>SUMMARY HIGHLIGHTS:</b>	
<p>The police department is requesting approval to purchase eight (8) Panasonic CF-31 Toughbooks for in-squad use. The current State of Illinois bid for these computers is through CDS Office Technologies. The bid price includes the cost of the computers, an extended two year "no-fault" warranty, and new antennas. The total bid for eight computers is \$34,967.00.</p> <p>The eight new computers will replace existing Panasonic CF-31 computers that were purchased in 2013. The five year extended warranty has expired on these computers and any repairs will be costly. Recently, one computer screen failed and the repair cost was \$2000.00. Purchasing CF-31 computers will also allow the police department to use existing docks and not require purchase of new docks (saving approximately \$850.00 each).</p> <p>During FY18, money was budgeted for the purchase of five new computers. With the savings on the mounts, the police department is requesting to purchase three additional computers. With the replacement of eight computers during this fiscal year, it will reduce the number of computers needed for full replacement in FY19 to two computers.</p>	
<b>RECOMMENDED ACTION:</b>	
<b>DEPARTMENT HEAD APPROVAL</b> 	<b>VILLAGE ADMINISTRATOR</b> 



**CDS Office Technologies**  
 612 South Dirksen Parkway  
 Springfield, Illinois 62703  
 United States  
 (P) 217-541-3410

**Order #** (Open)

**Date**  
 Feb 28, 2018 02:45 PM  
 CST

**Modified Date**  
 Feb 28, 2018 02:46 PM  
 CST

**Doc #**  
 476749 - rev 1 of 1

**Description**  
 (8) TB 31 Public Sector Premium Solution, (8) Antennas

**SalesRep**  
 Boyd, Crystal  
 (P) 217-541-3410

**Customer Contact**  
 Bouse, Justin  
 (P) 217-893-5647  
 jbouse@village.rantoul.il.us

**Customer**  
 RANTOUL POLICE  
 DEPARTMENT (7758)  
 Bouse, Justin  
 109 E GROVE STREET  
 RANTOUL, IL 61866  
 United States  
 (P) 217-893-0988

**Bill To**  
 RANTOUL POLICE DEPARTMENT  
 Brown, Tony  
 109 E GROVE STREET  
 RANTOUL, IL 61866  
 United States  
 (P) 217-893-5602  
 tbrown@village.rantoul.il.us

**Ship To**  
 RANTOUL POLICE DEPARTMENT  
 Brown, Tony  
 109 E GROVE STREET  
 RANTOUL, IL 61866  
 United States  
 (P) 217-893-5602  
 tbrown@village.rantoul.il.us

**Customer PO:**

**Terms:**  
 Undefined

**Ship Via:**  
 UPS Ground

**Special Instructions:**  
 DROP SHIP

**Carrier Account #:**

#	Description	Part #	Qty	Unit Price	Total
<b>State of Illinois Master Contract CMS5848520</b>					
1	Public Sector Toughbook 31 Premium Public Sector Specific - Premium, Win10 Pro COA, Intel Core i5-5300U 2.30GHz, vPro, 13.1" XGA Touch, 8GB(4+4), 256GB SSD, Intel WiFi a/b/g/n/ac, TPM, Bluetooth, Dual Pass (Upper:WWAN/Lower:Selectable), 4G LTE Multi Carrier (EM7355), GPS, Webcam, Note: Emissive Backlit Keyboard, No DVD Drive, Toughbook Preferred, 3 Year Public Sector Service and Support Package	CF-3113-00VM	8	\$3,674.00	\$29,392.00
2	Panasonic Public Sector Service Package Extended service agreement - parts and labor - 2 years (4th/5th year) - must be purchased in conjunction with PS bundle base unit	CF-SVCPSY5	8	\$586.00	\$4,688.00
3	Antenna Plus / Airgain - 4G LTE, GPS Black Antenna with TNC Connectors and Coax Cable	AP-CG-Q-S11-BL	8	\$105.00	\$840.00

Subtotal: \$34,920.00  
 Tax (0.000%): \$0.00  
 Shipping: \$47.00  
**Total: \$34,967.00**

CDS Office Technologies disclaims any responsibility for product information and products described on this site. Some product information may be confusing without additional explanation. All product information, including prices, features, and availability, is subject to change without notice. Applicable taxes & shipping may be added to the final order. All returns must be accompanied by original invoice and authorized RMA number within 30 days of invoice date and are subject to a 15% restocking fee. Due to manufacturer restrictions, Panasonic items are not eligible for return. Late fees may apply to payments past 30 days from invoice date. Please contact your sales representative if you have any questions.

**ORDINANCE NO. 2564**

**AN ORDINANCE  
AMENDING CHAPTER 40 OF THE RANTOUL CODE BY REVISING  
SECTION 40-90 AND BY ADDING A NEW SECTION 40-90.5 IN CONNECTION  
WITH ESTABLISHING A PROCEDURE TO CHALLENGE A UTILITY BILL**

**VILLAGE OF RANTOUL  
CHAMPAIGN COUNTY, ILLINOIS**

**CERTIFICATE OF PUBLICATION**

Published in pamphlet form this 13th day of March, 2018, by authority of the President and Board of Trustees of the Village of Rantoul, Champaign County, Illinois.

---

Village Clerk

**ORDINANCE NO. 2564**

**AN ORDINANCE  
AMENDING CHAPTER 40 OF THE RANTOUL CODE BY REVISING  
SECTION 40-90 AND BY ADDING A NEW SECTION 40-90.5 IN CONNECTION  
WITH ESTABLISHING A PROCEDURE TO CHALLENGE A UTILITY BILL**

**WHEREAS**, in connection with the participation of the Village of Rantoul, Champaign County, Illinois (the “**Village**”) in the Local Debt Recovery Program with the Illinois Office of the Comptroller, the Village now finds it necessary, desirable and in the best interests of the Village to establish a notice and appeal procedure for a customer to challenge a utility bill.

**NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND THE BOARD OF TRUSTEES OF THE VILLAGE OF RANTOUL, ILLINOIS**, as follows:

**Section 1. Adoption.** Article II, entitled “UTILITY SERVICE RULES AND REGULATIONS”, of Chapter 40, entitled “UTILITY SERVICES”, of the Rantoul Code, as supplemented and amended, be and the same is hereby further supplemented and amended by revising Section 40-90, entitled “Nonpayment of bills” and adding a new Section 40-90.5, to be entitled “Right of customer to challenge bill” to provide as set forth in the title, headings and text thereof as attached hereto and hereby incorporated herein by this reference thereto.

**Section 2. Effective Date.** The provisions of this Ordinance shall become effective immediately following its passage, approval and publication as required by law.

**Section 3. Conflict.** All other ordinances or parts of ordinances which are in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby superseded.

**Section 4. Publication.** The Village Clerk is hereby authorized and directed to cause this Ordinance to be published in pamphlet form.

This ordinance is hereby passed, the “ayes” and “nays” being called, by the concurrence of a majority of the members of the Corporate Authorities then holding office at a special meeting on the date set forth below.

**PASSED** this 13th day of March, 2018.

---

Village Clerk

**APPROVED** this 13th day of March, 2018.

---

Village President

**Sec. 40-90. - Nonpayment of bills.**

- (a) A late charge of ten percent will be added to each customer's bill not paid within 20 days from date of issuance. Such late payment charge shall be applied only to the current month's bill after all current payments, credits and refunds have been applied and shall not be applied to any other unpaid late payment charge. Where joint billing of all provided utility service is used, the late payment charge shall be applied to the combined total current bill.
- (b) If payment of the full amount of any such bill is not made within such 20-day period, the bill shall become delinquent and a customer shall be advised by notice that:
  - (1) If there is a discrepancy with the bill, the customer may request a meeting with the village comptroller to challenge the existence, amount or current collectability of a bill in accordance with Section 40-90.5 below;
  - (2) If payment is not received in full by the village, the utility service may be disconnected ten days following the date of such notice;
  - (3) If payment is not received in full by the village, the village may utilize the Local Government Debt Recovery Program of the Illinois Office of the Comptroller to collect debts owed to the village from persons receiving payments from the State of Illinois under the Comptroller's Offset System; and
  - (4) If payment for any water service or wastewater service is not paid in full, a lien may be created on the premises in accordance with the laws of the state.
- (c) The notice under this section shall be sent either by regular mail, by personal delivery or by posting it at the front door of the customer's premises that received the utility service.

**Sec. 40-90.5. – Right of customer to challenge bill.**

- (a) If a customer believes a discrepancy exists in connection with a bill, any such customer shall have the right to challenge the existence, amount or current collectability of a bill by filing with the office of the village comptroller within 20 days of the date of the issuance of such bill a written request to meet with the village comptroller to consider such challenge. At such meeting or as soon as practical after the facts become known, the village comptroller shall make an administrative decision on the merits of the challenge based upon the facts determined upon investigation or otherwise presented, and shall provide the result of such administrative decision in writing to the customer by certified mail, return receipt requested. If the decision is adverse to the customer, the customer shall have the right to institute an action under and in accordance with the Administrative Review Law (735 ILCS 5/3-101 et seq.) for judicial review of the resulting administrative decision of the village comptroller.
- (b) During any period while any such challenge or judicial review is pending, no delinquency, late payment charge, disconnection or lien shall be imposed. Once the administrative decision of the village comptroller or any subsequent judicial review, if applicable, becomes final, the customer shall be given written notice in accordance with Sec. 40-90(c) that such customer has 10 days following the date of such notice to pay the bill in full before such bill becomes delinquent.

**ORDINANCE NO. 2565**

**AN ORDINANCE  
ADOPTING A REVISED LICENSE,  
PERMIT AND SERVICE FEES AND ADMINISTRATIVE PENALTIES SCHEDULE**

**VILLAGE OF RANTOUL  
CHAMPAIGN COUNTY, ILLINOIS**

**CERTIFICATE OF PUBLICATION**

Published in pamphlet form this 13th day of March, 2018, by authority of the President and Board of Trustees of the Village of Rantoul, Champaign County, Illinois.

---

Village Clerk

**ORDINANCE NO. 2565**

**AN ORDINANCE  
ADOPTING A REVISED LICENSE,  
PERMIT AND SERVICE FEES AND ADMINISTRATIVE PENALTIES SCHEDULE**

**WHEREAS**, under and pursuant to Ordinance No. 2474, passed and approved on April 12, 2016, the President and Board of Trustees (the “**Corporate Authorities**”) of the Village of Rantoul, Champaign County, Illinois (the “**Village**”) adopted, enacted and subsequently revised a License and Permit Fee and Administrative Penalty Schedule to establish the amount of the fee for certain licenses and permits, service fees and the administrative penalty for certain violations under various provisions of the Rantoul Code (the “**Code**”); and

**WHEREAS**, it now becomes necessary and desirable to amend such License, Permit and Service Fees and Administrative Penalties Schedule by revising the fees for retail licenses and temporary permits to sell alcoholic beverages, as attached hereto and made a part hereof.

**NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF RANTOUL, CHAMPAIGN COUNTY, ILLINOIS**, as follows:

**Section 1. Adoption of Schedule.** The License, Permit and Service Fees and Administrative Penalties Schedule (Revised 3-2018) be and the same is hereby adopted and enacted.

**Section 2. Publication.** The Village Clerk is hereby authorized and directed to cause this Ordinance to be published in pamphlet form.

This Ordinance is hereby passed, the “ayes” and “nays” being called, by the concurrence of a majority of the members of the Corporate Authorities then holding office on the date set forth below.

**PASSED** this 13th day of March, 2018.

\_\_\_\_\_  
Village Clerk

**APPROVED** this 13th day of March, 2018.

\_\_\_\_\_  
Village President

**LICENSE, PERMIT AND SERVICE FEES AND ADMINISTRATIVE PENALTIES**  
**SCHEDULE**  
**(Revised 3-2018)**

Section	Description	Fee Amount
Chapter 4 – Alcoholic Beverages		
Retail Licenses		
4-27	Registration fee for limited license classification	\$100.00
4-28	Application fee for license	\$250.00
4-31(1)c	Class A, general retail license, per year	\$2,100.00
4-31(2)d	Class C, club license, per year	\$1,050.00
4-31(3)e	Class GC, golf course license, per year	\$2,100.00
4-31(4)c	Class H/M, hotel/motel license, per year	\$1,050.00
4-31(5)e	Class P-1, package liquor license, per year	\$2,100.00
4-31(6)f	Class P-2, package beer and wine license, per year	\$1,575.00
4-31(7)g	Class R, restaurant license, per year	\$1,575.00
	In addition to the license fees set forth above, any licensee who desires to engage in video gaming as a “Licensed establishment”, “Licensed fraternal establishment” or “Licensed veterans establishment” under the Video Gaming Act (230 ILCS 40/1 et seq.) of the State of Illinois shall also pay a license fee for each video gaming terminal, per year	\$50.00
4-32	Lapsed certificate of insurance fee	\$250.00
Temporary Permits		
4-63(1)d	Class T-1 permit, per permit	\$52.50
4-63(2)d	Class T-2 permit, per permit	\$52.50
4-63(3)d	Class T-3 permit, per permit	\$52.50
4-63(4)d	Class T-4 permit, per permit	\$157.50
4-63(5)d	Class T-5 permit, per permit	\$157.50
Chapter 6 – Amusements		
6-134(b)	Place of entertainment license application fee	\$100.00
6-178	Raffle license application fee:	
	For any license for one raffle, the following applicable amount:	
	Where the aggregate retail value of all prizes given is \$1,000 and below	\$5.00
	Where the aggregate retail value of all prizes given is more than \$1,000	\$10.00
	For any license for a specified number of raffles to be conducted during a specified period not to exceed one year, the following applicable amount:	
	Where the aggregate retail value of all prizes given is \$1,000 and below	\$50.00

	Where the aggregate retail value of all prizes given is more than \$1,000	\$75.00
Chapter 8 – Animals		
8-160(a)	Redemption of impounded animal:	
	General impoundment fee	\$50.00
	Plus, daily impoundment fee, per day or partial day	\$10.00
8-225	Small animal shop license	\$25.00
Chapter 10 – Buildings and Building Regulations		
10-5	The fee for each permit as required by any provision of this Chapter shall be paid in advance of the issuance of any such permit in accordance with the following schedule:	
	Building Code permits	
	New Construction (including additions, but excepting one- and two-family dwellings), per \$1,000.00 of construction costs	\$1.50
	Tower	\$75.00
	Deck	\$25.00
	Fence	\$15.00
	Sign, per \$1,000.00 of estimated costs but not less than \$30.00	\$10.00
	Demolition:	
	Any building or structure except one- and two-family dwellings and detached garages and sheds, per \$1,000.00 of estimated costs but not less than \$35.00	\$5.00
	Any one- and two-family dwelling	\$35.00
	Any detached garage or shed	\$15.00
	Moving (when not crossing or occupying any public street, alley or right-of-way)	\$50.00
	Automatic fire extinguishing system, fire pumps and related equipment, per \$1,000.00 of estimated costs but not less than \$100.00	\$5.00
	Plan review fees (for all new construction, including additions):	
	Construction costs(\$)	
	0.00—9,000.00	\$0.00
	10,000.00—49,000.00	\$50.00
	50,000.00—174,999.00	\$100.00
	175,000.00 plus, per \$1,000.00 of construction costs	\$1.50
	Sprinkler system review fee	\$50.00
	Residential Code permits	
	New Construction	
	2,200 square feet or less	\$175.00
	2,201 square feet or more	\$250.00
	Additions, alterations, renovations	

	Per inspection, but not less than \$45.00	\$15.00
	Disability Accessibility Projects	\$25.00
	Plan review fee	\$50.00
	Sprinkler system review fee	\$50.00
	Mechanical Code and fuel gas permits	
	One- and two-family residential, per fixture	\$25.00
	All (except one- and two-family residential), per \$1,000.00 of the estimated cost per fixture	\$2.00
	Electrical permits	
	One- and Two-Family Residential:	
	Service Installations:	
	Single meter	\$5.00
	Each additional meter	\$1.00
	Outlets and/or Fixtures:	
	New Building Construction	
	First 40 outlets and/or fixtures	\$10.00
	Each additional 40 outlets and/or fixtures	\$10.00
	Alterations to existing installations:	
	First 3 outlets and/or fixtures	No charge
	Four to ten outlets and/or fixtures	\$3.00
	Each additional 20 outlets and/or fixtures	\$1.00
	To move service	\$12.00
	Air conditioners	\$7.50
	All (except one- and two-family residential):	
	Service Installations:	
	100 amp service	\$10.00
	200 amp service	\$25.00
	400 amp service	\$50.00
	Each additional 100 amp above 400, per 100 amp	\$20.00
	Outlets and/or fixtures	
	First 20 outlets and/or fixtures	\$5.00
	Each additional 20 outlets and/or fixtures	\$10.00
	Alterations to Existing Buildings:	
	First 20 outlets and/or fixtures	\$5.00
	Each additional 20 outlets and/or fixtures	\$10.00
	To move service	\$12.00
	Motors and/or heating up to ten h.p.	\$5.00
	Each additional 10 h.p.	\$.50
	(Each KW of heating shall be considered 1 h.p.)	
	Signs (Exterior Only), per \$1,000 of the estimated cost, with a minimum of \$30.00 per sign	\$10.00
	Plumbing Permits (Under Building Code), per plumbing fixture	\$4.00
	Plus an inspection fee for all openings as follows:	
	1 to 10 openings	\$10.00
	11 to 20 openings	\$15.00

	21 to 30 openings	\$20.00
	31 to 40 openings	\$30.00
	41 and over	\$35.00
	Fire Prevention Code Permits	
	Storage of Compressed Gases, Flammable and Combustible Liquids, Hazardous Materials and LP-Gas:	
	Tanks containing 2,000 water gallons and less	\$100.00
	Tanks containing more than 2,000 water gallons	\$200.00
	Installation, Construction or Alteration of Equipment Used to Store, Dispense or Use Compressed Gases, Flammable and Combustible Liquids, Hazardous Materials and LP-Gas	\$15.00
	Silviculture or Range or Wildlife Management Practices, Prevention or Control of Disease or Pests, or a Bonfire	\$30.00
	Moving Permit (across any public street, alley or right-of-way)	\$50.00
	Work Without a Permit:	
	For any work or use commenced without a permit for which a permit is required, an additional fee of \$100.00 shall apply in addition to the regularly prescribed fee	
10-54(4)	Mechanical contractor license application fee	\$50.00
10-55	Annual registration fee for mechanical contractor licensed in another city	\$50.00
10-57	Mechanical contractor license annual renewal fee	\$50.00
10-79(4)	Electrical contractor license application fee, all types	\$50.00
10-80	Electrical contractor annual registration fee	\$50.00
10-82	Electrical contractor annual license renewal fee:	\$50.00
	General electrical contractor	\$50.00
	Maintenance electrical contractor	\$25.00
10-414	Fees for each registration or reinspection of rental residential premises:	
	Each Registration Statement, per dwelling or condominium unit	\$40.00
	Each late registration statement	\$100.00
	Each failure to appear for or cancel a scheduled inspection or reinspection	\$100.00
	Each reinspection	\$100.00
10-504	Mobile Home Park License, per Mobile Home Site	\$25.00
10-513	Certificate of Occupancy-Mobile Home	\$40.00
	As used in this Schedule for Chapter 10:	
	Construction costs shall be calculated by multiplying the gross square footage of any new building, structure or addition by the most recent square foot construction cost as revised and published from time to time in the <u>Building Safety Journal</u> by the International Code Council	
	Estimated costs shall be calculated by totaling the cost of all services, labor, materials, equipment, scaffolding and any other appliances or devices entering into and necessary to the prosecution	

	and completion of the installation or the work ready for occupancy; provided that the cost of excavation or grading, and of painting, decorating or other work that is merely for embellishment and not otherwise necessary for the safe and lawful use is not deemed a part of such installation or work	
	Plumbing fixtures includes any opening in plumbing systems for fixtures or for waste or ventilation pipes regardless of whether an actual fixture is set or not	
Chapter 12 – Business Regulation		
12-54(b)	Motel license fee, annually per room	\$5.00
Chapter 16 – Fire Protection and Prevention		
	Fee for responding to a call outside the corporate limits of the Village without a contract for fire service:	
	Vehicle charge per vehicle per hour or fraction thereof	\$250.00
	Personnel charge per hour or fraction thereof per responding firefighter	\$70.00
	Other charge for any special equipment used in connection with response	Actual cost
Chapter 26 – Solicitors and Transient Merchants		
26-23(b)	Application fee for registration to act as a solicitor within the Village	\$10.00
26-49	Application fee for license to engage in business or occupation of transient merchant	\$100.00
Chapter 28 – Solid Waste		
28-59	Waste hauler license, annually	\$250.00
28-59	Collection vehicle inspection permit, annually	\$50.00
Chapter 38 – Traffic		
38-258(b)	Application to operate as a relocater	\$100.00
Chapter 44 – Vehicles for Hire		
44-46(a)	Annual license fee for each taxicab	\$10.00
44-6(b)	Transfer fee for transfer of registration from one vehicle to another	\$10.00
44-135	Taxicab driver’s license, annually	\$10.00
Chapter 46 -- Zoning		
46-237(b)(7)	Sign application for special use	\$50.00
	Plus, publication cost	
46-298(d)	Certificates of occupancy	
	Original	\$5.00
	Each copy	\$2.00
46-301	Application for amendment, special use or variance	\$50.00

46-302	Sign permit application	\$25.00
46-329(6)c.4.	Fee in lieu of planting	
	Large canopy tree	\$500.00
	Ornamental tree	\$300.00
	Evergreen	\$300.00
	Shrub	\$75.00
	Ornamental grass	\$30.00
	Perennial	\$30.00

**ORDINANCE NO. 2566**

**AN ORDINANCE  
AUTHORIZING AND APPROVING A CONTRACT FOR THE SALE  
OF REAL ESTATE OWNED BY THE VILLAGE OF RANTOUL, ILLINOIS  
(735, 801 and 909 Pacesetter Drive)**

**WHEREAS**, the Village of Rantoul, Champaign County, Illinois (the “**Village**”) is the owner of certain parcels of real estate commonly known as 735, 801 and 909 Pacesetter Drive, Rantoul, Illinois, which are more particularly depicted on Exhibit A attached hereto and incorporated herein by this reference thereto (the “**Real Estate**”); and

**WHEREAS**, the President and Board of Trustees (the “**Corporate Authorities**”) of the Village has determined that it is necessary, desirable and in the best interests of the Village to sell the Real Estate; and

**WHEREAS**, there has been presented to and there is now before the meeting of the Corporate Authorities at which this Ordinance is adopted the form of a Contract For Sale of Real Estate by and between the Village, as Seller, and John Van Der Velde, as Buyer (the “**Buyer**”), under and by which such Buyer has agreed to purchase the Real Estate for \$3,400,000.00 (the “**Contract**”).

**NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF RANTOUL, CHAMPAIGN COUNTY, ILLINOIS**, as follows:

**Section 1.** That the Contract, including the terms thereof as set forth in the form of such Contract as presented to and now before the meeting of the Corporate Authorities at which this Ordinance is adopted, be and the same is hereby authorized and approved.

**Section 2.** That for and on behalf of the Village, the Village President is hereby authorized to execute and deliver the Contract and the Village Clerk is hereby authorized to attest such execution of the Contract, with such changes and revisions in the form of such Contract as may be approved by the Village President, such execution or acceptance thereof, as the case may be, to constitute conclusive evidence of such approval of any and all such changes or revisions therein from the form of the Contract as presented to and now before the meeting of the Corporate Authorities at which this Ordinance is adopted.

**Section 3.** That the conveyance of the Real Estate is hereby authorized to be made to the Buyer upon full and complete performance by the Buyer of its obligations under the Contract, the Corporate Authorities hereby expressly finding that the Real Estate is no longer necessary for, useful to, or in the best interests of the Village to retain.

**Section 4.** That all actions of the officers, employees and agents of the Village heretofore taken in connection with the Contract and such conveyance of the Real Estate are hereby ratified, confirmed and approved.

**Section 5.** That from and after the effective date of this Ordinance, the proper officers, employees and agents of the Village are hereby authorized, empowered and directed to do all such acts and things and to execute and deliver all such supplemental documents and instruments as may be necessary to accomplish the purposes of the Contract and this Ordinance in accordance with the respective terms, conditions and undertakings thereof, including the execution, acceptance, delivery, and recordation of agreements, deeds, and other instruments pertaining to the conveyance of the Real Estate in connection with the Contract.

This Ordinance is hereby passed, the “ayes” and “nays” being called, by a majority of the Corporate Authorities then holding office at a regular meeting on the date set forth below.

**PASSED** this 13th day of March, 2018.

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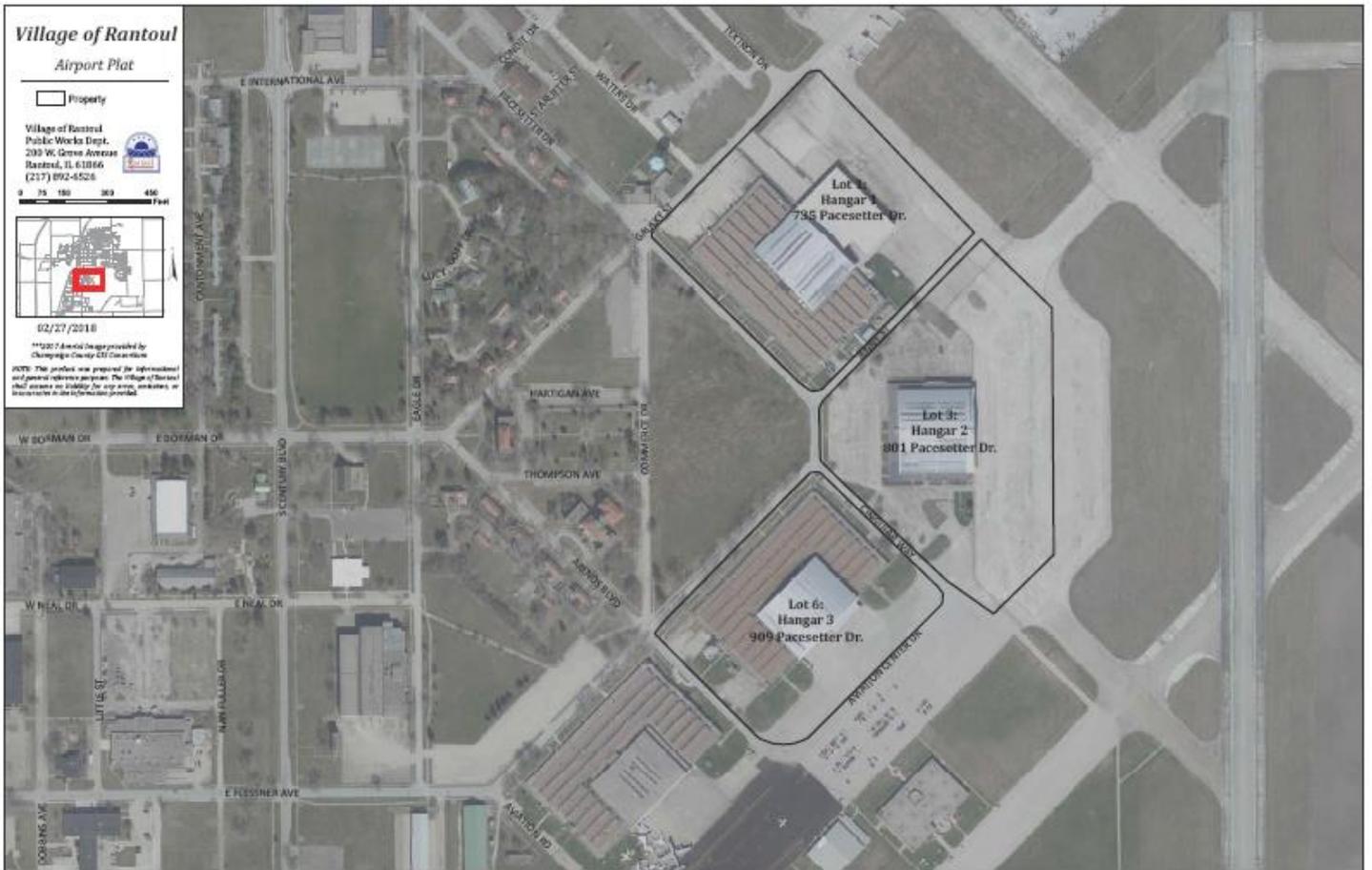
Village Clerk

**APPROVED** this 13th day of March, 2018.

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Village President

# EXHIBIT A





Richard S. Snider  
Village Administrator

333 S. Tanner Street  
Rantoul, IL 61866

Phone 217.892.6801

## INTEROFFICE MEMORANDUM

To: Honorable Mayor and Trustees

CC: Michael P. Graham, Village Clerk  
Kenneth Beth, Village Attorney  
Janet Gray, Deputy Village Clerk

From: Rick Snider 

Date: 4 March 2018

Subject: IPBC Withdrawal Resolution

In accordance with the Rules of Order for the Village of Rantoul Board of Trustees, I am hereby transmitting to the Village Board a discussion of the attached resolution for consideration and final approval at the Regular Board Meeting to be held on March 13, 2018.

### NARRATIVE

As you are aware, the Village opted to join the Intergovernmental Personnel Benefits Cooperative (IPBC) in February 2016 as part of a solution to contain its health insurance costs. I have also previously transmitted to you the ongoing issues related to our participation in the Eastern Will Benefit Council (EWBC) sub pool and membership in the Intergovernmental Personnel Benefits Cooperative (IPBC) which are, to wit:

1. Since the initiation of health insurance coverage with IPBC and our insurer, United HealthCare, the Village and its employees have experience a series of serious service lapses that have interfered with the enjoyment of insurance benefits to be provided through our policy; and
2. The Village has accrued a very large terminal liability with IPBC due to a negative claims experience and inadequate service discount rate.

In discussions with our sister communities in the EWBC sub pool, we have determined that the outsized influence of Rantoul among the other entities (Rantoul employees represent approximately 40% of the lives insured in the sub pool) has had a significant, deleterious impact on the reserves of the sub pool. In short, continued participation by the Village in the EWBC is not financially sustainable for either the Village or the other members.

To resolve this situation, the Village and the IPBC Executive Board reached a consensus to move the Village into an individual membership with IPBC to relieve the sub pool and also to provide a more stable platform for the Village's continuing membership in the cooperative. Accordingly, I have asked the Board to adopt the relevant ordinance to accept individual membership. This has already been approved by the IPBC Executive Board.

However, subsequent to these discussions, staff has developed an alternative plan that demonstrates significant financial and service benefits for the Village. These have also been discussed in a memo recently transmitted to the Board. In order to proceed with the alternative plan, it will be required that the Village withdraw from the IPBC cooperative. To effect the changes in their entirety, we must first adopt the ordinance to accept individual membership in IPBC, thus terminating our participation in EWBC, and then adopt a resolution to withdraw from IPBC at the end of the current fiscal year ending on June 30, 2018.

Therefore, we submit the enclosed resolution for your consideration and approval at the March 13, 2018 Board meeting. If you have any questions, please don't hesitate to contact me.

**RESOLUTION NO. 3-18-1253**

**RESOLUTION AUTHORIZING WITHDRAWAL FROM  
INTERGOVERNMENTAL PERSONNEL BENEFIT COOPERATIVE**

WHEREAS, the Village of Rantoul (“**Village**”) is a Member in good standing of the Intergovernmental Personnel Benefit Cooperative (“**IPBC**”) which was created for the purpose of cooperatively administering some or all of the personnel benefits programs offered by its member units of local government; and

WHEREAS, the By-Laws for IPBC in Article XVII states that any Member may withdraw from membership at the end of a fiscal year of IPBC, by giving written notice of such intention to the Chairman of IPBC and the Executive Director and accompanied by this Resolution of the Corporate Authorities (hereinafter the “**IPBC Notice**”), at least ninety (90) days prior to the close of the current fiscal year of the IPBC on June 30, 2018; and

WHEREAS, the Corporate Authorities of the Village hereby direct that notice be given as set forth in Article XVII of the IPBC By-Laws of the Village's intention to withdraw from IPBC as of at the close of the current fiscal year of IPBC ending June 30, 2018.

**NOW THEREFORE, BE IT RESOLVED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF RANTOUL, CHAMPAIGN COUNTY, ILLINOIS**, as follows:

**Section 1.** The President and Board of Trustees hereby find that all of the recitals contained in the preamble to this Resolution are true, correct and complete and are hereby incorporated by reference thereto and made a part hereof.

**Section 2.** The Village hereby withdraws membership from IPBC for the fiscal year ending June 30, 2018 and directs the Village Administrator to send the IPBC Notice in accordance with the requirements set forth in the IPBC By-Laws and further authorizes the Village Administrator to take all appropriate actions to complete such withdrawal.

This Resolution is hereby passed, the “**ayes**” and “**nays**” being called, by the concurrence of a majority of the members of the Corporate Authorities then holding office at a regular meeting held on the date set forth below.

**PASSED** this 13th day of March, 2018.

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Village Clerk

**APPROVED** this 13th day of March, 2018.

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Village President



Richard S. Snider  
Village Administrator

333 S. Tanner Street  
Rantoul, IL 61866

Phone 217.892.6801

## **INTEROFFICE MEMORANDUM**

To: Mayor Charles Smith  
Honorable Trustees

From: Rick Snider  
Pat Chamberlin

Date: March 9, 2018

Subject: Draft Village Budget for Fiscal Year 2019

We are pleased to present for your consideration and acceptance the Village of Rantoul, Illinois fiscal year 2019 governmental budget, beginning May 1, 2018 and ending April 30, 2019. The budget was developed in accordance with Illinois Statutes (50 ILCS 330). The consolidated budget is submitted with revenue of \$8,951,774 and expenditure of \$8,945,124 and complies with relevant Village financial policies. The budgeted revenue is in balance with budgeted expenditure.

The following memo includes an executive summary and overview of the annual budget with detailed information concerning the operational elements of village government.

### **Funds**

The annual budget includes numerous funds under the management of the administration. These funds are used to segregate our financial assets according to the functions and programs supported. In many cases, funds are restricted for use by either policy or statute.

- General Fund (Fund 1). This fund is used to support general government operations and is the primary fund for the Village.
- Special Revenue Funds (200 series). These funds are typically used for the receipt and disbursement of specific revenue streams such as TIF funds, motor fuel taxes, grants, and other income sources that may have policy or statutory restrictions.

- Debt Management and Capital Projects Funds. The Village's debt service and capital projects funds and is where money is allocated for principal and interest payments.
- Proprietary Funds (500 series). These funds involve government-owned enterprises, specifically the various utilities operated by the Village. These include electric, water, wastewater, solid waste, and gas services.
- Internal Service Funds (600 series). These funds are used to allocate the costs of services provided by the Village to other Village departments.

### **Economic Environment**

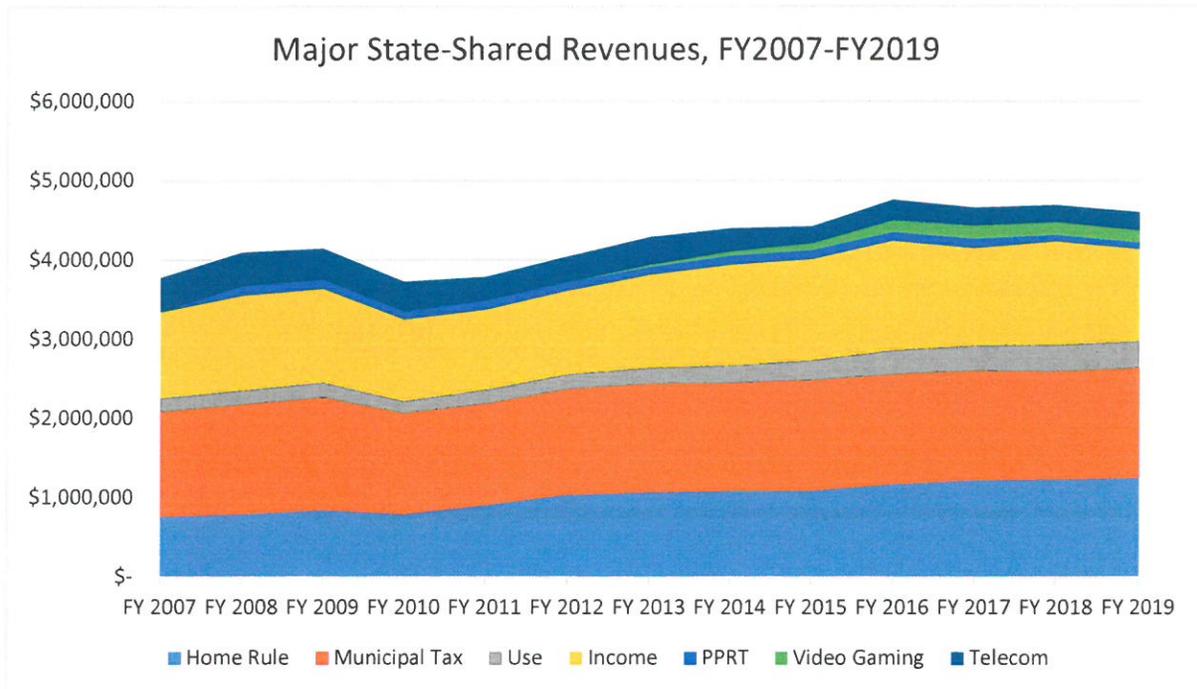
While the national economy has slowly improved over the past several years and has expanded much more quickly in the past year or so, many detrimental factors persist for Illinois local governments. The State lags the rest of the Midwest and the U.S., generating only about 40% of the growth of neighbors, and continues to wrestle with a lack of in-migration (source: "The US, Illinois and Chicago Outlook for 2018," Rick Mattoon, Federal Reserve Bank of Chicago, January 19, 2018). Unfunded mandates arising at the state and federal levels, continued uncertainty in State of Illinois finances, and spiraling increases in employee health care costs are just three examples of challenging issues.

As previously mentioned, general economic indicators are positive. The University of Illinois Flash Index is at 104.6 as of February 2018 (index numbers above 100 indicate expansion; source: <http://igpa.uillinois.edu/page/flash-index-archive>). Illinois' unemployment rate remained unchanged at 4.9% in the same period, representing an encouraging number from a historical perspective yet lagging the national economy (national unemployment is 4.1%). The Champaign-Urbana Metropolitan Statistical Area (of which Rantoul is a part) is leading the rest of the state with unemployment declining to 3.9% in December 2017 (source: Illinois Department of Employment Security, [http://www.ides.illinois.gov/lmi/pages/local\\_area\\_unemployment\\_statistics.aspx](http://www.ides.illinois.gov/lmi/pages/local_area_unemployment_statistics.aspx)). As of January 2018, the Consumer Price Index (CPI-U) has increased 2.1% year-over-year and remains steady (source: <https://www.bls.gov/cpi/>).

### **Revenues and Expenditures**

FY2019 revenue is budgeted at \$8,951,774 and reflects a decrease of \$173,346 or a 1.9% decline over projected FY2018 final revenues of \$9,125,120. Performance of our primary State-shared revenue sources have been relatively anemic with a flattening of sales taxes. Furthermore, the Governor has indicated in his budget message that he intends to seek a continuation of the reduction in income tax distributions through the Local Government Distributive Fund. This reduction was first implemented in FY2018 and cut local government shares of income tax receipts by 10%. It was intended to be in effect for only one year, but

that assurance has obviously gone by the wayside. To add insult to injury, in FY2018 the State was able to accelerate payments to local governments that ameliorated some of the loss by “catching up” on payment delays. This additional lift will not be forthcoming for the next fiscal year and will thus create a negative impact of \$148,251.



The chart above shows the historic performance of several major State-shared revenue sources. In 2007, the Village received \$3,779,731 from these sources; in 2019, it is estimated that these sources will produce \$4,602,099. These results just barely exceed the rate of inflation over the same period. In essence, the Village has had flat revenues from the State for the past twelve years. This situation creates a significant challenge to meet increasing costs for labor, commodities, and services.

Wage growth is placing particularly large pressure on Village finances. Personnel costs including wages and fringe benefits consume approximately two-thirds (68%) of the entire General Fund budget. Wage increases at rates in excess of revenue growth reduce funds available for commodities and services needed to support Village programs and functions. The compensation study conducted and implemented in FY2018 also resulted in significantly larger expenditures for wages in the FY2019 budget.

## FY 2019 Budget Development

In the development of this year's budget, we have been able to eliminate an initial deficit of over \$2.6 million. This has been accomplished through a number of actions to address inadequate revenues:

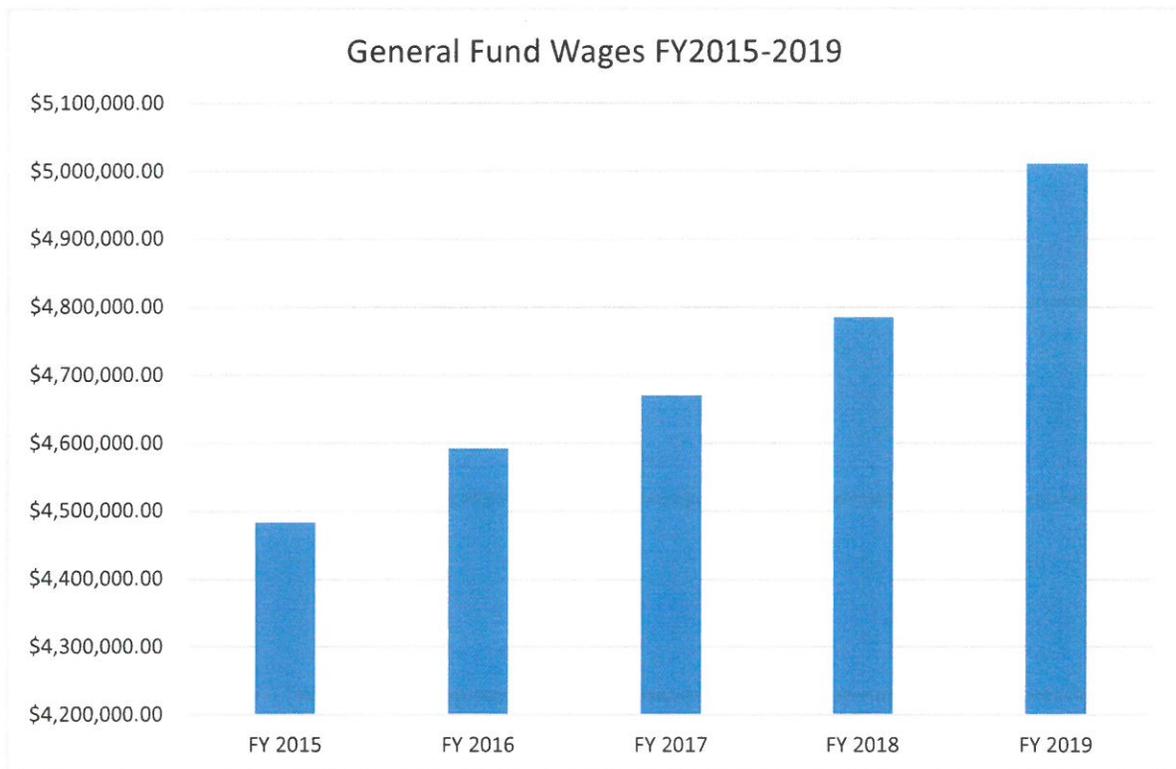
- *Change in health insurance plan.* As has been discussed in previous memos to the Board, the current insurance provider is not a fiscally stable option for the future. The planned change in our plan and provider will stabilize expenses over the next two years and provide an estimated savings of at least \$481,000.
- *Fleet maintenance reorganization and reduction in force.* The current average cost for maintenance of the Village vehicle fleet is over \$4,000 per year per vehicle, many times the industry norms of \$300-1200 per vehicle per year. We are proposing a restructuring of this function and outsourcing common maintenance functions to private vendors, and transfers of personnel to other departments. This will be combined with a proposal to begin leasing vehicles rather than purchasing them to achieve a sustained and regular pattern of investment and improved value recovery from these capital-intensive assets.
- *Implementation of phased increases in employee contributions for single coverage health insurance premiums.* There is a large disparity in contribution rates between those employees selecting single coverage and those selecting spouse or family coverages. Single coverage employees pay 1% (\$7.30 per month) of the premium expense versus 27% for spouse coverage or 33% for family coverage. While it may have been common in the past, today there are few public or private sector employers that offer 100% cost coverage of health insurance premiums. To address this disparity among our employees and to reduce the burden on the Village, we propose that this contribution be raised gradually over six years to 20% for single coverage employees. This allows increases to flow in alignment with annual wage adjustments. No increases are proposed for spouse or family coverage employees. We will also be implementing a new employee opt-out benefit to incentivize use of other coverage options to drop out of the Village-sponsored plan.
- *Wage increase reduction for non-bargaining employees.* We have proposed a modest increase of 2% (versus 4% last year) for non-bargaining employees. This establishes a rough parity with most unionized employees, who will receive increases in the 2% range in FY2019.
- *Deferral of capital expenditures.* Planned purchases of new public safety vehicles including a new platform truck for the fire department, replacement of HVAC systems, recreation equipment, and many other necessary investments have been deferred.
- *Line-by-line budget reviews.* We have worked with department heads to make incremental reductions where possible on commodities and services where they did not seriously affect operations.

## Financial Concerns

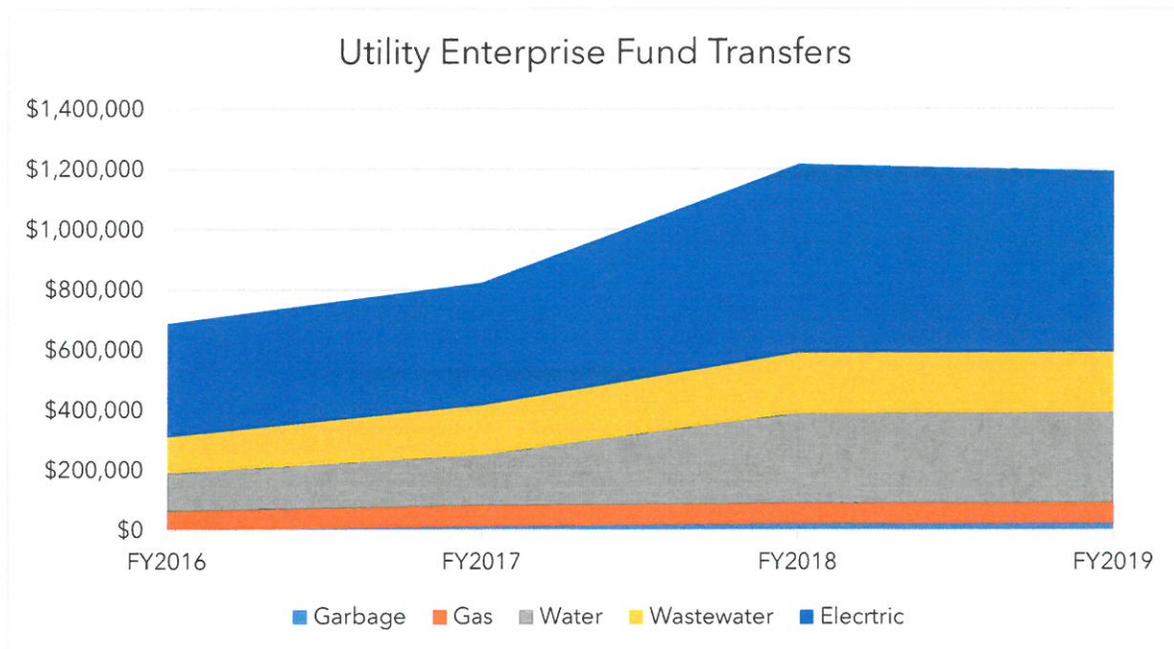
Some issues largely outside the control of the Village could affect finances. While it is difficult to provide precise estimates of the potential impacts, we have highlighted those that are of the greatest concern.

*General Assembly actions.* The ongoing financial wrangling in the General Assembly could result in one of several actions that would be detrimental to revenues. In the past, the state has implemented programs such as the 2% surcharge on certain tax collections processed by the Illinois Department of Revenue, and the 10% reduction in income tax allocations. There have been proposals to freeze property taxes, including any growth in revenues accruing from changes in equalized assessed valuations (EAV). These kinds of actions would be devastating to Village revenues.

*State budget uncertainty.* In recent years, the General Assembly has been unable to adopt a budget in a timely manner. The consequences of a failure to adopt a budget include delays and stoppages in payment streams to local governments. This scenario would require the Village to draw down reserves to continue operations while a resolution to an impasse is negotiated.



*Uncontained wage growth.* The chart above documents how Village wages have grown at a very high rate over the past few years and well above that dictated by inflationary pressures. This was exacerbated by large jumps in salary as called for under last year's compensation study. Wages cannot grow at rates exceeding that for revenues without productivity increases and commensurate reductions in force, or reductions in services delivered by the Village. It is not feasible to continue 3% or larger annual wage factors when revenues are increasing at 2% or less. Without a plan for containing these costs, there is a very real risk of the emergence of a structural budget deficit.



*Utility Transfers.* We have concern over the growth in transfers from our utility enterprise funds to the General Fund. From FY2016 to FY2018, the total transfer has swollen from \$689,255 to \$1,217,910, representing a 76.7% increase in just two years. For FY2019, we propose a slight decrease of 1.9% to provide some relief to the electric fund. While many municipalities utilize enterprise funds to supplement General Fund revenues, the Village must take care and exercise restraint on future transfers to avoid excessive increases in utility rates or possibly underfunding capital and operating needs of the utilities.

*Employee health care costs.* While the Village has successfully achieved a plan to restrain health care premiums for the next two fiscal years, the marketplace for insurance remains turbulent. This is due in no small part to ongoing discussions at the federal level on changes to the Affordable Care Act (ACA) as well as the inability to constrain growth of input costs. While the Village is doing what it can to restrain expenditures, the primary factors influencing costs remain outside of its control.

*Lack of funds for capital improvement and facilities maintenance.* The budget has been balanced without sufficient funding for capital replacement and facilities maintenance. Many projects such as the replacement of the HVAC system at the police station have been deferred indefinitely. The Village has a major investment in its enterprise resource planning (ERP) system to manage its financial and human resource records, purchasing, utility accounting, work orders, and permit issuance. The current system uses antiquated hardware and software technology (AS/400) and would require several hundred thousand dollars for replacement. The Village relies on an aging vehicle collection of 137 sedans, trucks, and specialty equipment to deliver services. At an average age exceeding 14 years for the non-public safety fleet, many units will require replacement soon and an investment of several million dollars. This situation is not sustainable and points to the necessity of developing a long-term financial plan that includes capital asset replacement for vehicles, essential equipment and facilities. The Government Finance Officers Association (GFOA) recommends that such plans be at least five years in scope, longer if possible. It is our intention to address this need for a plan in the coming year.

Since 2012, the Village has issued \$33,470,000 in bonds and has committed a significant portion of its revenue streams for debt service. As those debts are retired, it will be possible to utilize those funds to address ongoing facilities maintenance or put towards capital asset replacement needs. It is essential that the Village considers those needs before allocating any of those revenues to new programs.

*Retirement payouts.* Current Village policy pre-retirement compensation has led to a number of significant benefit-related payouts at the time of retirement that are in excess of legitimately accrued benefits such as annual leave. These payouts are not normally included in budget calculations and place a significant and unexpected strain on department budgets. For example, the recent retirement of an employee resulted in over \$110,000 in penalty assessments to IMRF because of the Village's policy on compensation for departing employees. We believe that changes must be made to these policies to prevent a potential tsunami of retirement benefit expenditures that would threaten the Village treasury.

### **Acknowledgements**

We wish to acknowledge the outstanding cooperation and collaboration among all Village department heads and staff in the preparation of the budget plan. On behalf of our staff, we are pleased to present to you the fiscal year 2019 annual budget for the Village of Rantoul, Illinois.



Richard S. Snider  
Village Administrator



Pat Chamberlin  
Village Comptroller

FY 19 BUDGET INFORMATION

	FY 18 Budget	FY 18 Estimate	FY 19 Budget
<b>REVENUE</b>	9,060,210	9,125,120	8,951,774
<b>Administration</b>			
Personnel Services	182,500	172,000	184,913
Employee Benefits	60,700	51,315	55,130
Purch Professional Service	7,854	7,854	11,807
Purchase Prop Serv	1,192	1,192	1,000
Other Purchased Services	29,200	29,328	19,920
Supplies	600	1,090	650
Property & Equip-Non Fixed	0	6,782	0
Other	500	500	500
	<u>282,546</u>	<u>270,061</u>	<u>273,920</u>
<b>Elected Officials</b>			
Personnel Services	63,300	63,300	63,300
Employee Benefits	9,550	9,550	9,520
Purch Professional Service	43,854	43,854	59,357
Other Purchased Services	40,500	44,319	53,510
Supplies	500	481	700
Other	1,500	1,500	1,500
	<u>159,204</u>	<u>163,004</u>	<u>187,887</u>
<b>Comptroller</b>			
Personnel Services	286,700	324,003	288,170
Employee Benefits	108,600	121,072	116,018
Purch Professional Service	44,660	48,660	35,018
Other Purchased Services	7,050	10,350	8,805
Supplies	5,500	5,500	5,500
Other	0	250	250
	<u>452,510</u>	<u>509,835</u>	<u>453,761</u>
<b>Human Resources</b>			
Personnel Services	55,000	55,089	56,519
Employee Benefits	21,000	20,497	20,096
Purch Professional Service	4,428	5,428	4,175
Other Purchased Services	1,200	3,245	2,890
Supplies	300	650	250
Other	0	0	54
	<u>81,928</u>	<u>84,909</u>	<u>83,984</u>

FY 19 BUDGET INFORMATION

	FY 18 Budget	FY 18 Estimate	FY 19 Budget
<b>General Government</b>			
Purch Professional Service	103,500	116,000	120,185
Purchase Prop Serv	107,500	97,500	100,568
Other Purchased Services	60,800	60,800	60,300
Supplies	7,300	8,080	7,700
Property & Equip-Non Fixed	0	713	0
Prop & Equip-Fixed Asset	0	41,000	35,000
Other	132,050	138,635	138,489
Transfer out	254,951	254,951	98,415
	<u>666,101</u>	<u>717,679</u>	<u>560,657</u>
<b>Recreation-Administration</b>			
Personnel Services	158,407	161,303	148,115
Employee Benefits	69,425	67,840	61,626
Purch Professional Service	44,181	44,116	41,324
Purchase Prop Serv	31,147	38,683	41,312
Other Purchased Services	56,315	53,268	46,220
Supplies	4,250	4,250	4,250
Other	3,654	3,601	2,716
	<u>367,379</u>	<u>373,061</u>	<u>345,563</u>
<b>Recreation-Aquatic Center</b>			
Personnel Services	104,900	108,262	109,250
Employee Benefits	14,897	19,405	15,230
Purchase Prop Serv	53,500	53,500	56,800
Other Purchased Services	4,050	4,727	3,595
Supplies	38,500	63,500	38,500
Property & Equip-Non Fixed	7,750	7,750	14,470
Other	12,500	14,541	13,550
	<u>236,097</u>	<u>271,685</u>	<u>251,395</u>
<b>Recreation-Forum</b>			
Personnel Services	114,775	107,463	118,821
Employee Benefits	26,501	29,284	26,807
Purchase Prop Serv	65,744	69,224	76,844
Other Purchased Services	250	703	385
Supplies	6,250	33,097	11,100
Property & Equip-Non Fixed	28,550	0	28,550
Other	6,664	5,053	5,054
	<u>248,734</u>	<u>244,824</u>	<u>267,561</u>

FY 19 BUDGET INFORMATION

	FY 18 Budget	FY 18 Estimate	FY 19 Budget
<b>Recreation-Youth Center</b>			
Personnel Services	122,670	121,233	123,671
Employee Benefits	29,505	36,421	27,688
Purchase Prop Serv	31,763	36,063	47,963
Other Purchased Services	14,000	11,609	14,920
Supplies	3,000	3,600	3,000
Property & Equip-Non Fixed	0	70	0
Other	9,454	9,394	9,504
	<u>210,392</u>	<u>218,390</u>	<u>226,746</u>
<b>Recreation-Campgrounds</b>			
Personnel Services	0	0	2,800
Employee Benefits	0	0	425
Purchase Prop Serv	31,000	39,000	36,000
	<u>31,000</u>	<u>39,000</u>	<u>39,225</u>
<b>Recreation-Parks Maintenance</b>			
Personnel Services	305,620	319,624	331,245
Employee Benefits	97,886	84,974	81,465
Purchase Prop Serv	190,208	200,208	175,200
Other Purchased Services	200	200	900
Supplies	64,300	56,300	52,300
Prop & Equip-Fixed Asset	0	39,810	0
Other	216	210	270
	<u>658,430</u>	<u>701,326</u>	<u>641,380</u>
<b>Recreation-Parks Programs</b>			
Personnel Services	80,000	66,290	56,000
Employee Benefits	8,481	5,871	6,224
Purchase Prop Serv	1,500	1,500	1,500
Other Purchased Services	4,000	4,000	4,500
Supplies	51,500	44,395	51,500
Other	14,500	17,400	14,500
	<u>159,981</u>	<u>139,456</u>	<u>134,224</u>
<b>C P &amp; Z Admin</b>			
Personnel Services	35,000	55,780	55,000
Employee Benefits	3,100	4,667	25,408
Purch Professional Service	34,173	70,601	37,911
Purchase Prop Serv	8,276	8,276	8,700
Other Purchased Services	26,900	25,197	23,520
Supplies	7,400	8,800	5,300
Property & Equip-Non Fixed	1,000	846	0
Other	500	368	270
	<u>116,349</u>	<u>174,535</u>	<u>156,109</u>

FY 19 BUDGET INFORMATION

	FY 18 Budget	FY 18 Estimate	FY 19 Budget
<b>Code Enforcement</b>			
Personnel Services	97,500	98,351	100,925
Employee Benefits	44,924	32,406	43,741
Purch Professional Service	12,000	12,000	8,000
Purchase Prop Serv	5,000	5,000	0
Other Purchased Services	0	0	101
Supplies	0	57	0
Property & Equip-Non Fixed	2,000	1,603	1,240
Other	100	0	0
	<u>161,524</u>	<u>149,417</u>	<u>154,007</u>
<b>Building</b>			
Personnel Services	35,000	30,132	114,155
Employee Benefits	17,000	16,160	39,119
Purchase Prop Serv	500	500	500
Other Purchased Services	0	0	5,840
	<u>52,500</u>	<u>46,792</u>	<u>159,614</u>
<b>Rental Inspection</b>			
Personnel Services	88,000	91,276	94,823
Employee Benefits	34,000	31,562	34,439
Purch Professional Service	4,300	4,300	9,732
Other Purchased Services	3,500	3,500	1,319
Supplies	2,200	2,000	2,200
Other	110	0	760
	<u>132,110</u>	<u>132,638</u>	<u>143,273</u>
<b>Neighborhood Services</b>			
Personnel Services	52,000	51,163	52,533
Employee Benefits	19,050	18,829	12,405
Purch Professional Service	500	500	32
Purchase Prop Serv	1,192	1,192	500
Other Purchased Services	6,700	5,000	5,705
Supplies	1,000	1,000	400
Other	10,000	0	10,108
	<u>90,442</u>	<u>77,684</u>	<u>81,683</u>

FY 19 BUDGET INFORMATION

	FY 18 Budget	FY 18 Estimate	FY 19 Budget
<b>Police Administration</b>			
Personnel Services	274,491	292,160	284,270
Employee Benefits	59,351	60,785	47,461
Purch Professional Service	125,029	131,329	119,167
Purchase Prop Serv	187,572	184,517	144,679
Other Purchased Services	160,500	147,500	152,200
Supplies	60,200	54,400	49,800
Property & Equip-Non Fixed	8,700	8,700	10,500
Prop & Equip-Fixed Asset	0	0	5,000
Other	1,925	1,925	2,035
	<u>877,768</u>	<u>881,316</u>	<u>815,112</u>
<b>Police Communication</b>			
Personnel Services	225,851	223,125	275,244
Employee Benefits	96,343	99,188	126,613
Purch Professional Service	336,000	336,000	328,150
Purchase Prop Serv	2,500	2,000	2,000
Other Purchased Services	3,150	2,150	2,780
Supplies	1,200	1,200	1,750
Property & Equip-Non Fixed	0	0	0
Other	270	270	324
	<u>665,314</u>	<u>663,933</u>	<u>736,861</u>
<b>Police Animal Control</b>			
Personnel Services	49,456	48,895	0
Employee Benefits	24,510	21,967	0
Purch Professional Service	11,800	11,800	0
Other Purchased Services	100	100	0
Supplies	150	150	0
Other	54	53	0
	<u>86,070</u>	<u>82,965</u>	<u>0</u>
<b>Police Investigation</b>			
Personnel Services	408,527	391,390	431,334
Employee Benefits	60,448	55,399	46,778
Purch Professional Service	4,800	0	4,000
Other Purchased Services	8,800	0	9,100
Supplies	2,000	2,000	1,500
Property & Equip-Non Fixed	500	500	500
Other	500	263	500
	<u>485,575</u>	<u>449,552</u>	<u>493,712</u>

FY 19 BUDGET INFORMATION

	FY 18 Budget	FY 18 Estimate	FY 19 Budget
<b>Police Patrol</b>			
Personnel Services	1,805,276	1,851,637	1,956,070
Employee Benefits	307,160	306,689	236,575
Purch Professional Service	14,500	10,500	11,300
Purchase Prop Serv	39,200	40,779	24,500
Other Purchased Services	27,700	28,209	23,800
Supplies	24,500	23,000	27,000
Property & Equip-Non Fixed	17,500	17,500	6,500
Prop & Equip-Fixed Asset	51,000	50,752	16,295
Other	1,500	1,201	1,654
	<u>2,288,336</u>	<u>2,330,267</u>	<u>2,303,694</u>
<b>Police Canine</b>			
Personnel Services	76,982	83,357	0
Employee Benefits	11,080	10,624	0
Purch Professional Service	600	0	0
Purchase Prop Serv	1,500	1,500	0
Other Purchased Services	800	800	0
Supplies	800	800	0
Other	54	53	0
	<u>91,816</u>	<u>97,134</u>	<u>0</u>
<b>Police ESDA</b>			
Personnel Services	2,600	2,600	2,800
Employee Benefits	0	0	214
Purch Professional Service	4,100	2,000	4,000
Purchase Prop Serv	3,000	2,000	3,000
Other Purchased Services	250	200	100
	<u>9,950</u>	<u>6,800</u>	<u>10,114</u>
<b>Fire &amp; Police Commission</b>			
Personnel Services	1,300	1,000	1,300
Employee Benefits	0	77	100
Purch Professional Service	6,250	5,000	5,950
Other Purchased Services	6,884	3,700	5,634
Supplies	2,950	2,000	3,360
	<u>17,384</u>	<u>11,777</u>	<u>16,344</u>

FY 19 BUDGET INFORMATION

	FY 18 Budget	FY 18 Estimate	FY 19 Budget
<b>Fire Administration</b>			
Purch Professional Service	11,569	11,669	11,482
Purchase Prop Serv	77,322	75,922	71,722
Other Purchased Services	26,000	23,000	26,000
Supplies	1,600	1,600	1,600
Property & Equip-Non Fixed	3,560	3,560	3,560
Other	3,500	3,098	2,152
	<u>123,551</u>	<u>118,849</u>	<u>116,516</u>
<b>Fire Suppression</b>			
Personnel Services	160,000	150,912	160,000
Employee Benefits	32,574	28,129	35,990
Purchase Prop Serv	50,366	51,466	41,592
Other Purchased Services	20,500	21,218	20,500
Supplies	33,200	44,200	33,200
Property & Equip-Non Fixed	1,000	1,500	1,000
Other	500	295	500
	<u>298,140</u>	<u>297,720</u>	<u>292,782</u>
GENERAL FUND EXP.	9,051,131	9,254,609	8,946,124
<b>SURPLUS/(DEFICIT)</b>	<b>9,079</b>	<b>(129,489)</b>	<b>5,650</b>

FY 19 BUDGET INFORMATION

	FY 18 Budget	FY 18 Estimate	FY 19 Budget
<b>Garbage</b>			
Purch Professional Service	541,100	535,081	543,935
Purchase Prop Serv	5,000	1,000	2,000
Other Purchased Services	1,500	500	1,500
Supplies	500	500	500
Prop & Equip-Fixed Asset	0	500	0
Other	2,000	0	2,000
Transfer out	25,000	25,000	25,000
<b>TOTALS</b>	<b>575,100</b>	<b>562,581</b>	<b>574,935</b>
REVENUE	555,000	559,384	555,080
<b>SURPLUS/(DEFICIT)</b>	<b>(20,100)</b>	<b>(3,197)</b>	<b>(19,855)</b>
<b>Gas</b>			
Personnel Services	258,643	258,236	263,839
Employee Benefits	105,970	93,334	104,018
Purch Professional Service	0	0	2,800
Purchase Prop Serv	14,109	13,909	1,000
Other Purchased Services	0	0	840
Supplies	861,720	814,890	864,855
Prop & Equip-Fixed Asset	144,000	144,000	0
Other	10,270	15,853	10,270
Transfer out	158,292	158,292	168,282
<b>TOTALS</b>	<b>1,553,004</b>	<b>1,498,514</b>	<b>1,415,904</b>
REVENUE	1,431,900	1,311,870	1,424,900
<b>SURPLUS/(DEFICIT)</b>	<b>(121,104)</b>	<b>(186,644)</b>	<b>8,996</b>
<b>Water</b>			
Personnel Services	373,969	377,987	388,915
Employee Benefits	150,864	139,971	141,222
Purch Professional Service	78,200	56,950	83,650
Purchase Prop Serv	180,068	180,368	170,831
Other Purchased Services	0	0	420
Supplies	155,754	163,750	180,750
Property & Equip-Non Fixed	0	10,000	0
Prop & Equip-Fixed Asset	90,000	2,163,562	450,000
Other	465,038	308,623	516,129
Transfer out	664,828	689,828	764,828
<b>TOTALS</b>	<b>2,158,721</b>	<b>4,091,039</b>	<b>2,696,745</b>
REVENUE	2,545,918	2,522,523	2,627,721
<b>SURPLUS/(DEFICIT)</b>	<b>387,197</b>	<b>(1,568,516)</b>	<b>(69,024)</b>

FY 19 BUDGET INFORMATION

	FY 18 Budget	FY 18 Estimate	FY 19 Budget
<b>Waste Water</b>			
Personnel Services	393,109	363,254	419,810
Employee Benefits	163,714	145,686	152,701
Purch Professional Service	20,000	20,200	20,256
Purchase Prop Serv	445,550	421,697	433,097
Other Purchased Services	0	0	420
Supplies	242,500	244,500	245,276
Prop & Equip-Fixed Asset	393,000	1,156,448	424,360
Other	787,129	836,636	797,714
Transfer out	640,877	640,877	720,877
<b>TOTALS</b>	<b>3,085,879</b>	<b>3,829,298</b>	<b>3,214,511</b>
REVENUE	3,150,273	2,984,200	3,149,607
<b>SURPLUS/(DEFICIT)</b>	<b>64,394</b>	<b>(845,098)</b>	<b>(64,904)</b>
<b>Electric</b>			
Personnel Services	1,029,330	957,225	983,286
Employee Benefits	333,828	309,920	334,669
Purch Professional Service	75,000	236,535	75,416
Purchase Prop Serv	322,867	491,963	180,945
Other Purchased Services	0	221,132	420
Supplies	12,420,863	11,062,842	13,745,453
Property & Equip-Non Fixed	235,000	276,590	276,590
Prop & Equip-Fixed Asset	1,060,000	1,949,207	470,000
Other	391,313	331,823	393,668
Transfer out	2,575,519	2,580,519	2,800,519
<b>TOTALS</b>	<b>18,443,720</b>	<b>18,417,756</b>	<b>19,260,966</b>
REVENUE	18,803,033	18,284,952	19,344,909
<b>SURPLUS/(DEFICIT)</b>	<b>359,313</b>	<b>(132,804)</b>	<b>83,943</b>
<b>Storm Water Drainage</b>			
Purch Professional Service	43,500	59,203	60,703
Prop & Equip-Fixed Asset	0	873,536	40,000
Other	455,850	451,221	449,258
Transfer out	290,000	15,000	290,000
<b>TOTALS</b>	<b>789,350</b>	<b>1,398,960</b>	<b>839,961</b>
REVENUE	803,479	807,003	840,779
<b>SURPLUS/(DEFICIT)</b>	<b>14,129</b>	<b>(591,957)</b>	<b>818</b>

FY 19 BUDGET INFORMATION

	FY 18 Budget	FY 18 Estimate	FY 19 Budget
<b>Airport</b>			
Personnel Services	88,124	115,000	92,413
Employee Benefits	33,212	44,408	34,558
Purch Professional Service	16,522	95,772	80,921
Purchase Prop Serv	378,936	454,837	358,648
Other Purchased Services	82,780	68,000	72,670
Supplies	82,125	98,000	98,275
Property & Equip-Non Fixed	0	46,554	0
Prop & Equip-Fixed Asset	0	68,090	65,000
Other	83,609	83,714	83,108
Transfer out	224,500	224,500	224,500
<b>TOTALS</b>	<b>989,808</b>	<b>1,298,875</b>	<b>1,110,093</b>

REVENUE	1,003,266	905,006	867,243
<b>SURPLUS/(DEFICIT)</b>	<b>13,458</b>	<b>(393,869)</b>	<b>(242,850)</b>

<b>Chanute EDC</b>			
Personnel Services	31,200	0	33,150
Employee Benefits	11,828	0	11,020
Purch Professional Service	20,712	21,262	24,311
Purchase Prop Serv	326,803	477,082	286,072
Other Purchased Services	19,000	18,000	18,500
Supplies	500	600	500
Prop & Equip-Fixed Asset	80,000	89,722	30,000
Other	52,966	54,015	51,664
Transfer out	24,000	24,000	24,000
<b>TOTALS</b>	<b>567,009</b>	<b>684,681</b>	<b>479,217</b>

REVENUE	581,822	548,585	453,308
<b>SURPLUS/(DEFICIT)</b>	<b>14,813</b>	<b>(136,096)</b>	<b>(25,909)</b>

<b>Public Works Admin</b>			
Personnel Services	1,298,014	1,267,308	1,404,341
Employee Benefits	474,651	455,702	487,025
Purch Professional Service	278,183	330,654	402,143
Purchase Prop Serv	248,787	241,589	82,341
Other Purchased Services	734,000	582,182	747,369
Supplies	209,325	221,360	223,265
Prop & Equip-Fixed Asset	0	199,409	0
Other	1,467	1,921	1,827
<b>TOTALS</b>	<b>3,244,427</b>	<b>3,300,125</b>	<b>3,348,311</b>

REVENUE	3,246,859	3,246,859	3,243,763
<b>SURPLUS/(DEFICIT)</b>	<b>2,432</b>	<b>(53,266)</b>	<b>(104,548)</b>

FY 19 BUDGET INFORMATION

	FY 18 Budget	FY 18 Estimate	FY 19 Budget
<b>Information Management Services</b>			
Personnel Services	107,539	109,554	115,258
Employee Benefits	41,417	43,865	44,827
Purch Professional Service	130,000	130,000	140,980
Purchase Prop Serv	5,300	4,800	5,240
Other Purchased Services	8,000	11,000	11,500
Supplies	11,250	10,712	9,750
Property & Equip-Non Fixed	14,000	30,500	14,000
Prop & Equip-Fixed Asset	34,000	55,000	34,000
Other	108	105	108
<b>TOTALS</b>	<b>351,614</b>	<b>395,536</b>	<b>375,663</b>
REVENUE	352,288	352,288	379,405
<b>SURPLUS/(DEFICIT)</b>	<b>674</b>	<b>(43,248)</b>	<b>3,742</b>
<b>Central Maintenance</b>			
Personnel Services	244,160	251,252	0
Employee Benefits	88,781	85,662	0
Purch Professional Service	6,986	6,986	0
Purchase Prop Serv	198,000	199,432	0
Other Purchased Services	22,279	17,400	0
Supplies	29,050	27,996	0
Property & Equip-Non Fixed	23,500	24,732	0
Other	270	210	0
Transfer out	20,000	20,000	0
<b>TOTALS</b>	<b>633,026</b>	<b>633,670</b>	<b>0</b>
REVENUE	595,817	595,817	0
<b>SURPLUS/(DEFICIT)</b>	<b>(37,209)</b>	<b>(37,853)</b>	<b>0</b>

FY 19 BUDGET INFORMATION

	FY 18 Budget	FY 18 Estimate	FY 19 Budget
<b>Motor Fuel Tax</b>			
Other	75,000	75,000	75,000
Transfer out	225,000	225,000	225,000
<b>TOTAL</b>	<b>300,000</b>	<b>300,000</b>	<b>300,000</b>
REVENUE	330,000	335,469	330,000
<b>SURPLUS/(DEFICIT)</b>	<b>30,000</b>	<b>35,469</b>	<b>30,000</b>
<b>Local Motor Fuel Tax</b>			
Purch Professional Service	200,000	200,000	140,000
Property & Equip-Non Fixed	0	0	60,000
Prop & Equip-Fixed Asset	0	230,000	0
Other	136,525	186,525	105,692
Transfer out	50,000	50,000	50,000
<b>TOTAL</b>	<b>386,525</b>	<b>666,525</b>	<b>355,692</b>
REVENUE	390,000	371,290	360,800
<b>SURPLUS/(DEFICIT)</b>	<b>3,475</b>	<b>(295,235)</b>	<b>5,108</b>
<b>Economic Development</b>			
Personnel Services	0	0	95,000
Employee Benefits	0	0	33,370
Purch Professional Service	185,000	187,952	214,182
Other Purchased Services	35,000	44,554	33,229
Property & Equip-Non Fixed	0	541	0
Other	20,000	15,000	15,000
<b>TOTAL</b>	<b>240,000</b>	<b>248,047</b>	<b>390,781</b>
REVENUE	240,000	240,000	390,000
<b>SURPLUS/(DEFICIT)</b>	<b>0</b>	<b>(8,047)</b>	<b>(781)</b>
<b>Micro Loan</b>			
Purch Professional Service	1,500	1,000	1,500
	1,500	1,000	1,500
REVENUE	10,500	10,900	10,600
<b>SURPLUS/(DEFICIT)</b>	<b>9,000</b>	<b>9,900</b>	<b>9,100</b>

FY 19 BUDGET INFORMATION

	FY 18 Budget	FY 18 Estimate	FY 19 Budget
<b>TIF #1</b>			
Purch Professional Service	4,000	7,500	2,500
Purchase Prop Serv	0	1,000	0
Property & Equip-Non Fixed	15,000	23,000	26,000
Prop & Equip-Fixed Asset	1	111,802	950,000
Other	457,000	530,442	460,600
Transfer out	747,430	747,430	750,606
	<u>1,223,431</u>	<u>1,421,174</u>	<u>2,189,706</u>
REVENUE	1,101,500	1,433,253	1,383,300
SURPLUS/(DEFICIT)	(121,931)	12,079	(806,406)
<b>TIF #2</b>			
Purch Professional Service	5,000	2,100	5,000
	<u>5,000</u>		
REVENUE	12,000	14,951	15,000
SURPLUS/(DEFICIT)	7,000	12,851	10,000
<b>TIF #3</b>			
Purch Professional Service	5,000	2,000	5,000
Other	1,200,000	1,200,000	1,098,750
Transfer out	243,683	243,683	226,317
	<u>1,448,683</u>	<u>1,445,683</u>	<u>1,330,067</u>
REVENUE	1,450,000	1,460,271	1,465,000
SURPLUS/(DEFICIT)	1,317	14,588	134,933
<b>Special Revenue Police</b>			
Other	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>
REVENUE	20,000	25,050	25,050
SURPLUS/(DEFICIT)	20,000	25,050	25,050
<b>EDA RLF</b>			
Purch Professional Service	1,000	1,061	1,000
	<u>1,000</u>	<u>1,061</u>	<u>1,000</u>
REVENUE	25,500	25,300	25,300
SURPLUS/(DEFICIT)	24,500	24,239	24,300

FY 19 BUDGET INFORMATION

	FY 18 Budget	FY 18 Estimate	FY 19 Budget
<b>Rental Rehab Fund</b>			
Personnel Services	49,249	50,814	49,859
Employee Benefits	20,430	18,076	22,119
Purch Professional Service	1,000	1,000	500
	<u>70,679</u>	<u>69,891</u>	<u>72,478</u>
REVENUE	150	150	120
<b>SURPLUS/(DEFICIT)</b>	<b>(70,529)</b>	<b>(69,741)</b>	<b>(72,358)</b>
<b>Community Development</b>			
Personnel Services	29,044	24,028	23,070
Employee Benefits	12,050	11,109	7,575
Purch Professional Service	49,815	27,500	66,987
Purchase	153,736	75,000	258,780
Other Purchased Services	8,850	8,300	8,850
Supplies	1,100	900	800
Property & Equip-Non Fixed	161,411	5,716	201,828
Prop & Equip-Fixed Asset	187,506	0	142,688
Other	51,530	50,000	79,286
	<u>655,042</u>	<u>202,553</u>	<u>789,864</u>
REVENUE	655,042	665,042	801,953
<b>SURPLUS/(DEFICIT)</b>	<b>0</b>	<b>462,489</b>	<b>12,089</b>
<b>Corporate Restricted Resv</b>			
Purch Professional Service	0	0	100
Prop & Equip-Fixed Asset	0	132,532	40,000
	<u>0</u>	<u>132,532</u>	<u>40,100</u>
REVENUE	18,683	18,683	200
<b>SURPLUS/(DEFICIT)</b>	<b>18,683</b>	<b>(113,849)</b>	<b>(39,900)</b>
<b>Debt Service Fund</b>			
Other	505,700	505,700	1,290,150
	<u>505,700</u>	<u>505,700</u>	<u>1,290,150</u>
REVENUE	505,700	506,165	1,287,020
<b>SURPLUS/(DEFICIT)</b>	<b>0</b>	<b>465</b>	<b>(3,130)</b>

# Budget Presentation

FY2019 Annual Budget

Village of Rantoul FY2019 Budget



## FY2019 Annual Budget

- Process changes for this year
  - Draft Budget Presentation - March 13  
(available for public inspection for thirty days)
  - Special Study Session - March 27 for Board review and changes
  - Final Adoption - April 17

Village of Rantoul FY2019 Budget



# General Fund

Fund 001

FTE  
122

REVENUE DOWN 1.9%  
\$8,951,774

## HIGHLIGHTS AND CHANGES

- Change in health insurance plan
- Encumbrances now included in budget
- Fleet maintenance reorganization and reduction in force
- Phased increase in single coverage health insurance contributions
- Wage increase reduced to 2% for non-bargaining employees
- Deferral of capital expenditures
- Line-by-line budget reviews

EXPENDITURE DOWN 3.3%  
\$8,945,124

Village of Rantoul FY2019 Budget



# FY2019 Annual Budget

- Health insurance changes
  - Difficult to control, limited participants in the insurance market and provider market
  - Accrued benefit fund liability is \$230,645 (1/2018)
  - New insurer with improved contract discounts
  - Goal to keep premiums flat for 2019 with rate cap in 2020
  - Prevent further losses; cost avoidance \$481,000

Village of Rantoul FY2019 Budget



# FY2019 Annual Budget

- Health insurance changes (cont'd)
  - New plan: same deductible with reduced copays, coinsurance, Rx benefits improved
  - Increases in single employee insurance premiums (currently 1%) phased in over six year period
  - New benefit: opt-out payments (\$1500 single; \$2500 family)



# FY2019 Annual Budget

- Fleet maintenance reorganization and reduction in force
  - 112 vehicles
  - Trailers, agricultural and landscape equipment
  - 4.5 mechanics
  - Proposed budget \$693,109 (\$584,883 less Grounds)
  - \$5,222 per vehicle per year
  - 3.26 work orders per day
  - 11.04 person-hours per work order



# FY2019 Annual Budget

- Fleet maintenance reorganization and reduction in force
  - Leasing vehicles
    - Lowers age of fleet, warranty covers major repairs
    - Maintenance \$300-1,200 per vehicle per year
  - Existing vehicles
    - Outsource maintenance and repairs (Public Works already does)
  - Retain some staff for specialty equipment or time-sensitive repairs



# Financial Concerns

- General Assembly actions
- State budget uncertainty
- Wage growth / structural budget deficit
- Utility transfers
- Employee health care costs
- Capital improvement and facilities maintenance
- Retirement payouts



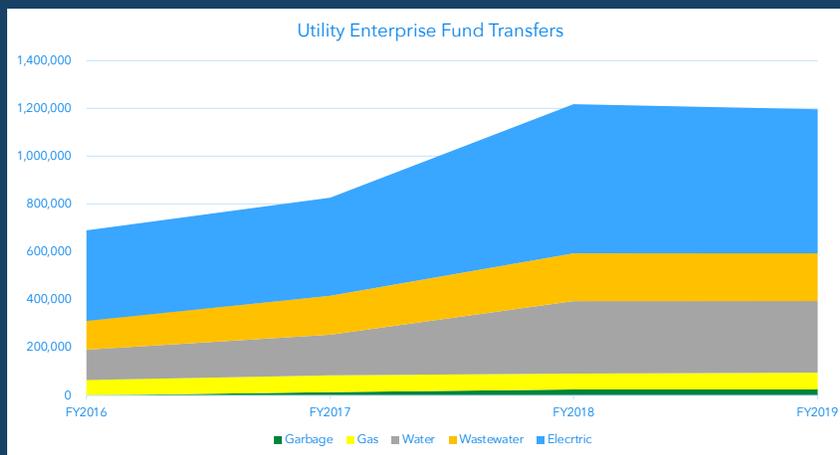
# Financial Concerns

General Fund Wages FY2015-2019

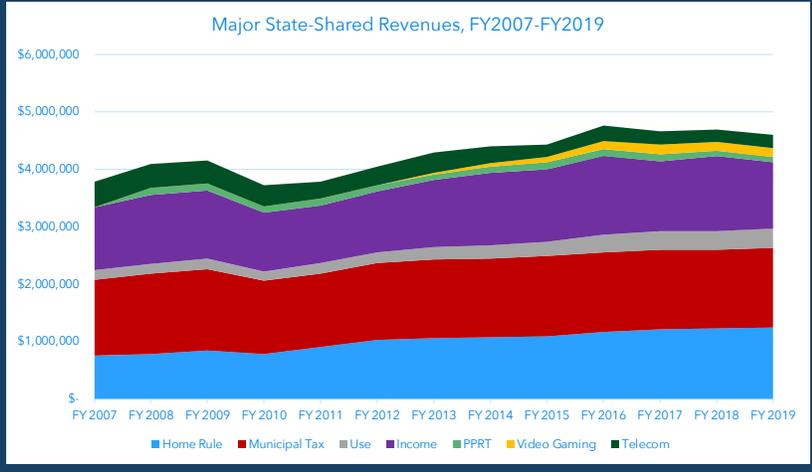


# Financial Concerns

Utility Enterprise Fund Transfers



# Financial Concerns



# Village of Rantoul Proposed Village Budget

FY 18-19  
Presented  
March 13, 2018



# Description of Funds

- **General Fund (Fund 001)**-This is the primary operating fund of the local government.
- **Special Revenue Funds (Fund 20\*)**-These funds are used for the receipt and disbursement of specific revenue streams that may have policy or statutory restrictions.
- **Capital Projects Fund (Fund 307)**-Used to account for capital purchases.
- **Debt Service Funds (Fund 401)**-Used to account for principal and interest.
- **Proprietary Funds-Enterprise Funds-(Funds 5\*\*)**-Report an activity which a fee is charged to external users.
- **Proprietary Funds-Internal Service Fund-(Funds 6\*\*)**-Report any activity that provides goods or services to other departments on a cost reimbursement basis.



# The Budget Levels/Budget Process

## The Budget Process

1. Budget materials are distributed (end of November).
2. Conservative revenues are keyed into the “Department” level.
3. Individual departments input their initial expense targets and the data is rolled to the “Admin” level.
4. The Administrator, Comptroller, and Department Heads begin the line by line review.
5. Key highlights are summarized and presented to the Mayor and board for comment/revision.
6. The public has an opportunity to comment on the budget at a public hearing.
7. Budget is approved by the Board prior to May 1.

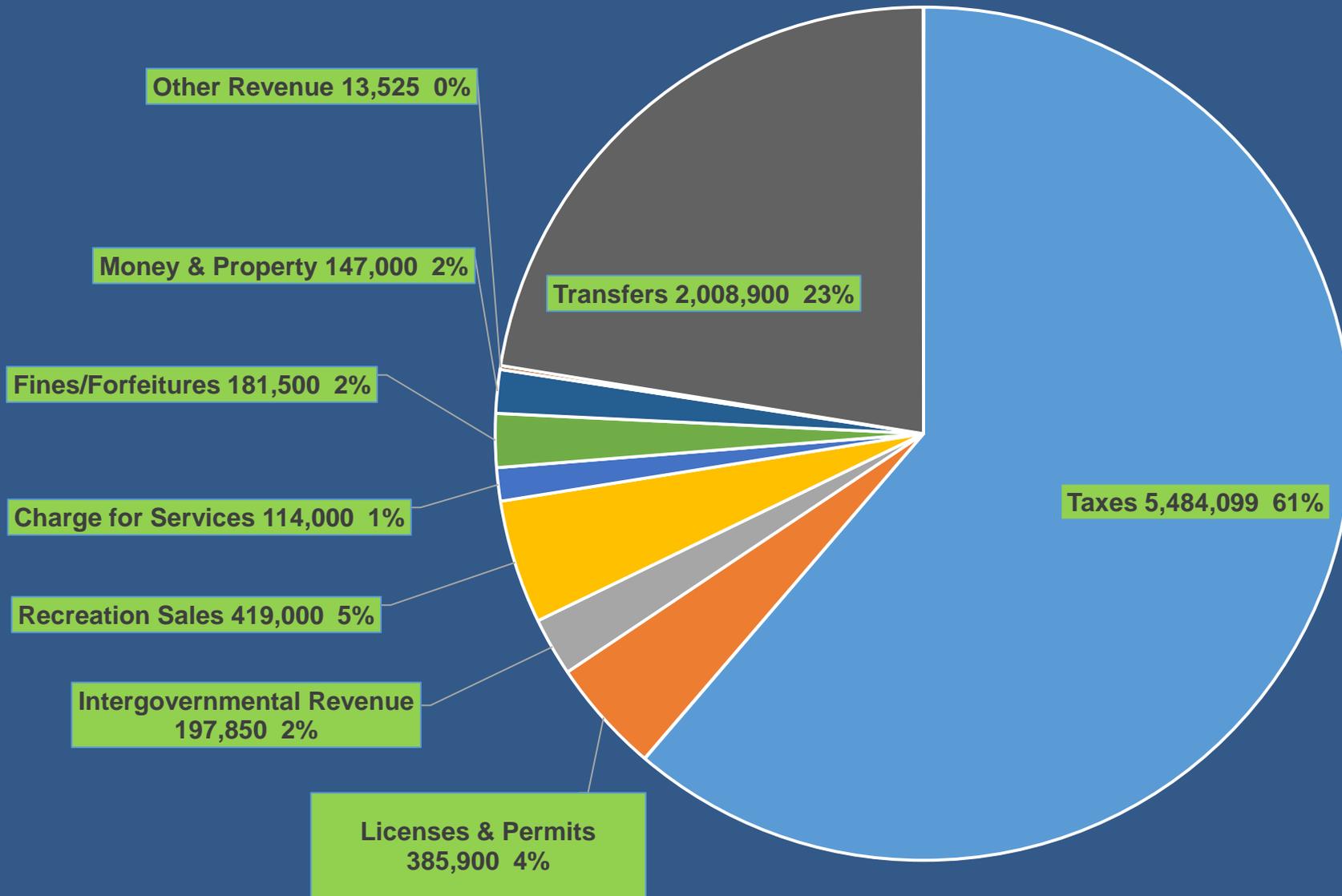


# FY 18-19 Budget Highlights

- The number of full-time positions have not changed. However, a reorganization of positions has been implemented.
- Additional positions:
  - Property and Zoning Administrator
  - Two building inspectors (to replace part-time position)
  - Janitorial
  - Community Development Director (funds from cancelled contract)
- Eliminated positions:
  - The Operations Manager in the Police Department was replaced by a Police Service Representative Supervisor and a Computer Technician
  - Reduced the number of police officers by one (1)
  - Reduced the number of mechanics to one (1)
  - Reduced the part-time positions of building inspector, Police Service Representative/Information Specialist, and mechanic
- The monthly Police Pension charge on utility bills will increase to \$2.75 from \$1.50 per month.
- Transfers in to the General Fund have decreased.
- The Police Department merged the Police Canine division into Patrol and Animal Control into Support Services.

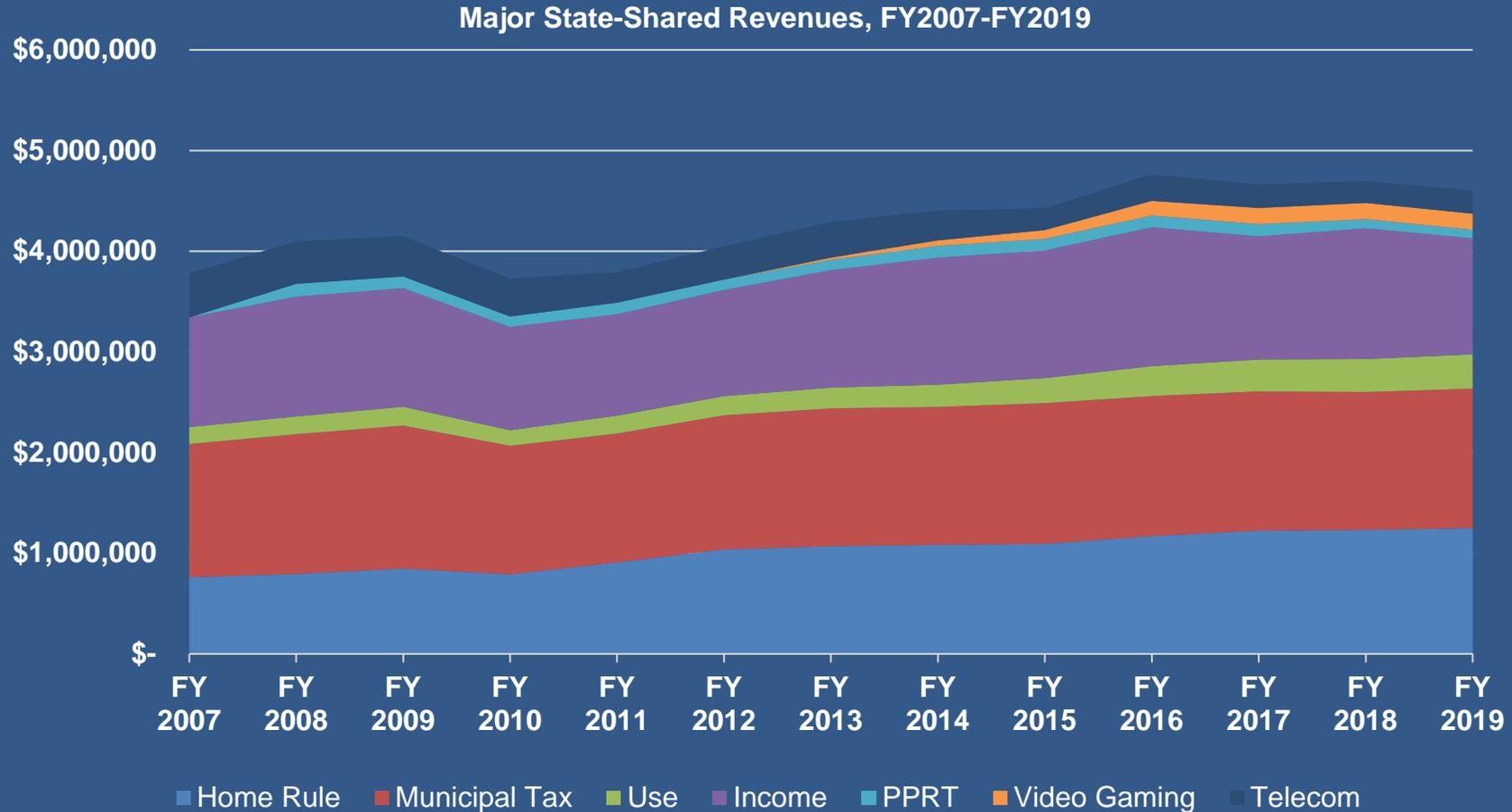


# Corporate Revenues by Category

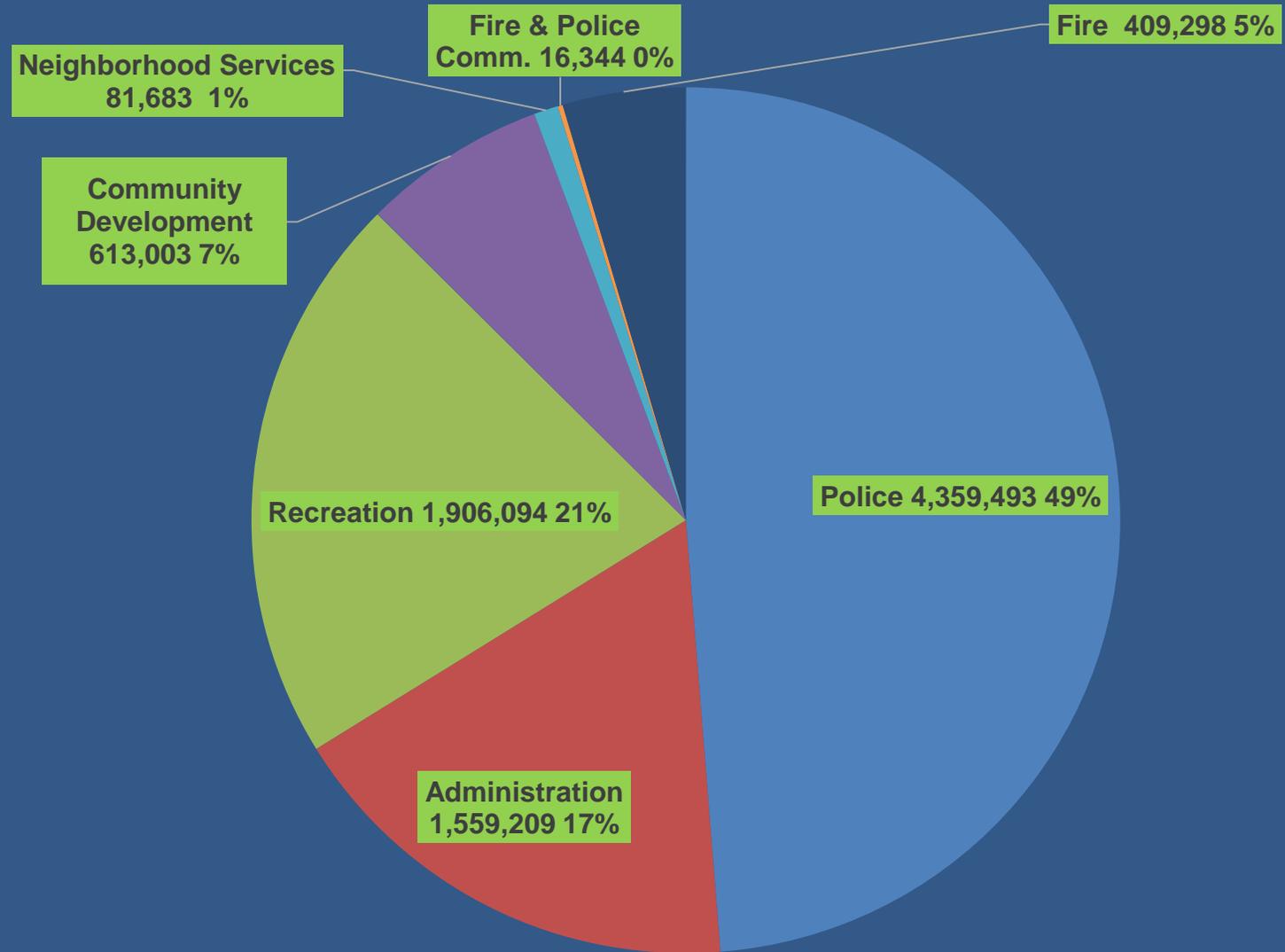


# Major Revenue Sources

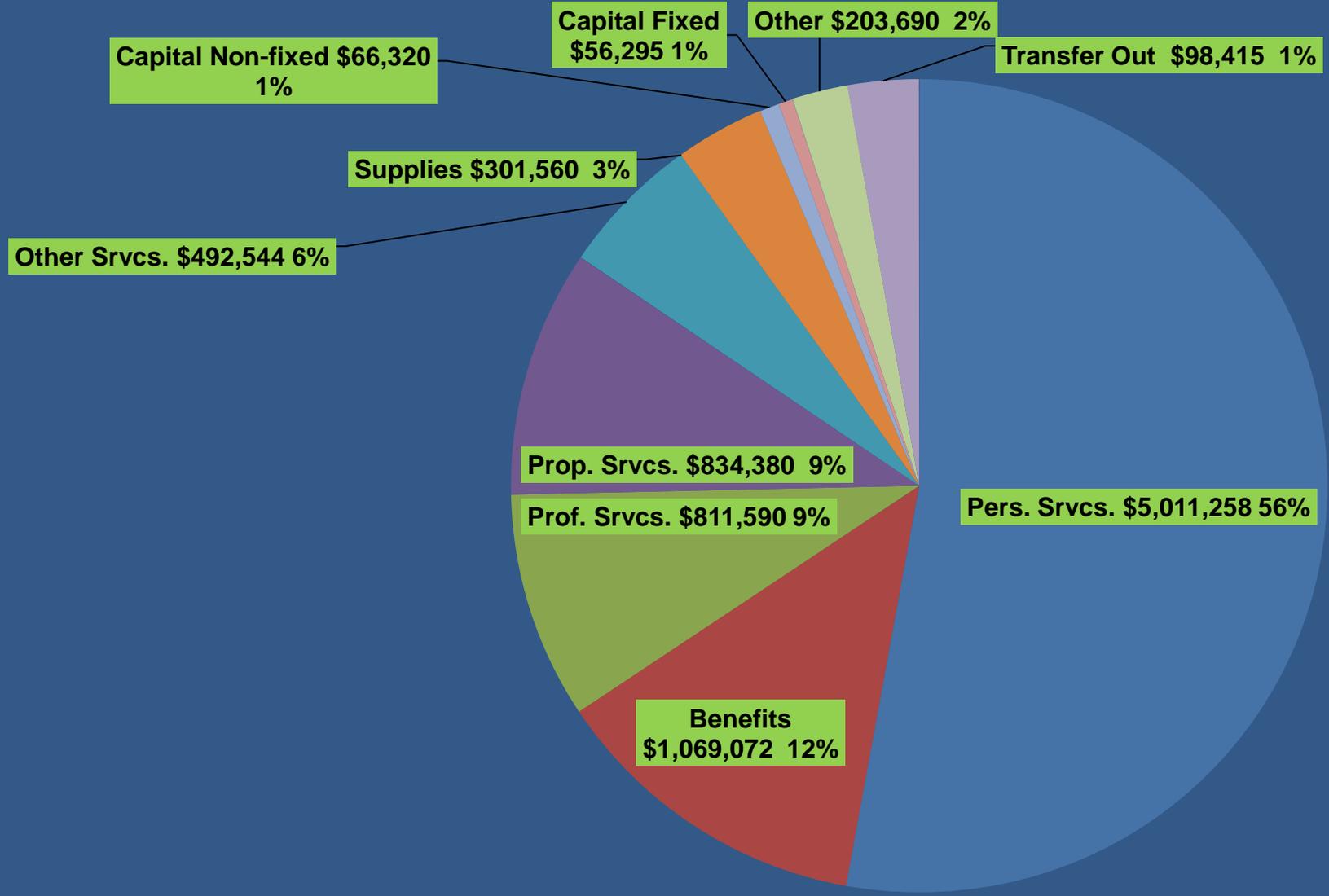
Major Revenues, FY 2007-FY2019



# Expenses by Department



# Expenses by Category



# Contributions to Other Agencies from Hotel/Motel Tax

	FY 17-18	FY 18-19
Mac's Economic Develop Agreement-Circle K	0	28,000
Rantoul Historical Society	3,500	3,500
Community Service Center	16,000	17,000
Rantoul Chamber of Commerce	14,000	18,000
Recreation Flower Program	5,000	5,000
Champaign County CVB	6,000	6,000
Hardy's Reindeer Ranch	3,000	4,000
Gordyville	2,000	2,000
Regional Planning Commission Recycle	0	2,700
Farmers Market	8,000	0
Garden Club	500	500
Parkland College Scholarships	1,000	1,000
Way Finding Signage	1,000	1,000
Contingency	5,000	15,000
<b>TOTAL</b>	<b>65,000</b>	<b>103,700</b>



# Budget Summary – All Funds

	<u>REVENUE</u>			<u>EXPENSES</u>			FY 18-19 SURPLUS/ (DEFICIT)
	FY 17-18 ADMIN LEVEL BUDGET	FY 18-19 BOARD LEVEL BUDGET	% CHANGE	FY 17-18 ADMIN LEVEL BUDGET	FY 18-19 BOARD LEVEL BUDGET	% CHANGE	
GENERAL CORPORATE (001)	\$9,060,210	\$8,951,774	-1.20%	\$9,051,131	\$8,946,124	-1.16%	\$5,650
<u>SPECIAL REVENUE FUNDS</u>							
MOTOR FUEL TAX (205)	\$330,000	\$330,280	0.08%	\$300,000	\$300,000	0.00%	\$30,280
LOCAL MFT (206)	\$390,000	\$360,800	-7.49%	\$386,525	\$385,692	-0.22%	-\$24,892
ECONOMIC DEVELOPMENT (20)	\$240,000	\$390,000	62.50%	\$240,000	\$390,781	62.83%	-\$781
MICRO LOAN (210)	\$10,500	\$10,600	0.95%	\$1,500	\$1,500	0.00%	\$9,100
TIF (212)	\$1,101,500	\$1,383,300	25.58%	\$1,223,431	\$2,189,706	78.98%	-\$806,406
TIF II (214)	\$12,000	\$15,000	25.00%	\$5,000	\$5,000	0.00%	\$10,000
TIF III (216)	\$1,450,000	\$1,465,000	1.03%	\$1,448,683	\$1,330,067	-8.19%	\$134,933
SPECIAL POLICE (221)	\$20,000	\$25,050	25.25%	\$0	\$0	0.00%	\$25,050
EDA /RLF (254)	\$25,500	\$25,300	-0.78%	\$1,000	\$1,000	0.00%	\$24,300
RENTAL REHAB. - HUD (266)	\$150	\$120	-20.00%	\$70,679	\$72,478	2.55%	-\$72,358
COMMUNITY DEV. (277)	\$655,042	\$801,953	22.43%	\$655,042	\$789,864	20.58%	\$12,089
<b>TOTAL SPECIAL REVENUE</b>	<b>\$4,234,692</b>	<b>\$4,807,403</b>	<b>13.52%</b>	<b>\$4,331,860</b>	<b>\$5,466,088</b>	<b>26.18%</b>	<b>-\$658,685</b>
<u>CAPITAL PROJECTS FUNDS</u>							
CORPORATE RESTRICTED RE:	\$18,683	\$200	-98.93%	\$0	\$40,100	0.00%	-\$39,900
<u>DEBT SERVICE FUNDS</u>							
DEBT SERVICE (401)	\$505,700	\$1,287,020	154.50%	\$505,700	\$1,290,150	155.12%	-\$3,130



# Budget Summary-All Funds (Con't)

	<u>REVENUE</u>			<u>EXPENSES</u>			FY 18-19 SURPLUS/ (DEFICIT)
	FY 17-18 ADMIN LEVEL BUDGET	FY 18-19 BOARD LEVEL BUDGET	CHANGE	FY 17-18 ADMIN LEVEL BUDGET	FY 18-19 BOARD LEVEL BUDGET	% CHANGE	
<b><u>PROPRIETARY FUNDS</u></b>							
LANDFILL	\$0	\$0	0.00%	\$0	\$130	0.00%	-\$130
GARBAGE (520)	\$555,000	\$555,080	0.01%	\$575,100	\$574,935	-0.03%	-\$19,855
GAS (527)	\$1,431,900	\$1,424,900	-0.49%	\$1,553,004	\$1,415,904	-8.83%	\$8,996
WATER (535)	\$2,545,918	\$2,627,721	3.21%	\$2,158,721	\$2,696,745	24.92%	-\$69,024
WASTE WATER (536)	\$3,150,273	\$3,149,607	-0.02%	\$3,085,879	\$3,214,511	4.17%	-\$64,904
ELECTRIC (541)	\$18,803,033	\$19,344,909	2.88%	\$18,443,720	\$19,260,966	4.43%	\$83,943
STORM WATER DRAINAGE (551)	\$803,479	\$840,779	4.64%	\$789,350	\$839,961	6.41%	\$818
AIRPORT (582)	\$1,003,266	\$867,243	-13.56%	\$989,808	\$1,110,093	12.15%	-\$242,850
CHANUTE EDC (585)	\$581,822	\$453,308	-22.09%	\$567,009	\$479,217	-15.48%	-\$25,909
<b>TOTAL PROPRIETARY FUNDS</b>	<b>\$28,874,691</b>	<b>\$29,263,547</b>	<b>1.35%</b>	<b>\$28,162,591</b>	<b>\$29,592,462</b>	<b>5.08%</b>	<b>-\$328,915</b>
<b><u>INTERNAL SERVICES FUNDS</u></b>							
PUBLIC WORKS ADMIN (604)	\$3,246,859	\$3,393,763	4.52%	\$3,244,427	\$3,348,311	3.20%	\$45,452
INFORMATION MGMT. SRVCS. (618)	\$352,288	\$379,405	7.70%	\$351,614	\$375,663	6.84%	\$3,742
CENTRAL MAINTENANCE (619)	\$595,817	\$0	-100.00%	\$633,026	\$0	-100.00%	\$0
<b>TOTAL INTERNAL SRVCS. FUN</b>	<b>\$4,194,964</b>	<b>\$3,773,168</b>	<b>-10.05%</b>	<b>\$4,229,067</b>	<b>\$3,723,974</b>	<b>-11.94%</b>	<b>\$49,194</b>
POLICE PENSION (722)	\$1,615,000	\$986,816	-38.90%	\$1,393,000	\$1,393,000	0.00%	-\$406,184
<b>GRAND TOTAL</b>	<b>\$48,503,940</b>	<b>\$49,069,928</b>	<b>1.17%</b>	<b>\$47,673,349</b>	<b>\$50,451,898</b>	<b>5.83%</b>	<b>-\$1,381,970</b>
Less Interdepartment Transfers	\$6,263,580	\$7,032,305	12.27%	\$6,263,580	\$7,032,305	12.27%	\$0
<b>Net Total Budget</b>	<b>\$42,240,360</b>	<b>\$42,037,623</b>	<b>-0.48%</b>	<b>\$41,409,769</b>	<b>\$43,419,593</b>	<b>4.85%</b>	<b>-\$1,381,970</b>



# Capital Budget \$10,000-\$100,000

Forum Equipment	\$15,000
Murray Road/Chandler Road	\$90,000
Air Conditioning-Village Hall	\$40,000
Water Distribution Truck	\$40,000
SCADA Upgrades at Water Treatment Plant	\$10,000
Fiber Optic Splicing Tools and Cable	\$25,000
Electric Plant Roof Repairs	\$20,000
Breakers Replacement	\$20,000
Wastewater Treatment Plant Repairs	\$49,360
Overhead/Underground Improvements	\$30,000
Bike Path	\$75,000
Murray Road/Chandler Road Box Culvert Project	\$40,000
Airport Taxiway	\$45,000
Airport Fence	\$20,000



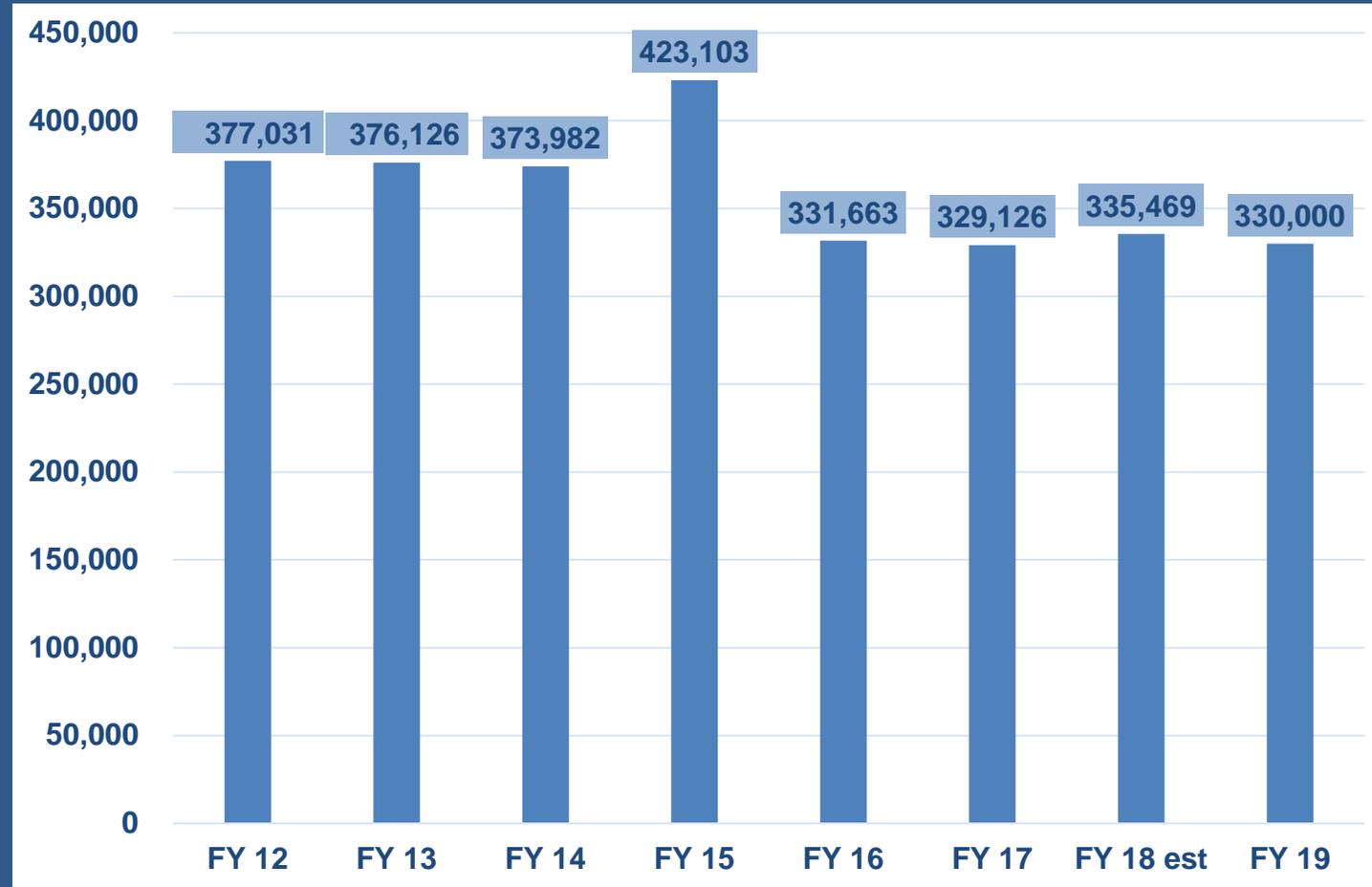
# Capital Budget \$100,000 or More

<b>Willow Pond Project</b>	<b>\$950,000</b>
<b>CDBG Infrastructure Projects</b>	<b>\$142,688</b>
<b>Sodium Hypochlorite System</b>	<b>\$100,000</b>
<b>Maplewood Galaxy Tanks</b>	<b>\$300,000</b>
<b>Wastewater TV Truck</b>	<b>\$275,000</b>
<b>Sanitary Sewer Slip Lining</b>	<b>\$100,000</b>
<b>East Sub Transformer Rewind</b>	<b>\$220,000</b>
<b>AMI/AMR Project</b>	<b>\$100,000</b>

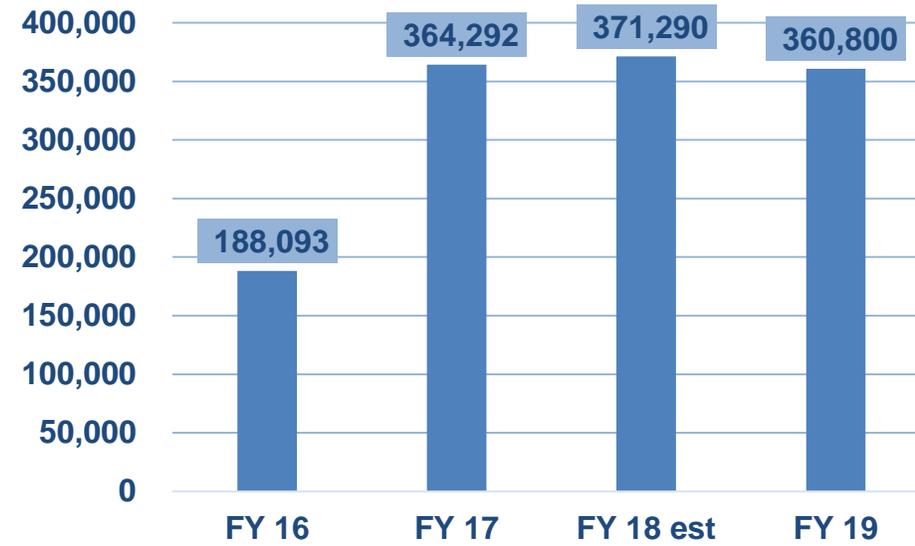


# MFT Tax Receipts

FY 15 Receipts Enhanced by State's CIP and Jobs Now Programs



# Local Motor Fuel Tax



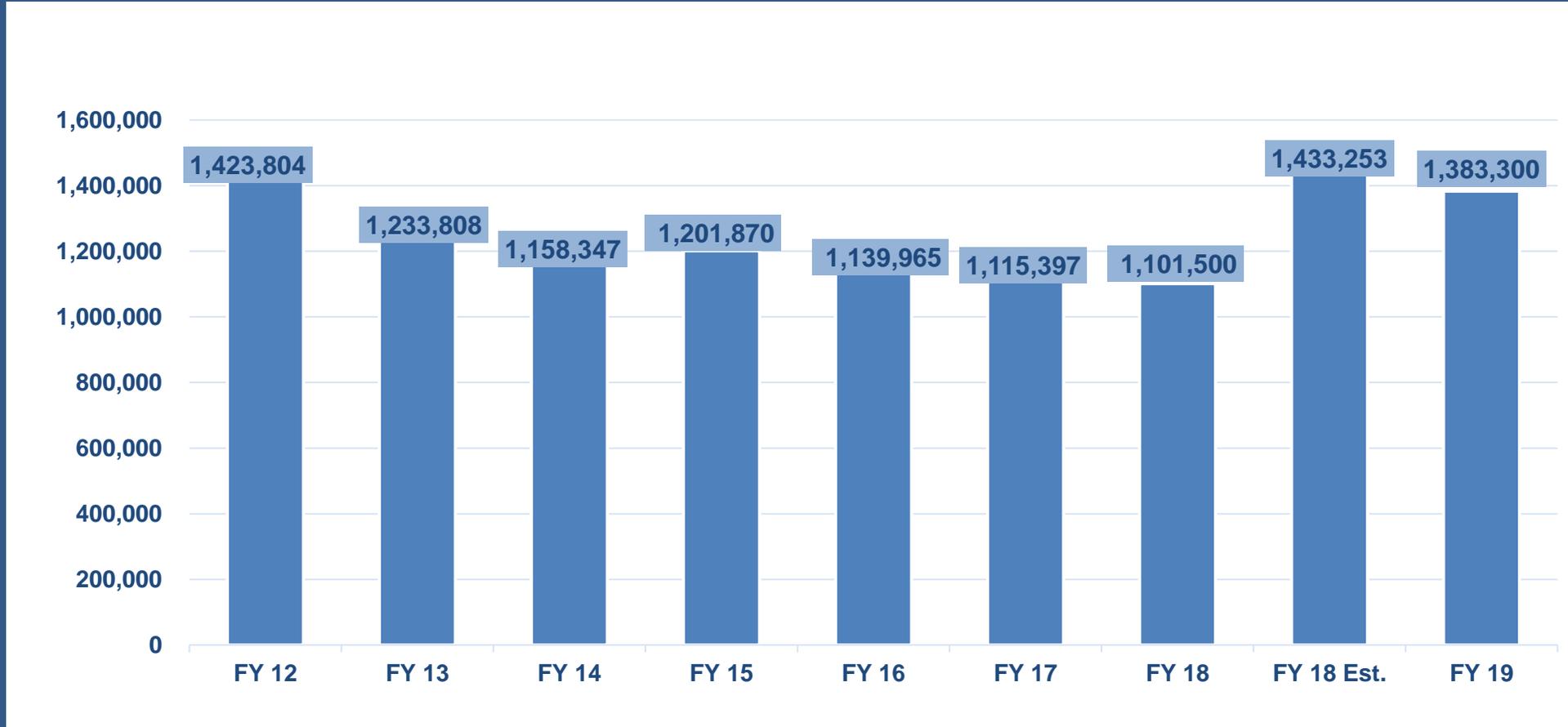
# Local Motor Fuel Tax

- Projected annual revenues of \$360,800 (implemented additional tax in FY 16)
- Total Expenses of \$385,692
  - Design engineering and infrastructure project for Murrery Road/Chandler Road of \$115,000
  - Debt service of \$105,692
  - Eagle Express bus service of \$115,000
  - Transfer to corporate fund for street maintenance of \$50,000



# TIF #1 Fund (Chanute)

## Property Tax Receipts



# TIF Fund

**Total Revenue** **\$1,383,300**

## Expense Items

- **Tree Replacement** **\$16,000**
  - **Willow Pond Project** **\$950,000**
  - **Contributions (schools and township)** **\$450,000**
  - **Debt Service** **\$435,606**
  - **Transfer to General Fund** **\$260,000**
  - **Transfer to Economic Development** **\$40,000**
- TOTAL** **\$2,189,706**

**Spend Down of Reserves** **\$806,406**



# Economic Development Fund

• Staff, Center for Community Adaptation, LLC	\$149,970
• Downtown Revitalization Planning	\$15,000
• New Initiatives (Workforce Study and Misc.)	\$20,000
• Land Bank Feasibility Study (Grant Funded)	\$150,000
• Champaign County EDC Dues and Other Dues	\$20,080
• Façade Improvement Grant Program	\$15,000
• Broker Fees	\$5,000
• Advertising, Misc.	\$6,582
• Conference/Travel Expenses	\$9,149
<b>TOTAL</b>	<b>\$390,781</b>



# Community Development Fund

## Revenue

• 2014 CDBG Grant	\$6,664
• 2015 CDBG Grant	\$187,290
• 2016 CDBG Grant	\$106,185
• 2017 CDBG Grant	\$233,943
• 2018 CDBG Grant Est.	\$267,871
• From Rental Rehab Fund	\$72,478

## Expenses

• Salaries and benefits	\$102,623
• Infrastructure	\$142,688
• Rehab projects	\$376,322
• Demolition	\$78,780



# Garbage Collection Fund

**Revenue** **\$555,000**

- **Proposed rate increase to \$15.00**
- **Additional revenue \$31,260**
- **The additional increase is not incorporated in the budget**

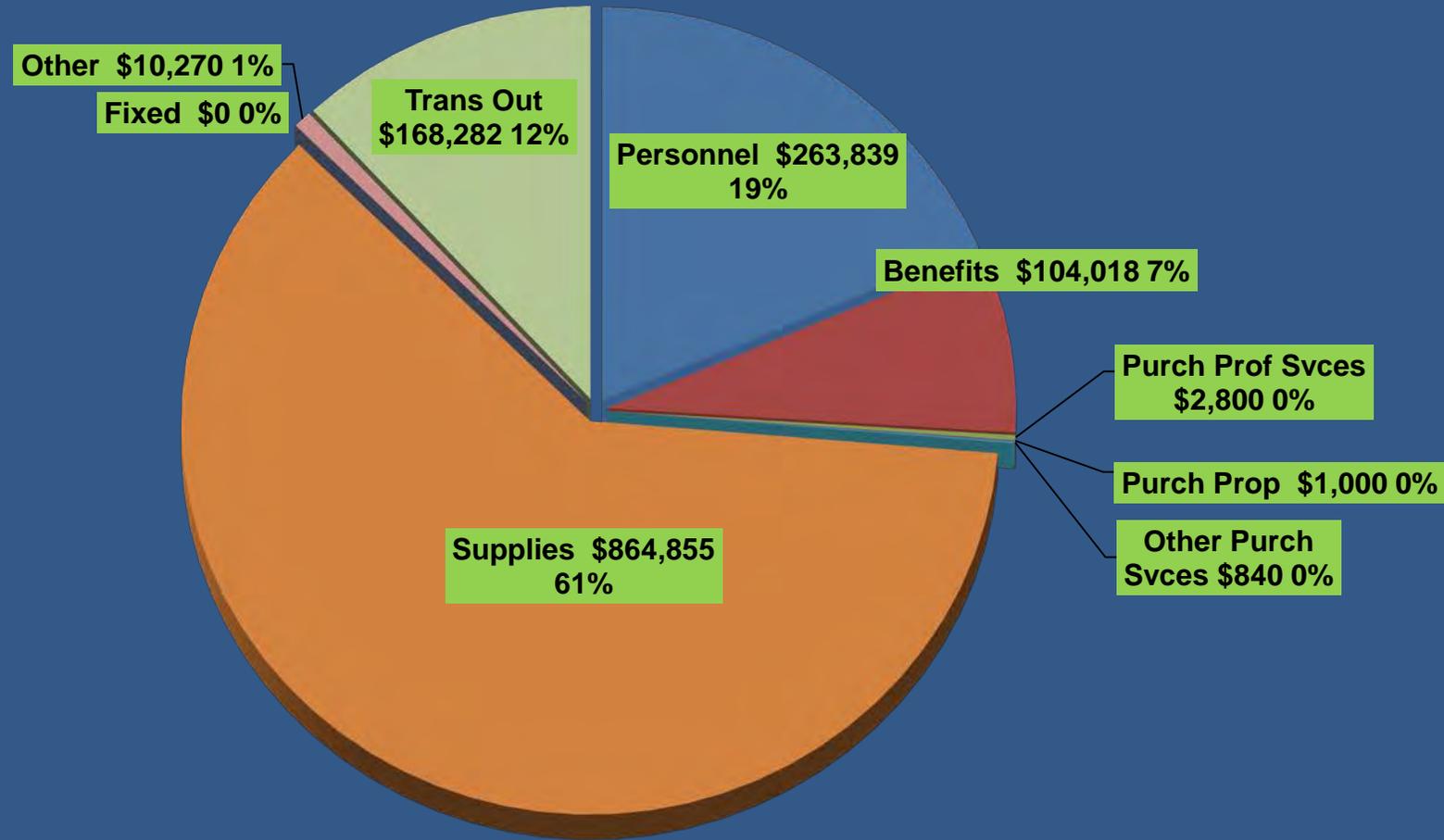
## **Expenses**

- **Contracted garbage pickup** **\$531,935**
- **Transfer to General Fund** **\$25,000**
- **Landfill monitoring** **\$10,000**
- **Total Expenditures** **\$574,935**

- **Without a rate increase, there will be a deficit in this account of \$19,855**



# Gas Fund

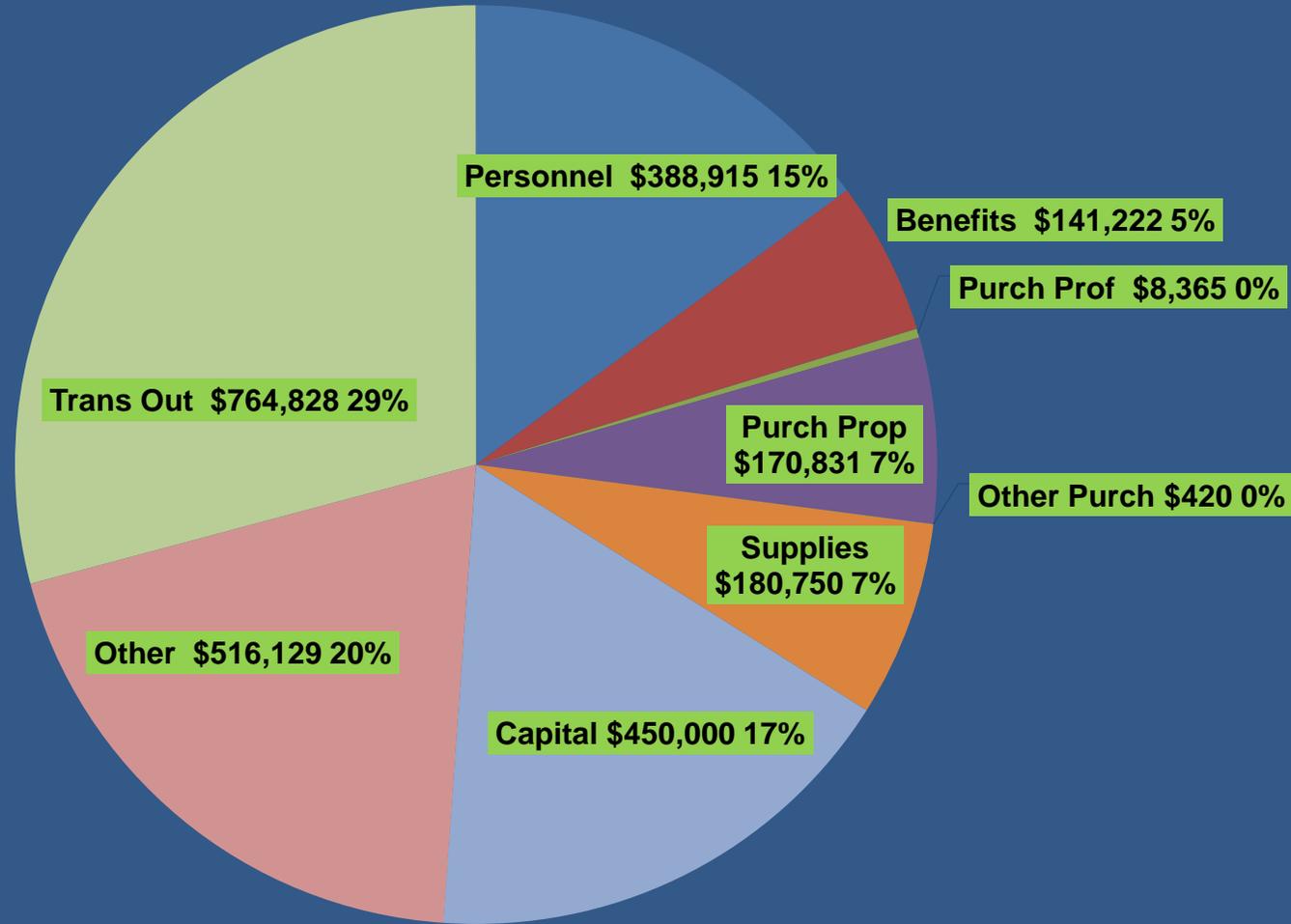


# Water Fund

- **Currently in year three of the five year rate schedule.**
- **Commercial and industrial customer classes based on meter size.**
- **Revenue includes \$226,317 transfer in from TIF III for reimbursement of development costs.**
- **Fixed Capital**
  - **Maplewood/Galaxy Tank Project - \$300,000**
  - **Water Distribution Truck - \$40,000**
  - **Air Compressor - \$10,000**
  - **Sodium Hypochlorate System - \$100,000**
  - **HVAC Replacement Design - \$69,301**
- **Transfers out to General Fund of \$300,000, Economic Development of \$40,000, Wastewater of \$45,803, and Public Works Administration of \$379,025 for a total of \$764,828.**



# Water Fund Expenses

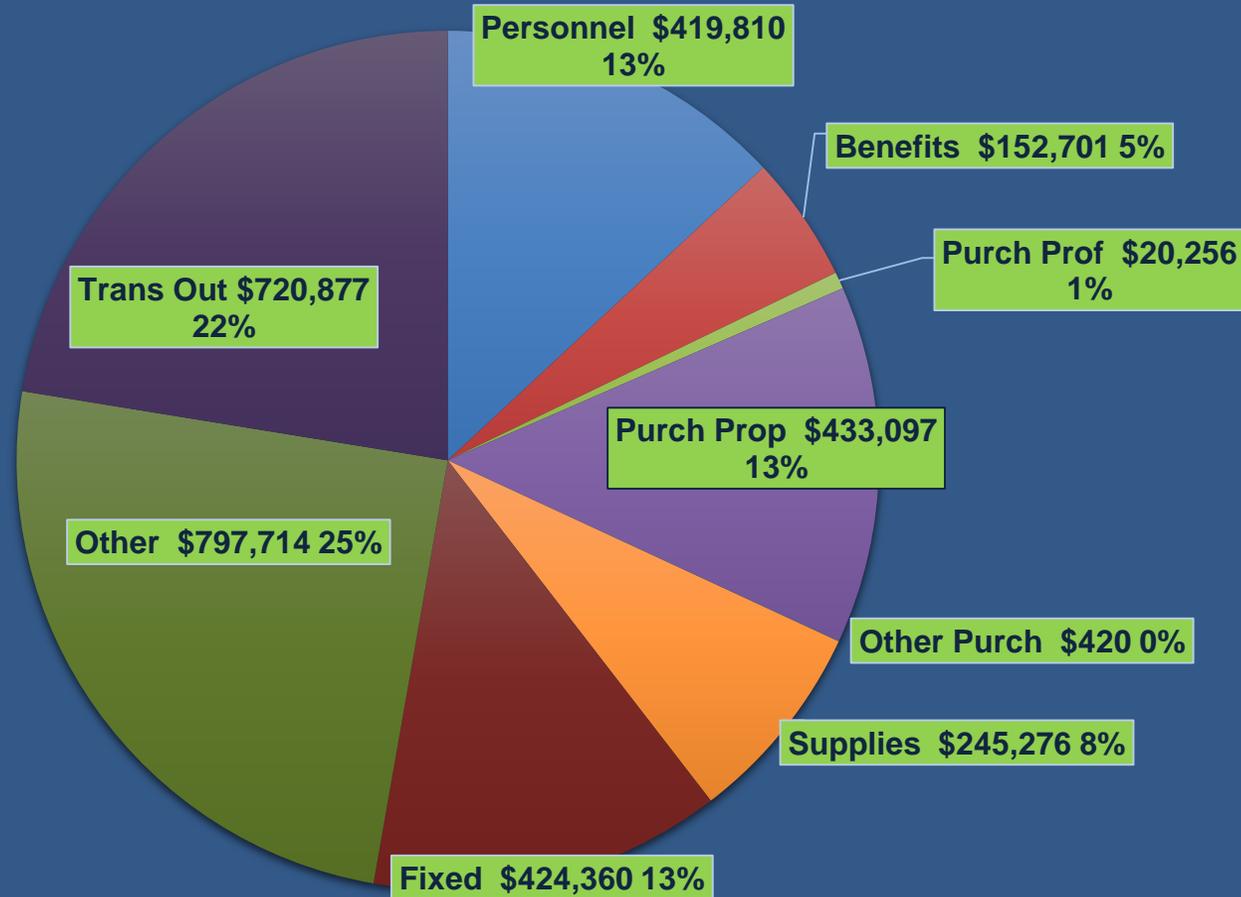


# Wastewater Fund

- There will not be a rate increase for FY19
- Major capital:
  - Wastewater TV Truck - \$275,000
  - Sanitary Sewer Slip Lining - \$100,000
  - SCADA Upgrades at Water Treatment Plant - \$10,000
- Transfers out to General Fund of \$200,000, Economic Development of \$40,000, and Public Works Administration of \$480,877 for a total of \$720,877.



# Wastewater Expenses

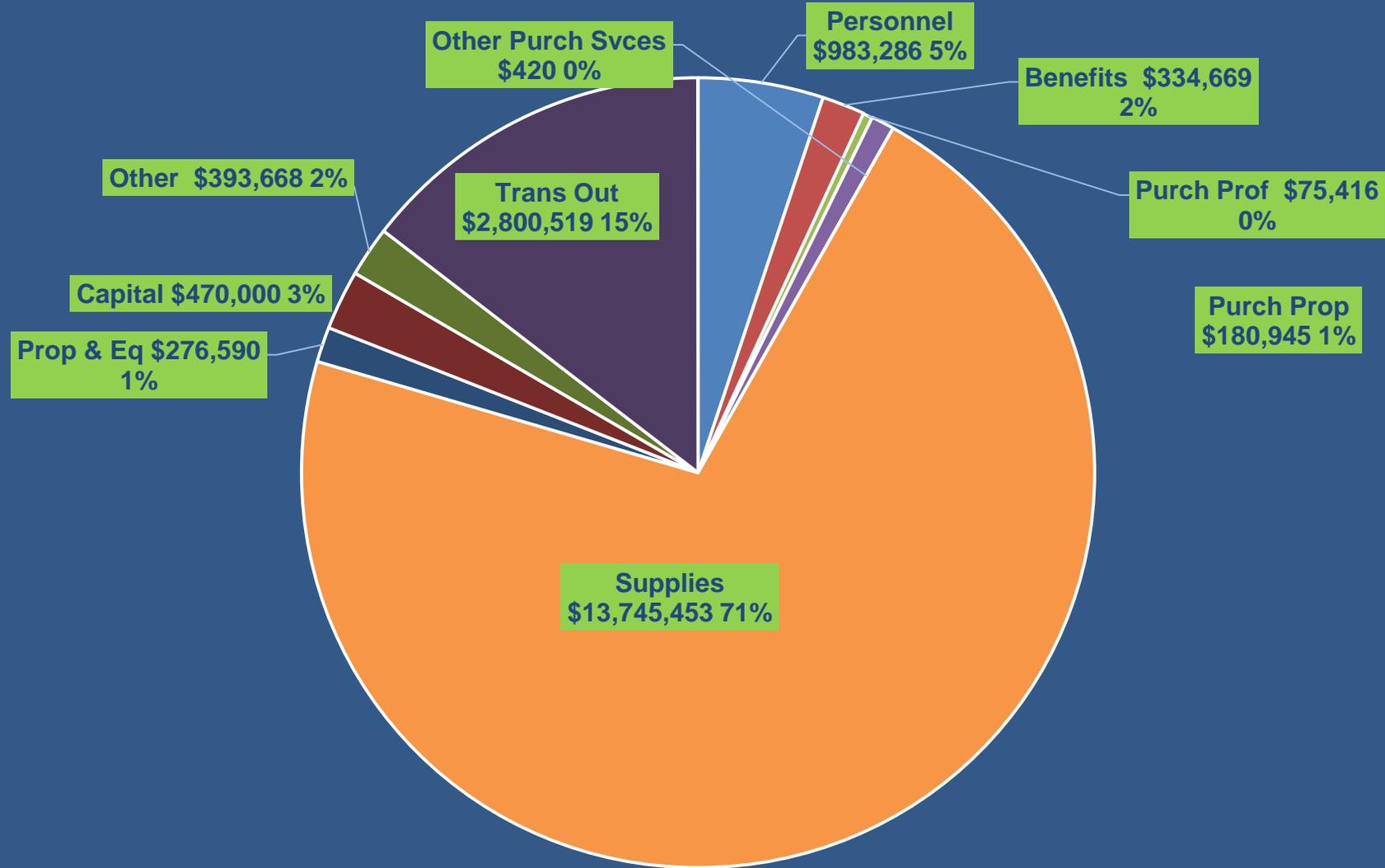


# Electric Fund

- Planned revenue/expense surplus - \$83,943
- The Village's estimated cost of electric is to increase by 10.8% or \$1,324,521
- Fixed Capital
  - Fiber Optic Splicing Tools and Cable \$25,000
  - Electric Plant Roof Repairs \$20,000
  - Breakers Replacement \$20,000
  - Overhead/Underground Improvements \$30,000
  - Bike Path \$75,000



# Electric Expenses



# Storm Water Drainage Fund

## Major revenue sources

• Storm water tax revenue (up 5%)	\$783,300
• Interest and fees	\$40,500
• Transfer in from electric	\$16,979
<b>TOTAL</b>	<b>\$840,779</b>

## Major expenses

• Murray Road/Chandler Road Box Culvert Project	\$40,000
• Principal and interest	\$449,258
• Transfer out to General Fund	\$15,000
• Transfer out to PW Admin (storm sewer maint.)	\$275,000



# Airport Fund

## Revenue

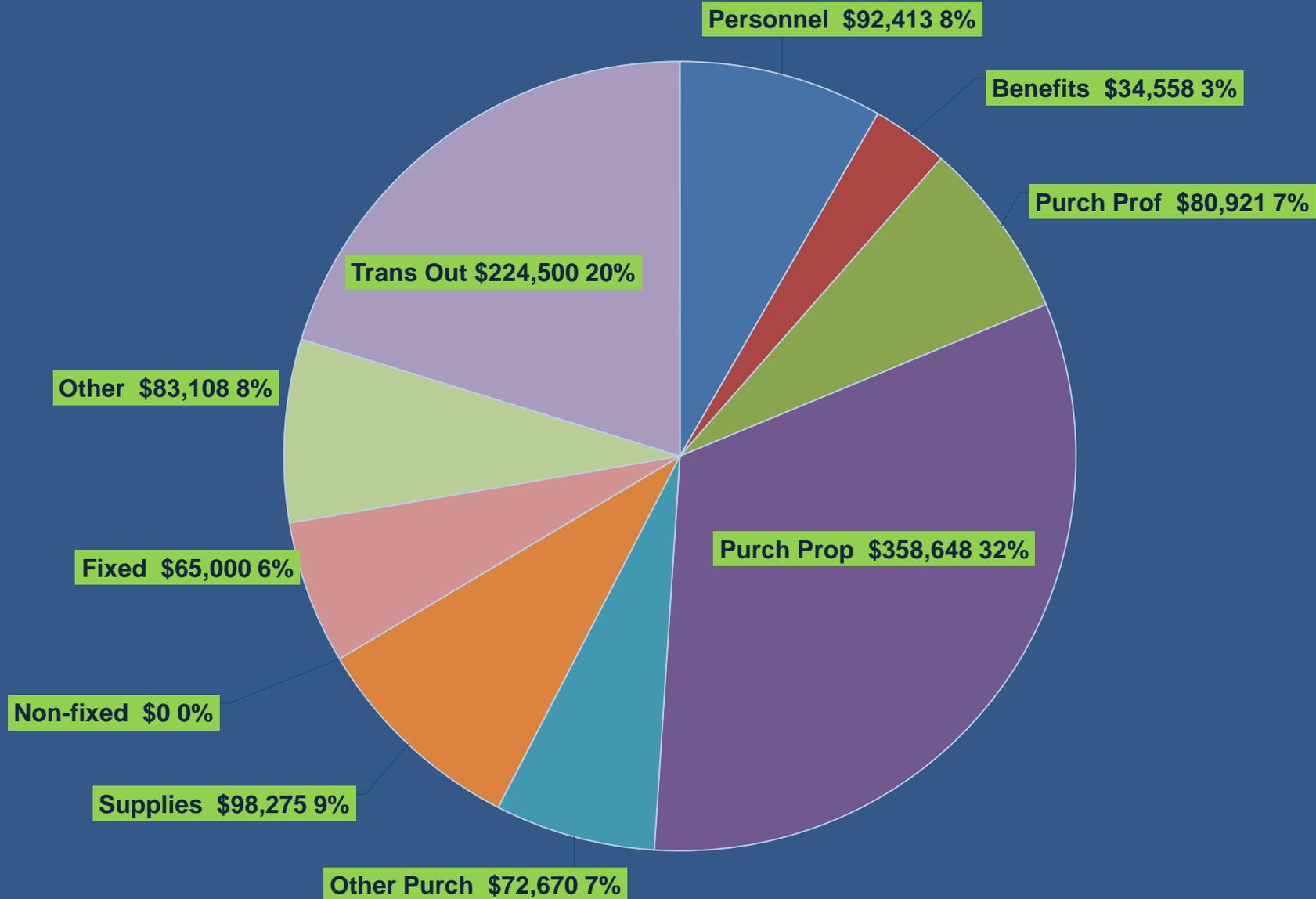
• Leases	\$676,243
• Special Event Fees/Late Fees/Interest	\$26,000
• FBO Receipts and Late Fees	\$165,000
<b>TOTAL</b>	<b>\$867,243</b>

## Major Expenses

• Salaries and Benefits	\$126,971
• Engineering Fees	\$55,500
• Utilities	\$150,000
• Repair and Maintenance	\$47,040
• Grounds Maintenance	\$66,000
• Aviation Fuel	\$96,000
• Airport taxiway construction and fence	\$65,000
• Storm Drainage	\$83,000
• Other Expenses	\$196,082
• Transfer out General Fund and PW Admin	\$224,500
<b>TOTAL</b>	<b>\$1,110,093</b>



# Airport Expenses



# Chanute EDC

## Revenue

- Rent from selected buildings \$453,308

## Major Expenses

- Utilities \$155,000
  - Building/grounds maintenance \$118,269
  - HVAC assessment \$42,803
  - Transfer out to the General Fund \$24,000
- TOTAL \$479,217**



# Summary of Internal Service Funds

- Public Works Admin
- IMS

These funds provide services to other Village funds, paid for by transfers from other departments.



# Public Works Admin Fund

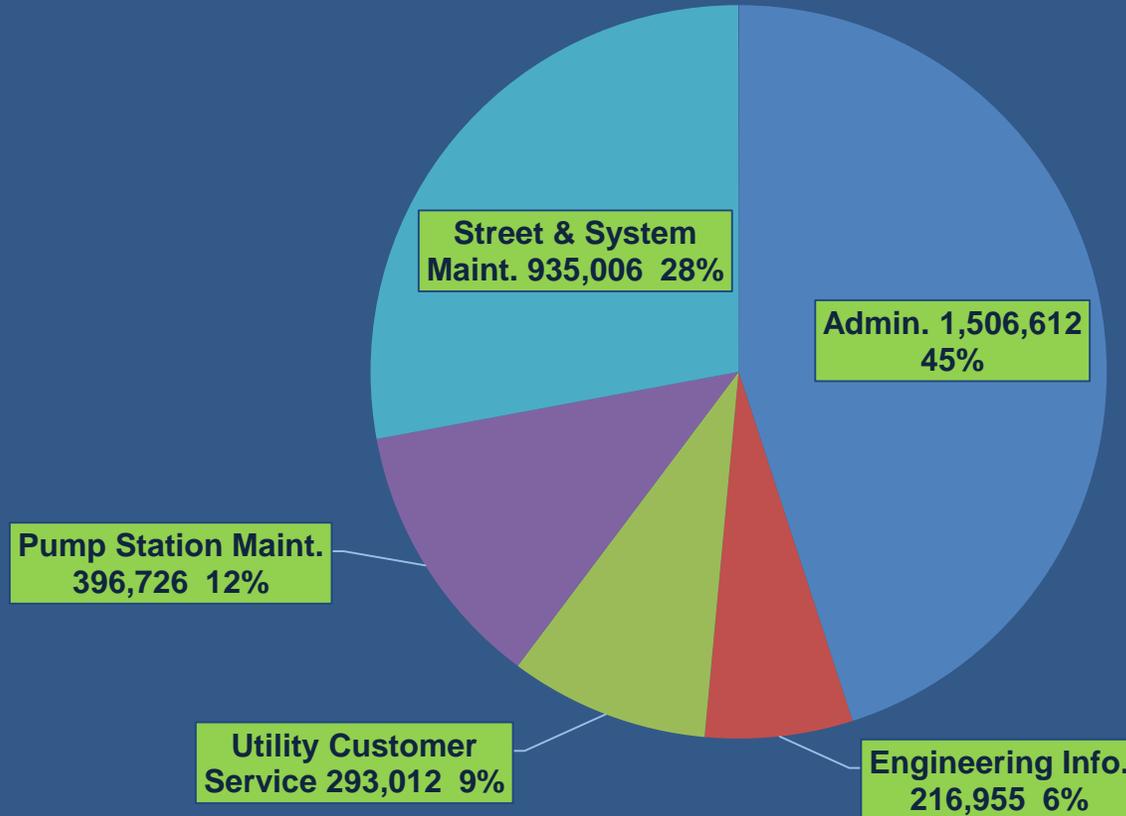
- **Divisions**

• <b>PW Admin</b>	<b>\$1,506,612</b>
• <b>Engineering Information</b>	<b>\$216,955</b>
• <b>Customer Service</b>	<b>\$293,012</b>
• <b>Pump Station Maintenance</b>	<b>\$396,726</b>
• <b>Street &amp; System Maintenance</b>	<b>\$935,006</b>
<b>TOTAL</b>	<b>\$3,348,311</b>

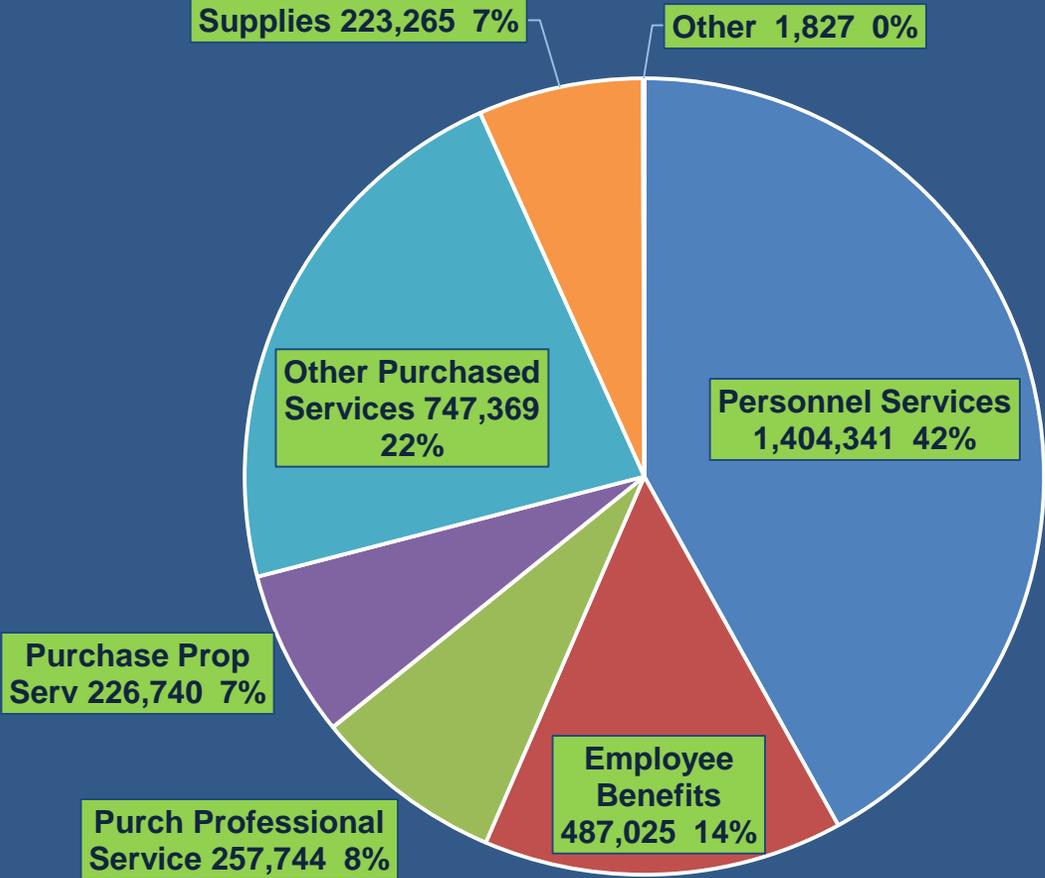
- **No capital purchases budgeted this year**
- **Budgeted revenue/expense surplus of \$45,452**
- **Revenue comes from transfers from other funds, mainly utility funds**



# Public Works Divisions



# PW Admin Fund Expenses



# IMS Fund

- Budget is balanced

## Major Expenditures

- Hardware and software maintenance agreements \$135,821
- Desktop replacements – (3/5 of cost set aside annually) \$14,000
- Server hardware upgrades (Year 1 of 2) \$20,000

