



City of Pekin

REGULAR CITY COUNCIL MEETING MONDAY, NOVEMBER 13, 2017 5:30 PM

1.	Pledge of Allegiance
2.	Call to Order
3.	Approve Agenda
3.1.	Approve agenda
4.	Approval of Minutes
4.1.	Approval of Minutes
4.2.	City Council - Regular Meeting - Oct 23, 2017 5:30 PM
5.	Public Input
6.	Consent Agenda
6.1.	Small Business Saturday - November 25, 2017 ACTION REQUESTED: Receive and File
6.2.	General Aviation Appreciation Month - November 2017 ACTION REQUESTED: Receive and File
6.3.	Liquor Commission Minutes 9/28/17
6.4.	Receive and File : City of Pekin Financial Statements April 30, 2017 Prepared by Willock Warning & Co.' P.C.: Tax Increment Financing - Central Business District Fund, Solid Waste Fund, Sewerage Fund, and Pekin Public Library Fund ACTION REQUESTED: Receive and File
7.	Presentation
7.1.	Presentation for the Street Maintenance Plan ACTION REQUESTED: Presentation of the roadways to develop a proposed maintenance plan for next fiscal years budget.
7.2.	Presentation on the Status of the Long Term Control Plan for the Wastewater Treatment ACTION REQUESTED: Presentation to update the council on the status of the

Long Term Control Plan of the Wastewater Treatment for the City of Pekin

8. New Business

- 8.1. ORDINANCE NO. 2773-17/18 Authorizing the execution of the IMLRMA Annual Min/Max Contribution Agreement

The Illinois Municipal League Risk Management Association provides workers compensation, liability and property coverage for the City of Pekin. The Min/Max program contribution of 997,515.29 based on early payment and compared to the basic program contributions of \$1,214,194. The Min/Max program saves \$216,678. The IMLRMA Min/Max program offers a lower contribution level as incentive to keep claims as low as possible. If claims exceed the minimum contribution, the City pays dollar for dollar until claims are closed or we meet the cap or maximum contribution. IMLRMA has a \$500 deductible.

The City has participated in the IMLRMA Min/Max program for its property, liability and worker's compensation insurance since 2001. Since 2006, the City has saved \$354,790 through the Min/Max program, compared to the normal contribution. Five of the last eleven years, we have kept claims under the minimum contribution. 2017 was a good year for the plan, which is reflected in the 2% rate increase for the 2018 coverage.

The staff recommends paying by 11/17/2017 for a 1% discount a difference of \$10,055.71 compared to paying by 12/15/2017.

- 8.2. Authorize Police Department Purchase of Detective Vehicle

ACTION REQUESTED: Authorize the Police Department to Spend Not More Than \$19,000 for Investigations Vehicle.

- 8.3. Purchase of in car Arbitrator Camera Units, Licensing, and Maintenance

ACTION REQUESTED: Authorization to purchase five Arbitrator Camera units for police squad cars, as well as, maintenance and licensing for all camera units, totaling \$34,500

- 8.4. Site Lease Agreement Cell Tower

ACTION REQUESTED: To approve the First Amendment to Site Lease with Option Agreement with T-Mobile USA Tower LLC by and through CCTMO LLC

9. Any Other Business To Come Before The Council

10. Executive Session 5 ILCS 120/2 (c)

11. Adjourn

Column 1 Key:

TC Tony Carson City Manager

Column 2 Key:

- 1 A Prosperous Community.** To promote and sustain a balanced economy that supports expansion and retention of family-wage jobs.
- 2 A Safe Community.** To protect community life and property by providing effective, principled police and fire services.
- 3 A Strong Foundation.** To improve and maintain existing infrastructure and leverage opportunities for new infrastructure.
- 4 A High Quality of Life.** To support or provide services that improve the quality of life for Pekin's residents.
- 5 An Effective Government.** To deliver effectively the services that Pekin's residents want, need, and are willing to support.

PROCEEDINGS OF THE REGULAR MEETING
OF THE CITY COUNCIL OF THE CITY OF PEKIN, ILLINOIS,
HELD IN THE COUNCIL CHAMBERS OF CITY HALL
111 S. CAPITOL ST
ON MONDAY OCTOBER 23, 2017 AT 5:30 O'CLOCK P.M.
JOHN MCCABE *MAYOR * PRESIDING

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor McCabe.

The meeting was called to order by Mayor McCabe at 5:30 p.m. All members were present for roll call except Council Member Garrison who was absent. A quorum was declared.

Attendee Name	Title	Status	Arrived
James A Schramm	Council Member	Present	5:17 PM
Michael Garrison	Councilman	Absent	
Lloyd Orrick	Mayor Pro-Tem	Present	3:59 PM
John P Abel	Council Member	Present	4:00 PM
Michael Ritchason	Council Member	Present	5:20 PM
Mark Luft	Council Member	Present	5:24 PM
John McCabe	Mayor	Present	4:00 PM

APPROVE AGENDA

3.1. Motion to: Approve agenda

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Michael Ritchason, Council Member
SECONDER:	Mark Luft, Council Member
AYES:	Schramm, Orrick, Abel, Ritchason, Luft, McCabe
ABSENT:	Michael Garrison

APPROVAL OF MINUTES

4.1. Motion to: Approval of Minutes

4.2. City Council - Regular Meeting - Sep 25, 2017 5:30 PM

RESULT:	ACCEPTED [UNANIMOUS]
MOVER:	Mark Luft, Council Member
SECONDER:	Michael Ritchason, Council Member
AYES:	Schramm, Orrick, Abel, Ritchason, Luft, McCabe
ABSENT:	Michael Garrison

PUBLIC INPUT

Public input Jay McNish concerns about contractor seeking to approved for the guardrail project. Rick Hilst states concerns about the guardrail project and the amounts that were required for the project previously rejected. He is also concerned about the bathroom remodel and the assistance of the engineering firm. Deanna Shanks speaks in support of the special use of the dog day care and states the dogs do not stay over night which is specified in the City Code. Ryan Ross also speaks in support of Deanna Shanks and her attitude and care of their dogs. Brianna Feller speaks in support of the dog

Minutes Acceptance: Minutes of Oct 23, 2017 5:30 PM (Approval of Minutes)

day care and the consideration she affords the animals in her care. Angie Russel also speaks in support of the dog day care. Baylee Gambetti speaks in support of the signs and awnings program extension of more time due to business budgeting and scheduling with contractors.

CONSENT AGENDA

- 6.1. National American Indian Heritage Month**
- 6.2. Pekin Plan Commission Minutes Dated September 13, 2017**
- 6.3. Building Department Report - September 2017**
- 6.4. CDBG 2016 Program Year letter from HUD**
- 6.5. Liquor Commission Minutes 08/24/17**
- 6.6. Tazewell County Animal Control Billing September 2017**
- 6.7. Traffic Safety Committee Minutes - September 2017**
- 6.8. Agreement with Tazewell County to Receive Recycling Grant**
- 6.9. Receive and File Bids Received for the 14th Street Guardrail and Ditch Rehabilitation**
- 6.10. To Receive and File Bids for the Pekin Municipal Airport Restroom Renovation Project**
- 6.11. Report of Dangerous Building at 708 Park Avenue**
- 6.12. Police Department September 2017 Monthly Stats**
- 6.13. RESOLUTION NO. 67-17/18**
- 6.14. Motion to: Motion to Approve the Consent Agenda**
Twelve items were presented by Mayor McCabe for consideration by Omnibus Vote.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Lloyd Orrick, Mayor Pro-Tem
SECONDER:	Mark Luft, Council Member
AYES:	Schramm, Orrick, Abel, Ritchason, Luft, McCabe
ABSENT:	Michael Garrison

OLD BUSINESS

- 7.1. To Award the Rebid of the 14th Street Guardrail Project**

RESULT:	APPROVED [5 TO 1]
MOVER:	John P Abel, Council Member
SECONDER:	Mark Luft, Council Member
AYES:	Schramm, Orrick, Abel, Ritchason, McCabe
NAYS:	Mark Luft
ABSENT:	Michael Garrison

NEW BUSINESS

- 8.1. Ordinance No. to Amend Signs and Awnings Grant Pilot Program**

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Michael Ritchason, Council Member
SECONDER:	John P Abel, Council Member
AYES:	Schramm, Orrick, Abel, Ritchason, Luft, McCabe
ABSENT:	Michael Garrison

8.2. OpenGov Agreement Amendment to include Budget Builder with Wdesk

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Mark Luft, Council Member
SECONDER:	John P Abel, Council Member
AYES:	Schramm, Orrick, Abel, Ritchason, Luft, McCabe
ABSENT:	Michael Garrison

8.3. Hanson Professional Services Consultant Agreement Pekin Municipal Airport Retainer

RESULT:	APPROVED [UNANIMOUS]
MOVER:	John P Abel, Council Member
SECONDER:	Lloyd Orrick, Mayor Pro-Tem
AYES:	Schramm, Orrick, Abel, Ritchason, Luft, McCabe
ABSENT:	Michael Garrison

8.4. To Award the Bid and Contract for the Pekin Municipal Airport Restroom Renovations

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Michael Ritchason, Council Member
SECONDER:	Lloyd Orrick, Mayor Pro-Tem
AYES:	Schramm, Orrick, Abel, Ritchason, Luft, McCabe
ABSENT:	Michael Garrison

8.5. Intergovernmental Agreement for Animal & Rabies Control Services

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Lloyd Orrick, Mayor Pro-Tem
SECONDER:	James A Schramm, Council Member
AYES:	Schramm, Orrick, Abel, Ritchason, Luft, McCabe
ABSENT:	Michael Garrison

8.6. Request for Special Use Authorization for a Dog Daycare / Boarding Use at 1102 Chestnut St.

RESULT:	APPROVED [5 TO 1]
MOVER:	Mark Luft, Council Member
SECONDER:	Lloyd Orrick, Mayor Pro-Tem
AYES:	Schramm, Orrick, Ritchason, Luft, McCabe
NAYS:	John P Abel
ABSENT:	Michael Garrison

ANY OTHER BUSINESS TO COME BEFORE THE COUNCIL

McNish expresses concerns about kenneling and code violations throughout town.

Hilst discusses school zone speed limits and why the junior golf association didn't approach Sunset Hills Golf Course for their event, and concerns about motorized bicycles.

Brianna Freiling asks that the council look at options for dog day care. Alisha Merrick asks that council look at the process and how it pertains to her grooming business compared to the request brought before council tonight. Charity Gullett does pet sitting and states there is a huge demand for in this area and a barricade that has been sitting on 16th Street for 2 months. Ann Witzig was pleased to hear the guard rail is going to be steel. She states other concerns regarding Tif, North Pekin sewer and the open meetings act as related to the rules in the council chamber, and a code violation on 6th Street. Ms. Buckley asks if there is a code regarding the number of dogs she can own. Bosich says there is no limit on the number you can have and if they are cared for appropriately. She asks that the council revisit the issue of dog day care. Deanna Shanks asks if she stops taking money for watching these dogs, does that allow her to proceed. McCabe tells her he will follow up with her. She states the need to continue and requests a contingent permit.

Rothert states that the City has an RFP for public service grants for public service agencies to receive grants through CDBG. McCabe sends condolences to Garrison family. The DA Points golf tournament will be held in the City within the next year at the Lick Creek and Pekin Country Club golf courses. A Transportation Summit is scheduled for November 7th from 4-6:30 at the Library. Two members of our community dropped off 125 toys to be shared with needy children in the City of Pekin. The Master Gardeners' received the State's only Teamwork Project. He reminds council of the RFPs for strategic planning for discussion at a November meeting. The North Pekin project is in litigation and the City of Pekin is providing information.

Orrick says there is inconsistency of speed limits around cross walks and asks Traffic Safety to address the issue.

Abel says TAPS is always looking for pet fosters. The weeds are over the sign at the industrial park on 5th street. He asked if traffic safety has looked at the 14th St and Park Avenue intersection.

Luft agrees with Orrick about cross walk speed limits of 20 mph. A taxpayer bought a home with a white rock driveway and they were told they could not refresh the white rock, but had to have a concrete driveway. The County needs to repair their parking lot and another lot at the end of Court St. before they contaminate our water source. Luft asks for confirmations on golf courses.

EXECUTIVE SESSION 5 ILCS 120/2 (C)

ADJOURN

No further business to come before the Council a motion was made to adjourn and carried vova voce.



REQUEST FOR COUNCIL ACTION

To: Council Members

Date: November 2, 2017

From: Paula Gensel, Admin Asst.

AGENDA ITEM: Proclamation - Small Business Saturday - November 25th, 2017

AGENDA DATE REQUESTED: November 13, 2017

ACTION REQUESTED: Receive and File

DESCRIPTION: Proclamation

FINANCIAL IMPACT:

NEIGHBORHOOD CONCERNS:

IMPACT IF APPROVED:

IMPACT IF DENIED:

ALTERNATIVES:

RELATED TO EFFICIENCY STUDY:

RELATIONSHIP TO THE CONCEPTUAL PLANNING PROCESS: [check no more than 2 boxes. Copy this check mark √ and paste it to the left of the relevant theme.]

A Prosperous Community. To promote and sustain a balanced economy that supports expansion and retention of family-wage jobs.

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An Effective Government. To deliver effectively the services that Pekin's residents want, need, and are willing to support.

REQUIRED SIGNATURES

Department Directors and City Staff:

Date:

Finance Department (Certification of Availability of Funds):

Date:

City Manager:

Date:



WHEREAS, the government of Pekin, Illinois, celebrates our local small businesses and the contributions they make to our local economy and community; according to the United States Small Business Administration, there are currently 28.8 million small businesses in the United States, they represent 99.7 percent of all businesses with employees in the United States, are responsible for 63 percent of net new jobs created over the past 20 years; and

WHEREAS, small businesses employ over 48 percent of the employees in the private sector in the United States; and

WHEREAS, on average, 33 percent of consumers' holiday shopping will be done at small, independently-owned retailers and restaurants;

WHEREAS, 91 percent of all consumers believe that supporting small, independently-owned restaurants and bars is important; and

WHEREAS, 76 percent of all consumers plan to go to one or more small businesses as part of their holiday shopping; and

WHEREAS, Pekin, Illinois supports our local businesses that create jobs, boost our local economy and preserve our neighborhoods; and

WHEREAS, advocacy groups as well as public and private organizations across the country have endorsed the Saturday after Thanksgiving as Small Business Saturday.

NOW, THEREFORE, BE IT RESOLVED that I, John McCabe, Mayor of the City of Pekin, Illinois, do hereby proclaim Saturday, November 25th, 2017, to be

“SMALL BUSINESS SATURDAY”

And urge the residents of our community, and communities across the country, to support small businesses and merchants on Small Business Saturday and throughout the year in the City of Pekin, Tazewell County, Illinois

ADOPTED, this 13th day of November, in the Year of Our Lord, Two Thousand and Seventeen.

JOHN MCCABE
Mayor

ATTEST:

SUE E. McMILLAN
City Clerk



REQUEST FOR COUNCIL ACTION

To: Council Members

Date: November 7, 2017

From: Paula Gensel, Admin Asst.

AGENDA ITEM: Proclamation General Aviation Appreciation Month - November 2017

AGENDA DATE REQUESTED: November 13, 2017

ACTION REQUESTED: Receive and File

DESCRIPTION: General Aviation Appreciation Month – November 2017

FINANCIAL IMPACT:

NEIGHBORHOOD CONCERNS:

IMPACT IF APPROVED:

IMPACT IF DENIED:

ALTERNATIVES:

RELATED TO EFFICIENCY STUDY:

RELATIONSHIP TO THE CONCEPTUAL PLANNING PROCESS: [check no more than 2 boxes. Copy this check mark √ and paste it to the left of the relevant theme.]

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REQUIRED SIGNATURES

Department Directors and City Staff:

Date:

Finance Department (Certification of Availability of Funds):

Date:

City Manager:

Date:



WHEREAS, the City of Pekin in the State of Illinois has a significant interest in the continued vitality of general aviation, aircraft manufacturing, aviation educational institutions, aviation organizations and community airports; and

WHEREAS, Illinois is home to 98 public-use airports, which serve 14,117 pilots and 5,661 active general aviation aircraft; and

WHEREAS, Illinois is home to 89 fixed-base operators, 100 repair stations, 286 heliports, 13 FAA-approved pilot schools, 3,302 flight students and 3,377 flight instructors; and

WHEREAS, general aviation in Illinois contributes over \$9 billion; and

WHEREAS, general aviation not only supports Illinois' economy, it improves overall quality of life by supporting emergency medical and healthcare services, law enforcement, firefighting and disaster relief, and by transporting business travelers to their destinations quickly and safely; and

WHEREAS, the nation's aviation infrastructure represents an important public benefit, and Congressional oversight should be in place of this system to ensure that it remains a public system and serves communities of all sizes.

NOW, THEREFORE, BE IT RESOLVED, that I, JOHN MCCABE, Mayor of the City of Pekin, do hereby proclaim the month of November, 2017 as,

"GENERAL AVIATION APPRECIATION MONTH"

in the City of Pekin, Tazewell County, Illinois.

Adopted this 13th day of November in the Year of Our Lord, Two Thousand and Seventeen.

JOHN MCCABE
MAYOR

ATTEST:

SUE E. McMILLAN
CLERK

**REQUEST FOR COUNCIL ACTION****To: Council Members****Date: October 30, 2017****From: Paula Gensel, Admin Asst.****AGENDA ITEM:** Liquor Commission Minutes 9/28/17**AGENDA DATE REQUESTED:** November 13, 2017**REQUIRED SIGNATURES****Department Directors and City Staff:**

Date:

Finance Department (Certification of Availability of Funds):

Date:

City Manager:

Date:



**LIQUOR COMMISSION MINUTES RESCHEDULED
THURSDAY, SEPTEMBER 28, 2017 AT 4:00 P.M.
CITY HALL COUNCIL CHAMBERS
111 SOUTH CAPITOL STREET
PEKIN, ILLINOIS 61554**

Liquor Commissioner John McCabe called the meeting to order at 4:05 p.m.

The **PLEDGE of ALLEGIANCE** was led by the Liquor Commission Members

ROLL CALL

The following members were present for roll call: Liquor Commissioner John McCabe, Police Chief John Dossey, Fire Chief Kurt Nelson, Commission Member Timm Schwartz, and Commission Member Rose Hasler.

Absent: Deputy Liquor Commissioner Rick VonRohr.

Also present: Attorney Sue Bosich

APPROVAL OF AGENDA

Motion made by Police Chief John Dossey, seconded by Liquor Commissioner Rose Hasler to approve the September 28, 2017 Agenda. On roll call vote present voted Aye. Motion carried

APPROVAL OF LIQUOR COMMISSION MINUTES

Motion made by Liquor Commission Member Timm Schwartz, seconded by Police Chief Dossey to approve the August 24th, 2017 Liquor Commission minutes. On roll call vote present voted Aye. Motion carried.

PUBLIC INPUT/COMMENTS/QUESTIONS

Tom West, West Dublin Pub to open at a later date at 507 Court Street. Mr. West had some questions on the section of the Liquor Code regarding Beer Gardens. Mr. West will contact the Building Inspections Department with his plans.

NEW BUSINESS

Flynn Store, Inc. dba Gingoteague – Jon Flynn – 2601 S. 14th Street. Mr. Flynn is changing from a Class B liquor license to a Class A liquor license.

Motion made by Liquor Commission Member Timm Schwartz to approve the liquor license for discussion, seconded by Liquor Commission Member Rose Hasler. On roll call vote present voted Aye. Motion carried.

Discussion: Fire Chief Kurt Nelson had concerns that the building was not ready to open and Inspections Department has not been out there for a final inspection. Mr. Flynn pulled a permit last year and has not fulfilled that permit. Mr. Flynn stated his plans changed and he did not do any of the remodeling. Fire Department was out to inspect and he needs two exit lights and wondered if he was going to have a full kitchen since his application stated restaurant. Mr. Flynn stated it was not going to be a restaurant, more of just serving pizza. He has contacted the Tazewell County Health Department on the kitchen area and also the outside bathrooms. Mr. Flynn will contact the Inspections Department to discuss further plans and pull permits.

Liquor Commission Member Timm Schwartz made a motion to post-pone the liquor license for Flynn St Inc. dba Gingoteague until the next Liquor Commission meeting scheduled for Thursday, October 26th. Seconded by Liquor Commission Member Rose Hasler. On roll call vote present voted Aye. Motion carried.

6.3.a

ANY OTHER BUSINESS

Liquor Commissioner John McCabe made a motion to adjourn. Meeting adjourned at 4:35 P.M.

Respectfully submitted

Paula Gensel, Liquor Commission Secretary

Attachment: 09282017 Liquor Commission Minutes (1262 : Liquor Commission Minutes 9/28/17)

**REQUEST FOR COUNCIL ACTION****To: Council Members****Date: November 10, 2017****From: Sue McMillan, City Clerk****Sue McMillan, City Clerk****AGENDA ITEM:** Financial Statements April 30, 2017 TIF, Sewerage, Solid Waste, Library**AGENDA DATE REQUESTED:** November 13, 2017**ACTION REQUESTED:** Receive and File**REQUIRED SIGNATURES****Department Directors and City Staff:**

Date:

Finance Department (Certification of Availability of Funds):

Date:

City Manager:

Date:

CITY OF PEKIN, ILLINOIS

SOLID WASTE FUND

FINANCIAL STATEMENTS

APRIL 30, 2017

CITY OF PEKIN, ILLINOIS
SOLID WASTE FUND FINANCIAL STATEMENTS
APRIL 30, 2017

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WILLOCK WARNING & CO., P.C.
CERTIFIED PUBLIC ACCOUNTANTS

23 OLT AVENUE
PEKIN, ILLINOIS 61554

TELEPHONE (309) 347-3152
FAX (309) 347-3153

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and City Council
City of Pekin, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the Solid Waste Fund of the City of Pekin, Illinois as of and for the year ended April 30, 2017, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Solid Waste Fund of the City of Pekin, Illinois as of April 30, 2017 and the changes in financial position and cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Information

The schedule reported as Other Information in the table of contents has been subjected to the auditing procedures applied in the audit of the basic financial statements of the Solid Waste Fund and is presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Solid Waste Fund of the City of Pekin, Illinois and do not purport and do not, present fairly the financial position of the City of Pekin, Illinois as of April 30, 2017, and change changes in its financial position and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

The schedule reported as Statistical Information in the table of contents has not been subjected to the auditing procedures applied in the audit of the financial statements of the Solid Waste Fund and, accordingly, we do not express an opinion or provide any assurance on it.



Willock Warning & Co., P.C.
Pekin, Illinois
October 16, 2017

STATEMENT 1

CITY OF PEKIN, ILLINOIS
SOLID WASTE FUND
STATEMENT OF NET POSITION
APRIL 30, 2017

ASSETS

Current assets:

Accounts receivable	\$ 151,856
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Capital assets:

Machinery and equipment	93,027
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Vehicles	1,633,361
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Less accumulated depreciation	(1,177,147)
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Total capital assets	549,241
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Total assets	\$ 701,097
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LIABILITIES

Current liabilities:

Cash overdraft	\$ 1,174,455
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Accounts payable	56,504
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Accrued wages	12,353
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Total current liabilities	1,243,312
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NET POSITION

Net investment in capital assets	549,241
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Unrestricted	(1,091,456)
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Total net position	\$ (542,215)
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The notes to the financial statements are an integral part of this statement.

STATEMENT 2

CITY OF PEKIN, ILLINOIS
SOLID WASTE FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND POSITION
YEAR ENDED APRIL 30, 2017

OPERATING REVENUES:

Collection fees	\$ 1,950,916
Fees for extra and special pickups	2,466
Sale of garbage totes	37,370
Intergovernmental grant	69,050
Licenses	2,060
Recycling fees collected	1,735
Other	5,428
Total operating revenues	<u>2,069,025</u>

OPERATING EXPENSES:

Wages and payroll taxes	866,260
Employee benefits	249,758
Insurance	62,425
Vehicle expenses	290,206
Maintenance and repairs	50,404
Utilities	5,677
Disposal fees	604,773
Supplies	7,650
Other administrative expenses	40,214
Contractual services	3,008
Depreciation	119,761
Total operating expenses	<u>2,300,136</u>
Operating loss	<u>(231,111)</u>

NONOPERATING INCOME (EXPENSES):

Transfers from General Fund	404,475
Transfers to General Fund-administrative costs	<u>(193,095)</u>
Net nonoperating income	<u>211,380</u>

Change in net position	(19,731)
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Net position, beginning of year	<u>(522,484)</u>
Net position, end of year	<u>\$ (542,215)</u>

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

STATEMENT 3

CITY OF PEKIN, ILLINOIS
SOLID WASTE FUND
STATEMENT OF CASH FLOWS
YEAR ENDED APRIL 30, 2017

Cash flows from operating activities:

Receipts for services and fees	\$ 1,979,754
Payments to vendors and suppliers	(1,038,154)
Payments for employees and benefits	<u>(1,116,944)</u>
Net cash used by operating activities	<u>(175,344)</u>

Cash flows from noncapital financing activities:

Net transfers from General Fund	<u>211,380</u>
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Net increase in cash	36,036
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Cash overdraft, beginning of year	<u>(1,210,491)</u>
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Cash overdraft, end of year	<u>\$ (1,174,455)</u>
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Reconciliation of operating loss to net cash used by operating activities:

Operating loss	\$ (231,111)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Depreciation	119,761
Increase in accounts receivable	(89,271)
Increase in accounts payable	26,203
Decrease in accrued wages	<u>(926)</u>
Net cash used by operating activities	<u>\$ (175,344)</u>

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

CITY OF PEKIN, ILLINOIS
SOLID WASTE FUND
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2017

6.4.a

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

The Solid Waste Fund is a separate accounting fund within the City of Pekin's fund accounting system which is designed to account for and report upon specific activities or certain objectives. It is included in the business-type activities in the Statement of Net Position and Statement of Activities of the City of Pekin's financial statements. These financial statements present only the Solid Waste Fund and are not intended to present fairly the financial position and results of operations of the City of Pekin in conformity with accounting principles generally accepted in the United States of America.

The fund is an Enterprise Fund and, accordingly, employs the accrual basis of accounting wherein revenues are recognized in the period in which they are earned and expenses are recognized in the period in which they are incurred. Enterprise funds are generally used when fees are charged to external users for services and those fees are designed to recover the cost of providing services (including capital costs such as depreciation or debt service). Prior to May 1, 2014, solid waste collection costs were reported as a department of the City's General Fund. On April 14, 2014, the City Council passed Ordinance No. 2698-13/14, which established a fee, beginning May 1, 2014, for the collection of residential solid waste, yard waste, and recycling materials.

Capital assets used in the operations of the solid waste system are stated at cost. Depreciation expense is recorded as a charge against income and is computed using the straight-line method based upon the estimated useful lives of the capital assets, generally 10 years.

NOTE 2 - SOLID WASTE FEES

Pursuant to Section 5-2A-2 of Ordinance 2698-13/14, the solid waste fee was established to cover the cost of collection and disposal of residential household garbage, yard waste and recycling materials. The monthly fee to each residential customer was \$12.

On January 23, 2017, the City Council passed Ordinance 2757-16/17 which established collection fees for the succeeding five years. The ordinance included a collection fee for nonresidents.

CITY OF PEKIN, ILLINOIS
SOLID WASTE FUND
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2017

NOTE 2 - continued

The five-year fee schedule is as follows:

Effective Date	Monthly Fee for <u>Residents</u>	Monthly Fee For <u>Nonresidents</u>
May, 2017	\$ 16.00	\$ 24.00
May, 2018	18.00	27.00
May, 2019	20.00	30.00
May, 2020	22.00	33.00
May, 2021	23.00	34.50

NOTE 3 - TRANSFERS

Transfers from General Fund - The Solid Waste Fund has incurred a net cash flow deficit since its inception. The transfers from the General Fund to the Solid Waste Fund in the amount of \$404,475 for fiscal year 2017 is a partial reduction of the cash flow deficit.

Transfers to General Fund - The City allocates a portion of its administrative expenses to reflect additional costs of solid waste collection operations. For fiscal year 2017 those estimated costs were \$193,095.

OTHER INFORMATION

SCHEDULE 1

CITY OF PEKIN, ILLINOIS
SOLID WASTE FUND
DEPARTMENTAL OPERATING EXPENSES
YEAR ENDED APRIL 30, 2017

<u>OPERATING EXPENSES:</u>	HOUSEHOLD <u>WASTE</u>	YARD <u>WASTE</u>	<u>RECYCLING</u>	<u>TOTAL</u>
Wages and payroll taxes	\$ 569,680	\$ 156,138	\$ 140,442	\$ 866,260
Employee benefits	157,431	49,433	42,894	249,758
Insurance	46,661	7,356	8,408	62,425
Vehicle expenses	190,034	48,068	52,104	290,206
Maintenance and repairs	40,009	592	9,803	50,404
Utilities	4,839	-	838	5,677
Disposal fees	501,421	79,415	23,937	604,773
Supplies	7,640	-	10	7,650
Other administrative expenses	39,716	454	44	40,214
Contractual services	2,349	388	271	3,008
Depreciation	106,458	4,000	9,303	119,761
Total operating expenses	<u>\$ 1,666,238</u>	<u>\$ 345,844</u>	<u>\$ 288,054</u>	<u>\$ 2,300,136</u>

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

STATISTICAL INFORMATION

SCHEDULE 2

CITY OF PEKIN
SOLID WASTE FUND
OPERATING EXPENSES AND CAPITAL EXPENDITURES BY DEPARTMENT
FOR THE FISCAL YEARS ENDED APRIL 30, 2008-2017

<u>FISCAL YEAR ENDED APRIL 30,</u>	<u>HOUSEHOLD WASTE</u>	<u>YARD WASTE</u>	<u>RECYCLING</u>	<u>TOTAL OPERATING EXPENSES</u>	<u>CAPITAL EXPENDITURES</u>
2017	\$ 1,559,780	\$ 341,844	\$ 278,751	\$ 2,180,375	\$ -
2016	1,598,314	321,512	327,580	2,247,406	186,615
2015	1,318,425	297,411	301,076	1,916,912	-
2014	1,281,259	271,607	337,241	1,890,107	25,404
2013	1,184,755	290,979	256,068	1,731,802	431,562
2012	1,196,640	386,566	296,469	1,879,675	194,369
2011	1,027,637	377,309	409,431	1,814,377	27,362
2010	1,209,694	320,799	381,161	1,911,654	-
2009	1,101,549	372,310	395,553	1,869,412	303,220
2008	994,170	365,158	355,293	1,714,621	52,642

Total operating expenses excludes depreciation charges.

This schedule is unaudited-see the accountant's report regarding this information.

CITY OF PEKIN, ILLINOIS
TAX INCREMENT FINANCING -
CENTRAL BUSINESS DISTRICT FUND
FINANCIAL STATEMENTS

APRIL 30, 2017

CITY OF PEKIN, ILLINOIS

TAX INCREMENT FINANCING-CENTRAL BUSINESS DISTRICT FUND

YEAR ENDED APRIL 30, 2017

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WILLOCK WARNING & CO., P.C.
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the City Council
City of Pekin, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the Tax Increment Financing-Central Business District Fund of the City of Pekin, Illinois as of and for the year ended April 30, 2017, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Tax Increment Financing-Central Business District Fund of the City of Pekin, Illinois as of April 30, 2017 and the changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Tax Increment Financing-Central Business District Fund and do not purport and do not, present fairly the financial position of the City of Pekin, Illinois as of April 30, 2017, and the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Willock Warning & Co, PC

Willock Warning & Co., PC
Pekin, Illinois
October 17, 2017

CITY OF PEKIN, ILLINOIS

TAX INCREMENT FINANCING-CENTRAL BUSINESS DISTRICT FUND

BALANCE SHEET

APRIL 30, 2017**ASSETS**

Current assets:

Cash	\$ 3,675,476
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Noncurrent assets:

Economic development loans receivable	<u>70,531</u>
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Total assets	<u>\$ 3,746,007</u>
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LIABILITIES AND FUND BALANCE

Current liabilities:

Accounts payable	<u>\$ 3,406</u>
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Fund balance:

Restricted for noncurrent loans receivable	70,531
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Restricted for project development	<u>3,672,070</u>
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Total fund balance	<u>3,742,601</u>
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Total liabilities and fund balance	<u>\$ 3,746,007</u>
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The notes to the financial statements are an integral part of this statement.

CITY OF PEKIN, ILLINOIS

TAX INCREMENT FINANCING-CENTRAL BUSINESS DISTRICT FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED APRIL 30, 2017

Revenues:

Real estate tax increments	\$ 490,215
Investment earnings	<u>21,867</u>
Total revenues	<u>512,082</u>

Expenditures:

Administration	4,756
Redevelopment:	
Property improvements and maintenance	175,788
Loans forgiven	<u>31,575</u>

Total expenditures	<u>212,119</u>
Excess of revenues over expenditures	299,963

Fund balance, beginning of year	<u>3,442,638</u>
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Fund balance, end of year	<u>\$ 3,742,601</u>
---------------------------	---------------------

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

CITY OF PEKIN, ILLINOIS

TAX INCREMENT FINANCING-CENTRAL BUSINESS DISTRICT FUND

NOTES TO THE FINANCIAL STATEMENTS

APRIL 30, 2017**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES****a) Reporting Entity**

The Tax Increment Financing-Central Business District Fund (the TIF-CBD Fund) is a separate fund of the City of Pekin, Illinois. It is included in the governmental activities in the Statement of Net Assets and Statement of Activities of the City of Pekin's financial statements. These financial statements present only the TIF-CBD Fund and are not intended to present fairly the financial position and results of operations of the City of Pekin in conformity with accounting principles generally accepted in the United States of America.

The City of Pekin established the TIF-CBD Fund by Ordinances dated November 11, 1986 pursuant to the Illinois Tax Allocation Redevelopment Act. The purpose of the fund is to account for resources and expenditures arising in connection with redevelopment of a certain designated project area pursuant to a plan for redevelopment. The Fund was due to expire in 2009. In 2005 the State of Illinois, through the legislative process, extended the real estate tax exemption to the year 2021. On June 28, 2004 the City of Pekin passed an ordinance extending the sales tax provisions through the year 2013. Those sales tax provisions have expired and no additional extensions for sales tax revenue have been made.

b) Basis of Accounting

The modified accrual basis of accounting, under which expenditures are recorded when the liability is incurred and revenues are recorded when received in cash unless susceptible to accrual or of a material amount and not received at the normal time of receipts, is followed.

NOTE 2 - REDEVELOPMENT LOAN/GRANT PROGRAMS

During fiscal year 2011 the City began a redevelopment loan program for buildings located within the TIF/CBD boundaries. The program involves matching loans for viable commercial retail use on first and upper story floors. Principal and interest payments are forgiven if the property owner meets certain requirements related to upkeep and maintenance of the property.

The City also began a building façade and interior revitalization grant program whereby property owners may receive a grant to fund a portion of the costs of improvements to a building. The property must be located within the TIF/CBD boundaries.

The following activities took place involving the loan and grant programs during fiscal year 2017:
Loan program:

Loan Balances <u>4/30/17</u>	Loans Made <u>in FY 17</u>	Partial Loan Forgiveness <u>in FY 17</u>	Loan Balances <u>4/30/17</u>
\$ 102,106	\$ -	\$ (31,575)	\$ 70,531

SCHEDULE A

CITY OF PEKIN, ILLINOIS

TAX INCREMENT FINANCING-CENTRAL BUSINESS DISTRICT FUND

OPERATING CASH ANALYSIS

YEAR ENDED APRIL 30, 2017

Operating cash balance, beginning of year		\$ 3,340,532
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Deposits:

Real estate tax increments	\$ 490,215	
Investment earnings	<u>21,867</u>	512,082

Expenditures:

Administrative expenses	4,756	
Property improvements and maintenance	<u>172,382</u>	<u>(177,138)</u>

Operating cash balance, end of year		<u>\$ 3,675,476</u>
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Ending operating cash balance by source:

Transfer from investment account, prior year	\$ 559,564
Real estate tax increments, prior years	2,505,105
Real estate tax increments, current year	490,215
Investment earnings, prior years	82,003
Investment earnings, current year	21,867
Sale of property, prior year	15,011
Other income, prior year	<u>1,711</u>

Total	<u>\$ 3,675,476</u>
-------	---------------------

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

WILLOCK WARNING & CO., P.C.
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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE

We have audited the financial statements of the City of Pekin, Illinois for the year ended April 30, 2017, and have issued our report thereon dated October 17, 2017.

We have also audited the City of Pekin's compliance with the provisions of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) as it relates to the eligibility of expenditures for costs incurred incidental to the implementation of the City of Pekin/Central Business District Amended Area Tax Increment Redevelopment Plan and Project. The management of the City of Pekin, Illinois is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the City of Pekin, Illinois' compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the City of Pekin, Illinois complied, in all material respects, with the requirements of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) as it relates to the eligibility of expenditures for costs incurred incidental to the implementation of the City of Pekin/Central Business District Amended Area Tax Increment Redevelopment Plan and Project.

Willock Warning + Co, PC

WILLOCK WARNING & CO., P.C.
October 17, 2017

Attachment: TIF AUDIT 2017 (1272 : Financial Statements April 30, 2017 TIF, Sewerage, Solid Waste, Library)

CITY OF PEKIN, ILLINOIS
PEKIN PUBLIC LIBRARY FUND
FINANCIAL STATEMENTS

APRIL 30, 2017

CITY OF PEKIN, ILLINOIS
PEKIN PUBLIC LIBRARY FUND FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2017

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of Pekin Public Library
and To the Honorable Mayor and City Council
City of Pekin, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the Pekin Public Library Fund of the City of Pekin, Illinois as of and for the year ended April 30, 2017, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Pekin Public Library Fund as of April 30, 2017 and the changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Pekin Public Library Fund and do not purport and do not, present fairly the financial position of the City of Pekin, Illinois as of April 30, 2017, and the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Willock Warning & Co., PC

Willock Warning & Co., PC
Pekin, Illinois
November 7, 2017

STATEMENT 1

CITY OF PEKIN, ILLINOIS
PEKIN PUBLIC LIBRARY FUND

BALANCE SHEET

APRIL 30, 2017

ASSETS

Current assets:

Cash and cash equivalents:

Operating	\$ 68,691
Endowment	23,841
Capital development	70,692
Investments-capital development	600,000
Receivable-property taxes	1,076,490
Receivable-grants	27,362
Due from other fund	6,395
Total current assets	<u>1,873,471</u>

Fixed assets:

Land	164,640
Building and improvements	9,103,174
Furniture, fixtures, and equipment	948,401
Books	<u>2,443,410</u>
Total, at cost	12,659,625
Less accumulated depreciation	<u>(3,880,191)</u>
Total fixed assets	<u>8,779,434</u>
Total assets	<u>\$ 10,652,905</u>

LIABILITIES AND FUND BALANCE

Current liabilities:

Accrued wages	\$ 11,677
Deferred tax revenue	<u>1,076,490</u>
Total current liabilities	1,088,167

Fund balance:

Restricted	<u>9,564,738</u>
Total liabilities and fund balance	<u>\$ 10,652,905</u>

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

STATEMENT 2

CITY OF PEKIN, ILLINOIS
 PEKIN PUBLIC LIBRARY FUND
 STATEMENT OF REVENUES AND EXPENSES
YEAR ENDED APRIL 30, 2017

Operating revenues:	
Real estate taxes	\$ 1,041,629
Replacement taxes	114,871
State per capita grant	26,472
Village of South Pekin revenue	11,846
Charges for services, fees, etc.	70,094
Other	2,131
Total operating revenues	<u>1,267,043</u>
Operating expenses:	
Salaries	592,643
Payroll taxes	125,113
Group health insurance	122,473
Workers' compensation insurance	3,819
Books, periodicals, cassettes, etc.	163,072
Circulation system	23,100
ISP costs	2,519
Equipment rental, supplies, postage	36,150
Program costs	32,251
Repairs and maintenance	67,669
Utilities	48,591
Telephone	3,271
Insurance	14,878
Dues and subscriptions	2,301
Travel and conferences	5,090
Outside services	678
Computer costs	10,812
Equipment purchases	3,855
Miscellaneous	5,332
Total operating expenses	<u>1,263,617</u>
Excess of operating revenues over operating expenses	<u>3,426</u>

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

STATEMENT 2
(continued)

CITY OF PEKIN, ILLINOIS
PEKIN PUBLIC LIBRARY FUND
STATEMENT OF REVENUES AND EXPENSES
YEAR ENDED APRIL 30, 2017

Other revenues (expenses):	
Investment earnings	3,461
Gifts and memorials	19,422
Capital development expenditures	<u>(226,209)</u>
Deficiency of other revenues over other expenses	<u>(203,326)</u>
 Deficiency of operating and other revenues over operating and other expenses	 <u>(199,900)</u>
Other adjustments:	
Add capitalization of capital development expenditures	226,209
Add capitalization of books	121,645
Less depreciation of fixed assets	<u>(300,594)</u>
Total other adjustments	<u>47,260</u>
 Net change in fund balance	 <u>\$ (152,640)</u>

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

STATEMENT 3

CITY OF PEKIN, ILLINOIS
PEKIN PUBLIC LIBRARY FUND
STATEMENT OF CHANGES IN FUND BALANCE
YEAR ENDED APRIL 30, 2017

Fund balance, beginning of year	\$ 9,717,378
Net deficiency of operating and other revenues over operating and other expenses and other adjustments	<u>(152,640)</u>
Fund balance, end of year	<u>\$ 9,564,738</u>

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

STATEMENT 4

CITY OF PEKIN, ILLINOIS

PEKIN PUBLIC LIBRARY FUND

STATEMENT OF REVENUES AND EXPENDITURES-BUDGET AND ACTUAL

YEAR ENDED APRIL 30, 2017

	<u>Budget</u>	<u>Actual</u>	Variance Over (Under)
Operation revenues:			
Real estate taxes	\$ 1,044,140	\$ 1,041,629	\$ (2,511)
Replacement taxes	113,400	114,871	1,471
State per capita grant	26,281	26,472	191
Village of South Pekin revenue	12,100	11,846	(254)
Charges for services, etc.	42,100	70,094	27,994
Other	12,900	2,131	(10,769)
Total operating revenues	<u>1,250,921</u>	<u>1,267,043</u>	<u>16,122</u>
Operating expenditures:			
Salaries	610,000	592,643	(17,357)
Payroll taxes	113,300	125,113	11,813
Group health insurance	126,300	122,473	(3,827)
Workers compensation insurance	3,500	3,819	319
Books, periodicals, etc.	144,470	163,072	18,602
Circulation system	24,000	23,100	(900)
ISP costs	3,100	2,519	(581)
Equipment rental, supplies, and postage	37,700	36,150	(1,550)
Program costs	21,900	32,251	10,351
Repairs and maintenance	47,000	67,669	20,669
Utilities	46,900	48,591	1,691
Telephone	3,870	3,271	(599)
Insurance	16,000	14,878	(1,122)
Dues and subscriptions	2,250	2,301	51
Travel and conferences	5,000	5,090	90
Outside services	1,000	678	(322)
Computer costs	8,000	10,812	2,812
Equipment purchases	4,000	3,855	(145)
Miscellaneous	7,300	5,332	(1,968)
Grant expenditures	27,681	-	(27,681)
Total operating expenditures	<u>1,253,271</u>	<u>1,263,617</u>	<u>10,346</u>
Excess (deficiency) of operating revenues over operating expenditures	<u>(2,350)</u>	<u>3,426</u>	<u>5,776</u>

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

STATEMENT 4
(continued)

CITY OF PEKIN, ILLINOIS
PEKIN PUBLIC LIBRARY FUND
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
YEAR ENDED APRIL 30, 2017

	<u>Budget</u>	<u>Actual</u>	Variance Over (Under)
Other revenues (expenditures):			
Investment earnings	3,150	3,461	311
Gifts and memorials	12,000	19,422	7,422
Capital development expenditures	-	(226,209)	226,209
Purchases from gifts and endowments	<u>(12,800)</u>	<u>-</u>	<u>(12,800)</u>
Excess (deficiency) of other revenue over other expenditures	<u>2,350</u>	<u>(203,326)</u>	<u>(205,676)</u>
Deficiency of operating and other revenues over operating and other expenditures	<u>\$ -</u>	<u>\$ (199,900)</u>	<u>\$ (199,900)</u>

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

CITY OF PEKIN, ILLINOIS
PEKIN PUBLIC LIBRARY FUND
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2017

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Pekin Public Library Fund is a separate fund of the City of Pekin, Illinois. It is included in the governmental activities in the Statement of Net Position and Statement of Activities of the City of Pekin's financial statements. These financial statements present only the Library Fund and are not intended to present fairly the financial position and results of operations of the City of Pekin in conformity with accounting principles generally accepted in the United States of America.

Operations of the Pekin Public Library (the "Library") are governed by nine officials, appointed by the Mayor and the City of Pekin with approval of the City Council, designated as the Board of Trustees.

Basis of Presentation

For many years, the primary focus of local governmental financial statements has been summarized fund-type information on a current financial resource basis. This approach has been modified by Government Accounting Standards Board (GASB) Statement No. 34 and the City of Pekin's financial statements present two kinds of statements, each with a different view of the City's finances. These changes affect the Pekin Public Library's financial statement in several ways:

1. The balance sheet of the Library no longer reports fixed assets as a separate account group apart from the operating assets;
2. Books purchased within the past ten years have been capitalized and added to the fixed assets. Library books are considered to have a useful life of greater than one year and, therefore, are subject to annual depreciation charges;
3. Accumulated depreciation on previous years' fixed assets has been calculated and recorded on the balance sheet.
4. The Statement of Revenues and Expenses (Statement 2) includes the current year charge for depreciation of fixed assets.

Basis of Accounting

The accrual basis of accounting, under which expenditures are recorded when the liability is incurred and revenues are recorded when earned regardless of the timing of related cash flows, is followed.

CITY OF PEKIN, ILLINOIS
 PEKIN PUBLIC LIBRARY FUND
 NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2017

NOTE 1 - continued

Cash and Cash Equivalents

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Fixed Assets

Fixed assets include land, building and improvements, equipment, and books with an initial useful life of one year or greater. Assets are recorded at historical cost. The cost of normal repairs and maintenance that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

Depreciation has been provided using the straight-line method over the estimated useful lives of the respective assets. The estimated useful lives for each fixed asset type are as follows:

Building and improvements	50 years
Furniture, fixtures and equipment	20 years
Books	10 years

Budget

The City of Pekin's annual budget and appropriations ordinances cover all funds of the City, including the Library, and is prepared on the accrual basis. Therefore, the statement of revenues and expenditures-budget and actual has been prepared on a basis consistent with and comparable to the legally adopted budget.

NOTE 2 - PROPERTY TAXES

Property tax revenues are recorded on the "deferred method". Because of the extraordinarily long period of time between the levy date and the receipt of tax distributions from the Tazewell County Treasurer, the property taxes are not "available" to finance current year expenditures. The tax levy for 2016, to be collected in June and September, 2017, is shown on the balance sheet as property taxes receivable with a related credit to deferred tax revenue.

The property taxes for 2015 were collected June through September, 2016 and received by the Library in July, September, and November, 2016. These taxes have been recorded as real estate tax revenue in the financial statements.

CITY OF PEKIN, ILLINOIS
PEKIN PUBLIC LIBRARY FUND
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2017

NOTE 3 - CHANGES IN FIXED ASSETS

The following is a summary of the changes in fixed assets during the year:

	Balance <u>4/30/2016</u>	Additions (Retirements)	Balance <u>4/30/2017</u>
Land	\$ 164,640	\$ -	\$ 164,640
Building and improvements	8,917,381	185,793	9,103,174
Furniture, fixtures and equipment	907,985	40,416	948,401
Books	<u>2,321,765</u>	<u>121,645</u>	<u>2,443,410</u>
Total	<u>\$ 12,311,771</u>	<u>\$ 347,854</u>	<u>\$ 12,659,625</u>

NOTE 4 - EXPENDITURES FROM SPECIAL ACCOUNTS

During the year the following expenditures were charged to line items that were budgeted as purchases from Gifts and Endowments:

Books, cassettes, and CD's	\$ 3,231
Program costs	7,587
Furniture and fixtures	17,635
Supplies	1,015
Computer costs	2,100
Travel	291
Repairs and maintenance	<u>4,505</u>
Total	<u>\$ 36,364</u>

During the year the following expenditures were charged to line items that were budgeted from Grant expenditures:

Books, cassettes, and CD's	\$ 20,838
Program costs	1,539
Supplies	429
Salaries	460
Travel	338
Conferences	378
Maintenance	4,420
Telephone	<u>553</u>
Total	<u>\$ 28,955</u>

CITY OF PEKIN, ILLINOIS
PEKIN PUBLIC LIBRARY FUND
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2017

NOTE 5 - RESTRICTED FUND BALANCE

Governmental fund equity is classified as fund balance. In the governmental fund financial statements, fund balances are classified as follows:

- **Nonspendable** - Amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- **Restricted** - Amounts that can be spent only for specific purposes because of municipal, state or federal laws, or externally imposed conditions by grantors or creditors.
- **Committed** - Amounts that can be used only for specific purposes determined by formal action by Board ordinance or resolution.
- **Assigned** - Amounts that are designated by a committee of the Board for a particular purpose but are not spendable until there is a majority vote approved by the Board.
- **Unassigned** - All amounts not includable in other spendable classifications.

The Library's fund balance is characterized as Restricted. The Restricted Fund Balance is comprised of the following:

	Restricted Fund Balance at <u>April 30, 2017</u>
1. Reserve for future capital development projects. The reserve is divided into three categories and has a limit placed upon it totaling \$4,600,000.	\$ 670,692
2. The Library Board has created several endowment funds from the proceeds of bequests received throughout the years. None of the funds have legal restrictions or conditions imposed on their use. The Board has established certain criteria for the expenditure of the funds.	23,841
3. Remaining use of funds for library purposes	<u>8,870,205</u>
Total	<u>\$ 9,564,738</u>

CITY OF PEKIN, ILLINOIS
SEWERAGE FUND
FINANCIAL STATEMENTS
APRIL 30, 2017

CITY OF PEKIN, ILLINOIS
SEWERAGE FUND FINANCIAL STATEMENTS
APRIL 30, 2017

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WILLOCK WARNING & CO., P.C.
CERTIFIED PUBLIC ACCOUNTANTS

23 OLT AVENUE
PEKIN, ILLINOIS 61554

TELEPHONE (309) 347-3152
FAX (309) 347-3153

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and City Council
City of Pekin, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the Sewerage Fund of the City of Pekin, Illinois as of and for the year ended April 30, 2017, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Sewerage Fund of the City of Pekin, Illinois as of April 30, 2016 and the changes in financial position and cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Sewerage Fund of the City of Pekin, Illinois and do not purport and do not, present fairly the financial position of the City of Pekin, Illinois as of April 30, 2017, and the changes in its financial position and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

The statistical information shown on the supporting schedule has not been subjected to the auditing procedures applied in the audit of the financial statements referred to above and, accordingly, we do not express an opinion or provide any assurance on them.

Willock Warning & Co, PC

Willock Warning & Co., PC
Pekin, Illinois
October 13, 2017

STATEMENT 1

CITY OF PEKIN, ILLINOIS
SEWERAGE FUND
STATEMENT OF NET POSITION
APRIL 30, 2017

ASSETS

Current assets:

Cash and cash equivalents	\$ 3,031,320
Accounts receivable	<u>648,824</u>
Total current assets	<u>3,680,144</u>

Capital assets:

Land	73,000
Sewer plants and equipment, net of accumulated depreciation	55,709,503
Capitalized loan costs, net of accumulated amortization	<u>574,635</u>
Total capital assets	<u>56,357,138</u>
Total assets	<u>\$ 60,037,282</u>

LIABILITIES

Current liabilities:

Accounts payable	\$ 130,079
Accrued wages	12,308
Accrued interest	141,890

Noncurrent liabilities:

Portion payable within one year:

General obligation bonds	315,000
IEPA loans	1,853,942

Portion payable after one year:

General obligation bonds	5,035,000
IEPA loans	<u>34,464,633</u>
Total liabilities	<u>41,952,852</u>

NET POSITION

Net investment in capital assets	14,688,563
Unrestricted	<u>3,395,867</u>
Total net position	<u>\$ 18,084,430</u>

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

STATEMENT 2

CITY OF PEKIN, ILLINOIS
SEWERAGE FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
YEAR ENDED APRIL 30, 2017

OPERATING REVENUES:

Charges for services:

Wastewater service fees	\$ 7,346,523
Sewer treatment fees	57,565
Sewer connection fees	2,000
Licenses and permits	34,174
Other	1,854
Total operating revenues	<u>7,442,116</u>

OPERATING EXPENSES:

Sewer operation costs	754,486
Wages and payroll taxes	636,798
Employee benefits	150,221
Professional fees	6,176
Insurance	75,819
Maintenance and repairs	243,427
Billing and collection costs	13,390
Postage, office, and administration	36,251
Depreciation and amortization	1,956,112
Total operating expenses	<u>3,872,680</u>
Operating income	<u>3,569,436</u>

NONOPERATING REVENUE (EXPENSES):

Federal capital grant	16,168
Interest income	9,672
Interest expense	(894,834)
Transfers to City's General Fund	(259,876)
Total net nonoperating expenses	<u>(1,128,870)</u>
Change in net position	2,440,566

Net position, beginning of year	<u>15,643,864</u>
Net position, end of year	<u>\$ 18,084,430</u>

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

STATEMENT 3

CITY OF PEKIN, ILLINOIS
SEWERAGE FUND
STATEMENT OF CASH FLOWS
YEAR ENDED APRIL 30, 2017

Cash flows from operating activities:

Receipts for services and fees	\$ 7,252,206
Payments to vendors and suppliers	(1,035,855)
Payments for employees and benefits	(784,871)
Net cash provided by operating activities	<u>5,431,480</u>

Cash flows from noncapital financing activities:

Transfers to General Fund	(259,876)
---------------------------	-----------

Cash flows from capital activities:

Proceeds from capital grant	16,168
Purchase and construction of capital assets	(51,046)
Principal paid on capital debt	(2,123,549)
Interest paid on capital debt	(876,429)
Net cash used by capital activities	<u>(3,034,856)</u>

Cash flows from investing activities:

Interest income	<u>9,672</u>
-----------------	--------------

Net increase in cash	2,146,420
Cash balance, beginning of year	884,900
Cash balance, end of year	<u>\$ 3,031,320</u>

Reconciliation of operating income to net cash provided by operating activities:

Operating income	\$ 3,569,436
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation and amortization	1,956,112
Increase in accounts receivable	(189,910)
Increase in accounts payable	93,694
Increase in accrued wages	2,148
Net cash provided by operating activities	<u>\$ 5,431,480</u>

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

City of Pekin, Illinois
Sewerage Fund
Notes to the Financial Statements
April 30, 2017

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

The Sewerage Fund is a separate accounting fund within the City of Pekin's fund accounting system which is designed to account for and report upon specific activities or certain objectives. It is included in the business-type activities in the Statement of Net Position and Statement of Activities of the City of Pekin's financial statements. These financial statements present only the Sewerage Fund and are not intended to present fairly the financial position and results of operations of the City of Pekin in conformity with accounting principles generally accepted in the United States of America.

The fund is an Enterprise Fund and, accordingly, employs the accrual basis of accounting wherein revenues are recognized in the period in which they are earned and expenses are recognized in the period in which they are incurred.

Fixed assets used in the operations of the sewerage system are stated at cost where historical records are available and at estimated historical cost where no historical record exist. Depreciation expense is recorded as a charge against income and is computed using the straight-line method based upon the estimated useful lives of the fixed assets, generally 5-40 years.

NOTE 2 - TRANSFERS

Transfers to General Fund

The City allocates a portion of its administrative expenses to the Sewerage Fund. For fiscal year 2017, these expenses amounted to \$259,876.

NOTE 3 - GENERAL OBLIGATION BONDS, SERIES 2010

On August 23, 2010, The Pekin City Council passed Ordinance No. 2625-10/11, providing for the issuance of \$7,110,000 in general obligation bonds to pay for a portion of the costs of construction of improvements to the City's wastewater treatment plant and other improvements to the sanitary sewer system. The bonds are payable over an eighteen year period beginning in 2011 and ending in 2030. Annual principal payments range from \$285,000 to \$475,000. The interest rates range from 1.0% to 6.15%. The bonds qualify under Internal Revenue Code Section 54AA ("Qualified Build America Bonds") which provides for a 35% reduction in interest costs to the City. During the year ended April 30, 2017 the City paid \$300,000 in principal and \$186,895 in interest.

Debt Service

The annual debt service requirements applicable to the Series 2010 bonds for the principal and interest payments outstanding at April 30, 2017 are as follows:

Year Ended <u>April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 315,000	\$ 179,889	\$ 494,889
2019	320,000	172,149	492,149
2020	330,000	163,586	493,586
2021	335,000	153,966	488,966
2022	345,000	143,631	488,631
2023-2027	1,905,000	533,423	2,438,423
2028-2031	1,800,000	136,901	1,936,901
Total	<u>\$ 5,350,000</u>	<u>\$ 1,483,545</u>	<u>\$ 6,833,545</u>

City of Pekin, Illinois
Sewerage Fund
Notes to the Financial Statements
April 30, 2017

NOTE 4 - CAPITAL LOANS - STATE OF ILLINOIS WATER POLLUTION CONTROL LOAN PROGRAM

On July 11, 2011 the City Council passed Ordinance Number 2641-11/12 authorizing the City to borrow funds from the State of Illinois Water Pollution Control Loan Program Fund for the purpose of improving the City's sewerage system. The maximum approved amount to be borrowed for phases II, III and IV of the construction project is \$54,516,000. As of April 30, 2017, \$43,746,707 of the loans had been disbursed to the City for construction costs to the sewerage system.

The loans have the following terms:

Interest rates range from 1.25% to 2.295%.

Length of payments range from 19.5 years to 20 years.

Payment dates began in April, 2014 and continue through August, 2035.

The following is a summary of the changes in the Illinois EPA loans for the year ending April 30, 2017:

Wastewater Project Number	Loan Balance at 4/30/16	FY17 Additions	FY17 Retirement	Balance 4/30/17	Due Within One Year
L-17-3081	\$ 15,735,245	\$ -	\$ 836,222	\$14,899,023	\$ 846,707
L17-4856	11,206,787	-	492,578	10,714,209	503,948
L17-4855	3,117,146	-	146,508	2,970,638	148,270
L17-3082	3,203,371	-	133,382	3,069,989	135,992
L17-4999	4,879,575	-	214,859	4,664,716	219,025
	<u>\$ 38,142,124</u>	<u>\$ -</u>	<u>\$ 1,823,549</u>	<u>\$36,318,575</u>	<u>\$ 1,853,942</u>

Debt Service

The annual debt service requirements applicable to the Illinois EPA loans, including principal and interest to maturity, as of April 30, 2017 are as follows:

Year Ended April 30,	Principal	Interest	Total
2018	\$ 1,853,942	\$ 651,722	\$ 2,505,664
2019	1,886,883	618,782	2,505,665
2020	1,920,453	585,211	2,505,664
2021	1,954,669	550,996	2,505,665
2022	1,989,537	516,126	2,505,663
2023-2027	10,494,644	2,033,681	12,528,325
2028-2032	11,472,785	1,055,539	12,528,324
2033-2036	4,745,662	145,065	4,890,727
	<u>\$ 36,318,575</u>	<u>\$ 6,157,122</u>	<u>\$42,475,697</u>

CITY OF PEKIN, ILLINOIS
SEWERAGE FUND
APRIL 30, 2017

The following information is provided pursuant to City Ordinance 1611, establishing and regulating sewer user charges for the City of Pekin, adopted April 27, 1989:

Total gallons received at the wastewater plant during fiscal year 2017	2,214,900,000
Total number of gallons billed during fiscal year 2017	1,059,137,115
Number of metered users connected to the wastewater system	13,347

Users discharging nondomestic and industrial wastes and volume of waste discharged:

Ox Paperboard - 16,818,640 gallons discharged

This schedule is unaudited - see the accountant's report regarding this information.



REQUEST FOR COUNCIL ACTION

To: Council Members

Date: November 8, 2017

From: Michael Guerra, City Engineer

AGENDA ITEM: 2018 Street Maintenance Plan Presentation

AGENDA DATE REQUESTED: November 13, 2017

ACTION REQUESTED: Presentation of the roadways to develop a proposed maintenance plan for next fiscal years budget.

DESCRIPTION:

FINANCIAL IMPACT:

NEIGHBORHOOD CONCERNS:

IMPACT IF APPROVED:

IMPACT IF DENIED:

ALTERNATIVES:

RELATED TO EFFICIENCY STUDY:

RELATIONSHIP TO THE CONCEPTUAL PLANNING PROCESS: [check no more than 2 boxes. Copy this check mark √ and paste it to the left of the relevant theme.]

A Prosperous Community. To promote and sustain a balanced economy that supports expansion and retention of family-wage jobs.

A Safe Community. To protect community life and property by providing effective, principled police and fire services.

A Strong Foundation. To improve and maintain existing infrastructure and leverage opportunities for new infrastructure.

A High Quality of Life. To support or provide services that improve the quality of life for Pekin's residents.

An Effective Government. To deliver effectively the services that Pekin's residents want, need, and are willing to support.

REQUIRED SIGNATURES

Department Directors and City Staff:

Date:

Finance Department (Certification of Availability of Funds):

Date:

City Manager:

Date:



REQUEST FOR COUNCIL ACTION

To: Council Members

Date: November 8, 2017

From: Michael Guerra, City Engineer

Michael Guerra, City Engineer

AGENDA ITEM: Update to the LTCP for Wastewater

AGENDA DATE REQUESTED: November 13, 2017

ACTION REQUESTED: Presentation to update the council on the status of the Long Term Control Plan of the Wastewater Treatment for the City of Pekin

DESCRIPTION:

FINANCIAL IMPACT:

NEIGHBORHOOD CONCERNS:

IMPACT IF APPROVED:

IMPACT IF DENIED:

ALTERNATIVES:

RELATED TO EFFICIENCY STUDY:

RELATIONSHIP TO THE CONCEPTUAL PLANNING PROCESS: [check no more than 2 boxes. Copy this check mark √ and paste it to the left of the relevant theme.]

	A Prosperous Community. To promote and sustain a balanced economy that supports expansion and retention of family-wage jobs.
	A Safe Community. To protect community life and property by providing effective, principled police and fire services.
	A Strong Foundation. To improve and maintain existing infrastructure and leverage opportunities for new infrastructure.
	A High Quality of Life. To support or provide services that improve the quality of life for Pekin's residents.
	An Effective Government. To deliver effectively the services that Pekin's

	residents want, need, and are willing to support.
REQUIRED SIGNATURES	
Department Directors and City Staff:	
Date:	
Finance Department (Certification of Availability of Funds):	
Date:	
City Manager:	
Date:	



REQUEST FOR COUNCIL ACTION

To: Council Members

Date: November 2, 2017

From: Sarah Newcomb, Human Resources Dir

Angie Evans, Finance/Accounting Contact

AGENDA ITEM: IMLRMA Annual Min/Max Contribution

AGENDA DATE REQUESTED: November 13, 2017

The Illinois Municipal League Risk Management Association provides workers compensation, liability and property coverage for the City of Pekin. The Min/Max program contribution of 997,515.29 based on early payment and compared to the basic program contributions of \$1,214,194. The Min/Max program saves \$216,678. The IMLRMA Min/Max program offers a lower contribution level as incentive to keep claims as low as possible. If claims exceed the minimum contribution, the City pays dollar for dollar until claims are closed or we meet the cap or maximum contribution. IMLRMA has a \$500 deductible.

The City has participated in the IMLRMA Min/Max program for its property, liability and worker's compensation insurance since 2001. Since 2006, the City has saved \$354,790 through the Min/Max program, compared to the normal contribution. Five of the last eleven years, we have kept claims under the minimum contribution. 2017 was a good year for the plan, which is reflected in the 2% rate increase for the 2018 coverage.

The staff recommends paying by 11/17/2017 for a 1% discount a difference of \$10,055.71 compared to paying by 12/15/2017.

REQUIRED SIGNATURES

Department Directors and City Staff:

Date:

Finance Department (Certification of Availability of Funds):

Date:

City Manager:

Date:

**ORDINANCE NO. 2773-17/18 Authorizing the execution of the IMLRMA Annual
Min/Max Contribution Agreement**

Ordinance No.

**ORDINANCE NO. 2773-17/18
ORDINANCE AUTHORIZING THE EXECUTION OF THE IMLRMA
MINIMUM/MAXIMUM CONTRIBUTION AGREEMENT**

WHEREAS, THE City of Pekin, a member in good standing of the Illinois Municipal League Risk Management Association and party to the IMLRMA Intergovernmental Cooperation Contract, has been fully apprised of the IMLRMA Minimum/Maximum Contribution Agreement which amends and supplement the IMLRMA Declarations pages dated 01/01/2018 to 01/01/2019 and all endorsement thereto.

WHEREAS, the City of Pekin finds it to be in the best interest of the municipality to make its IMLRMA contribution in accordance with the IMLRMA Minimum/Maximum Contribution Agreement.

Be it ordained by the City Council of the City of Pekin:

1. That the execution of the IMLRMA Minimum/Maximum Contribution Agreement for a one (1) year period beginning 01/01/2018 and ending 01/01/2019 is hereby authorized.
2. That the Mayor and the Treasurer are hereby granted authority to execute the IMLRMA Minimum/Maximum Agreement which amends and supplements the IMLRMA Declarations pages dated 01/01/2018 to 01/01/2019 and all endorsements thereto.
3. That this ordinance shall take effect immediately upon its passage and approval.

Mayor

ATTEST:

Clerk

Passed this _____ Day of _____, 2017.

Approved this _____ Day of _____, 2017.

I, _____, the Clerk of the City of Pekin, Illinois, do hereby, Certify that the foregoing is a true and correct copy of the Ordinance No. _____ as adopted the _____ day of _____, 2017.

Clerk

**PASSED BY THE PEKIN CITY COUNCIL, STATE OF ILLINOIS AND APPROVED
THIS 13th DAY OF NOVEMBER, 2017**

MAYOR

ATTEST:

CITY CLERK



INVOICE

2018 Min/Max Contribution

The signed Min/Max Agreement must be returned with your payment

Date: October 20, 2017

Member: City of Pekin

Account #: 0461

Indicate Payment Option (from list below): _____

Amount Enclosed: \$ _____

Please return this form with payment
after completing the information
on the reverse side.

MAKE CHECK PAYABLE TO IMLRMA

BILLING DETAIL

2018 IML RISK MANAGEMENT ASSOCIATION ANNUAL CONTRIBUTION

Work Comp	\$577,594
Auto Liability & Comprehensive General Liability	\$287,790
Portable Equipment	\$5,587
Auto Physical Damage	\$53,304
Property	\$81,296
	<u>\$1,005,571</u>

2018 ILLINOIS MUNICIPAL LEAGUE MEMBERSHIP DUES*

\$2,000

INVOICE TOTAL

\$1,007,571

**PLEASE CHOOSE ONE OF THE FOLLOWING
PAYMENT OPTIONS and enter it in the space
provided above:**

OPTION #1 - Early Pay 1% Discount

Contribution Amount	\$1,005,571.00
Minus 1% savings	\$10,055.71
	<u>\$995,515.29</u>
Illinois Municipal League Dues	\$2,000.00
Total due by 11/17/17	<u>\$997,515.29</u>

OPTION #2 - Pay Full Amount

Contribution Amount	\$1,005,571.00
Illinois Municipal League Dues	\$2,000.00
Total due by 12/15/17	<u>\$1,007,571.00</u>

OPTION #3 - Pay in two installments Includes 1% installment fee

Contribution Amount	\$1,005,571.00
Plus 1% fee	\$10,055.71
	<u>\$1,015,626.71</u>
Illinois Municipal League Dues	\$2,000.00
	<u>\$1,017,626.71</u>

\$508,813.36 Due by 12/15/17

\$508,813.35 Due by 5/11/18

**Membership with the Illinois Municipal League (IML) is a
requirement to remain a member of the IML Risk
Management Association.*

On behalf of the municipality named above ("Member"), I
hereby warrant that I have the authority to sign this agreement
on the Member's behalf. (If choosing the installment option, I
acknowledge and understand that it is afforded only as a benefit
for budgeting purposes and is not meant to allow for mid-term
withdrawal.) I acknowledge and understand that Article 5 of the
Intergovernmental Cooperation Contract ("Contract") prohibits
termination of the Intergovernmental Cooperation Contract no
less than 120 days prior to the first day of January of any given
year. Per Article 5, I warrant that the Member will adhere to the
Contract and pay all contributions when due.

Municipal Official (please sign):

Title: _____

Date: _____

Attachment: IMLRMA 2018 MinMax Contribution (1264 : IMLRMA Annual Min/Max Contribution)

ILLINOIS MUNICIPAL LEAGUE

Educate. Advocate. Empower.

Municipal Membership Information 2018

Municipality _____ Population _____
 County of _____ Home Rule Municipality ____yes ____no
 City Hall Address _____
 City Hall Phone Number _____ Website _____

Municipal Official Information

TITLE	NAME	E-MAIL ADDRESS
Mayor, Village or Town President (please indicate appropriate title)		
Alderman, Village or Town Trustee, Councilman, Commissioner (please indicate appropriate title)		
Manager/Administrator		
Clerk		
Treasurer		
Attorney		

Membership Rates

From Population	To Population	Rate
1	999	\$150.00
1000	1999	\$250.00
2000	2999	\$350.00
3000	3999	\$450.00
4000	4999	\$575.00
5000	5999	\$675.00

Rates as of 1/2018

From Population	To Population	Rate
6000	6999	\$775.00
7000	7999	\$825.00
8000	8999	\$925.00
9000	9999	\$1,000.00
10000	14999	\$1,250.00
15000	19999	\$1,500.00
20000	24999	\$1,750.00

From Population	To Population	Rate
25000	34999	\$2,000.00
35000	49999	\$2,500.00
50000	74999	\$3,500.00
75000	99999	\$5,000.00
100000	149999	\$7,000.00
150000	174999	\$8,500.00
175000	249999	\$10,000.00
>250000	250000	\$25,000.00

Membership shall be on a calendar year basis beginning January 1 and ending December 31 of each year.
 Please return this completed form with payment. *Thank you for your Membership!*



PO Box 5180, Springfield, IL 62705-5180

Ph: 217-525-1220 Fax: 217-525-7438

INVOICE

Date: October 20, 2017

Member: City of Pekin

Account #: 0461

Indicate Payment Option (from list below): _____

Amount Enclosed: \$ _____

Please return this form with payment
after completing the information
on the reverse side.

MAKE CHECK PAYABLE TO IMLRMA

BILLING DETAIL

2018 IML RISK MANAGEMENT ASSOCIATION ANNUAL CONTRIBUTION

Work Comp	\$703,311
Auto Liability & Comprehensive General Liability	\$350,428
Portable Equipment	\$6,803
Auto Physical Damage	\$64,906
Property	\$98,991
	<u>\$1,224,439</u>
2018 ILLINOIS MUNICIPAL LEAGUE MEMBERSHIP DUES*	<u>\$2,000</u>

INVOICE TOTAL

\$1,226,439

**PLEASE CHOOSE ONE OF THE FOLLOWING
PAYMENT OPTIONS and enter it in the space
provided above:**

OPTION #1 - Early Pay 1% Discount

Contribution Amount	\$1,224,439.00
Minus 1% savings	\$12,244.39
	<u>\$1,212,194.61</u>
Illinois Municipal League Dues	\$2,000.00
Total due by 11/17/17	<u>\$1,214,194.61</u>

OPTION #2 - Pay Full Amount

Contribution Amount	\$1,224,439.00
Illinois Municipal League Dues	\$2,000.00
Total due by 12/15/17	<u>\$1,226,439.00</u>

OPTION #3 - Pay in two installments Includes 1% installment fee

Contribution Amount	\$1,224,439.00
Plus 1% fee	\$12,244.39
	<u>\$1,236,683.39</u>
Illinois Municipal League Dues	\$2,000.00
	<u>\$1,238,683.39</u>

\$619,341.70 Due by 12/15/17
\$619,341.69 Due by 5/11/18

**Membership with the Illinois Municipal League (IML) is a requirement to remain a member of the IML Risk Management Association.*

On behalf of the municipality named above ("Member"), I hereby warrant that I have the authority to sign this agreement on the Member's behalf. (If choosing the installment option, I acknowledge and understand that it is afforded only as a benefit for budgeting purposes and is not meant to allow for mid-term withdrawal.) I acknowledge and understand that Article 5 of the Intergovernmental Cooperation Contract ("Contract") prohibits termination of the Intergovernmental Cooperation Contract no less than 120 days prior to the first day of January of any given year. Per Article 5, I warrant that the Member will adhere to the Contract and pay all contributions when due.

Municipal Official (please sign):

Title: _____

Date: _____

Attachment: IMLRMA 2018 MinMax Contribution (1264 : IMLRMA Annual Min/Max Contribution)

ILLINOIS MUNICIPAL LEAGUE

Educate. Advocate. Empower.

Municipal Membership Information 2018

Municipality _____ Population _____

County of _____ Home Rule Municipality ____yes ____no

City Hall Address _____

City Hall Phone Number _____ Website _____

Municipal Official Information

TITLE	NAME	E-MAIL ADDRESS
Mayor, Village or Town President (please indicate appropriate title)		
Alderman, Village or Town Trustee, Councilman, Commissioner (please indicate appropriate title)		
Manager/Administrator		
Clerk		
Treasurer		
Attorney		

Membership Rates

From Population	To Population	Rate
1	999	\$150.00
1000	1999	\$250.00
2000	2999	\$350.00
3000	3999	\$450.00
4000	4999	\$575.00
5000	5999	\$675.00

From Population	To Population	Rate
6000	6999	\$775.00
7000	7999	\$825.00
8000	8999	\$925.00
9000	9999	\$1,000.00
10000	14999	\$1,250.00
15000	19999	\$1,500.00
20000	24999	\$1,750.00

From Population	To Population	Rate
25000	34999	\$2,000.00
35000	49999	\$2,500.00
50000	74999	\$3,500.00
75000	99999	\$5,000.00
100000	149999	\$7,000.00
150000	174999	\$8,500.00
175000	249999	\$10,000.00
>250000	250000	\$25,000.00

Rates as of 1/2018

Membership shall be on a calendar year basis beginning January 1 and ending December 31 of each year.

Please return this completed form with payment. *Thank you for your Membership!*

IMLRMA MINIMUM/MAXIMUM CONTRIBUTION AGREEMENT

This Agreement is between the Illinois Municipal League Risk Management Association (IMLRMA), an intergovernmental association formed pursuant to Article VII, Section 10 of the Illinois Constitution of 1970 and the **CITY OF PEKIN**, a member of the IMLRMA. This Agreement amends and supplements the Declarations Pages dated January 01, 2018 to January 01, 2019 and all endorsements thereto.

1. DEFINITIONS

The following definitions shall apply for purposes of this Agreement:

"Loss Fund" -- Those dollars set aside for the payment of claims excluding reinsurance and excess premiums and administrative costs.

"Minimum Loss Fund" -- 75 percent of those dollars set aside for the payment of claims excluding reinsurance and excess premiums and administrative costs.

"Maximum Loss Fund" -- 120 percent of those dollars set aside for the payment of claims excluding reinsurance and excess premiums and administrative costs.

"Paid Claim Dollars" -- Those payments made by IMLRMA on claims including defense costs against the **CITY OF PEKIN** minus recovery from subrogation, deductible or salvage credited against those claim payments.

"Minimum Contribution" -- Minimum Loss Fund including reinsurance and excess premiums and administrative costs.

"Maximum Contribution" -- Maximum Loss Fund including reinsurance and excess premiums and administrative costs.

2. MINIMUM/MAXIMUM CONTRIBUTION BREAKDOWN

The **CITY OF PEKIN** hereby agrees to the following schedule of contributions:

		<u>Minimum Contribution</u>		<u>Maximum Contribution</u>
Reinsurance and Excess Premiums and Administrative Costs		\$ 348,965		\$ 348,965
Loss Fund	@ 75%	<u>\$ 656,606</u>	@ 120%	<u>\$1,050,569</u>
Contribution		\$1,005,571		\$1,399,534

3. Based upon a comparison of paid claim dollars against the Loss Fund, IMLRMA will determine whether additional contributions beyond the minimum contribution will be required up to the maximum contribution.

4. For purposes of determining paid claims, IMLRMA will complete a semi-annual review of paid claim dollars.



IMLRMA Minimum/Maximum Contribution Agreement
CITY OF PEKIN

5. NOTICE

IMLRMA hereby agrees to send, through its agents, written notice when paid claim dollars are equal to or greater than 60 percent of the Minimum Loss Fund.

IMLRMA agrees, through its agents, to send a second written notice when paid claim dollars equal or exceed 85 percent of the Minimum Loss Fund.

6. BILLING/PAYMENT -- The parties to this Agreement hereby agree to the following terms:

When paid claim dollars reach or exceed 100 percent of the Minimum Loss Fund, billing will be instituted on a yearly basis for those paid claim dollars in excess of the Minimum Loss Fund and billing will continue on a yearly basis until the Maximum Loss Fund limit is attained or all claims initiated during the coverage period are closed. Billings will be completed in July of each year for paid claim dollars through June 30.

The **CITY OF PEKIN** hereby agrees to make payment within 30 days of its receipt of billing.

7. All other definitions, conditions and coverages of the IMLRMA remain the same under this Agreement, including the handling of all claims.

8. This Agreement is to be interpreted and construed in accordance with the laws of the State of Illinois.

9. If any one portion or portions of this Agreement is found to be invalid or unenforceable, the remainder shall remain valid and binding on the parties.

The undersigned hereby affirm that they are duly authorized as agents to bind the parties to this Agreement.

Mayor/Village President

Date



Treasurer/Comptroller/RMC

10-31-17
Date

IMLRMA, Managing Director

Date



REQUEST FOR COUNCIL ACTION

To: Council Members

Date: November 7, 2017

From: John Dossey, Police Chief

Angie Evans, Finance/Accounting Contact

John Dossey, Police Chief

AGENDA ITEM: Police Purchase Detective Vehicle

AGENDA DATE REQUESTED: November 13, 2017

ACTION REQUESTED: Authorize the Police Department to Spend Not More Than \$19,000 for Investigations Vehicle.

DESCRIPTION: Authorize Police Department to Spend NOT more than \$19,000 for purchase of vehicle.

FINANCIAL IMPACT: Cost of vehicle is \$17,389.15, off set by older vehicles sold at auction

NEIGHBORHOOD CONCERNS: N/A

IMPACT IF APPROVED: Investigations would have a more dependable vehicle

IMPACT IF DENIED: We anticipate repairs and concerns over safety with current vehicle

ALTERNATIVES: Looked at Lease Option, purchase of this vehicle was more efficient and cost effective.

RELATED TO EFFICIENCY STUDY: N/A

RELATIONSHIP TO THE CONCEPTUAL PLANNING PROCESS: [check no more than 2 boxes. Copy this check mark √ and paste it to the left of the relevant theme.]

	A Prosperous Community. To promote and sustain a balanced economy that supports expansion and retention of family-wage jobs.
√	A Safe Community. To protect community life and property by providing effective, principled police and fire services.
	A Strong Foundation. To improve and maintain existing infrastructure and leverage opportunities for new infrastructure.

	A High Quality of Life. To support or provide services that improve the quality of life for Pekin's residents.
✓	An Effective Government. To deliver effectively the services that Pekin's residents want, need, and are willing to support.

REQUIRED SIGNATURES

Department Directors and City Staff:

Date:

Finance Department (Certification of Availability of Funds):

Date:

City Manager:

Date:

Authorize Police Department Purchase of Detective Vehicle**Resolution No.**

<Insert Legislation Here>

**PASSED BY THE PEKIN CITY COUNCIL, STATE OF ILLINOIS AND APPROVED
THIS 13th DAY OF NOVEMBER, 2017**

MAYOR

ATTEST:

CITY CLERK



CITY OF PEKIN
POLICE DEPARTMENT



To: City Council, Tony Carson, City Manager

From: John Dossey, Chief of Police

Date: November 7, 2017

Subject: Request to Spend Not More Than \$19,000 on A Vehicle For Investigations

Councilmen, Mr. Carson

Before you is a request to spend NOT more than \$19,000.00 for a replacement vehicle for investigations. Currently there are five vehicles the investigators drive. The vehicle being replaced is a Ford Explorer that has 108,000 miles on it and it has mechanical issues, primarily the transmission which to our understanding will be an estimated \$3000 to \$4000 for repair.

To help offset the costs of this purchase the police department sent several vehicles through an auction site called Govdeals.com where older police vehicles were sold as well as older detective cars and seized vehicles. The total revenue gained on those sales were approximately \$20,000.

In discussion with Mr. Carson he was made aware of our need and directed the police department to locate a vehicle that fits the need of the unit. We checked locally as well as using the website Autotrader.com searching a 100 mile radius and located the vehicle we are requesting to purchase at Green Chevrolet in Peoria. The vehicle is a 2014 Ford Edge with a total cost of \$17,389.15. This vehicle best suits the need of the unit, in particular because of the cargo space necessary for all of the equipment the detectives carry, keeping in mind they also serve on the CIERT team.

It should be noted that we did check with Landmark Ford where we purchase our marked squads under state bid. We inquired as to the possibility they had other vehicles to purchase under the state bid process and were told that they did not, only the marked vehicles. We then inquired as to a lease option, which Ford responded that they were not interested. Mr. Carson then provided some information on leasing from LeaseExperts.com that he learned about at a recent conference. We looked at the information and they obviously want to lease us all of our vehicles and there would be no cost savings for one vehicle.

This vehicle was inspected by Fleet Manager Dan Jost and he approves that the vehicle is in good mechanical shape and worthy of our purchase. I have spoken with the dealership explaining our

John V. Dossey, Chief of Police
111 S. Capitol Street, Pekin, Illinois 61554 * Phone (309) 477-2336 * Fax (309) 346-5328



CITY OF PEKIN
POLICE DEPARTMENT



purchase process and they have agreed to hold the vehicle until council has had the opportunity to discuss this matter and approve the purchase.

Thank you for your consideration.

Chief Dossey

Attachment: inv vehicle purchase 2017 (1269 : Police Purchase Detective Vehicle)

RESOLUTION NO. 68-17/18**AUTHORIZATION TO PURCHASE DETECTIVE VEHICLE**

WHEREAS, the Police Department would like to purchase a more dependable vehicle to be used in the Investigations Department; and

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Pekin, Illinois, that the Council authorizes the Police Department to purchase a vehicle in an amount not to exceed \$19,000.00

PASSED BY THE CITY COUNCIL OF THE CITY OF PEKIN, ILLINOIS, this 13th day of November, 2017.

AYES: _____

NAYES: _____

ABSTENTIONS: _____

PRESENT: _____

MAYOR

ATTEST:

CITY CLERK



REQUEST FOR COUNCIL ACTION

To: Council Members

Date: November 7, 2017

From: Bob Schaich, Network Administrator

AGENDA ITEM: Arbitrator Camera Purchase Agreement

AGENDA DATE REQUESTED: November 13, 2017

ACTION REQUESTED: Authorization to purchase five Arbitrator Camera units for police squad cars, as well as, maintenance and licensing for all camera units, totaling \$34,500

DESCRIPTION: Purchase of Arbitrator Camera Units, Licensing, and Maintenance

FINANCIAL IMPACT: \$34,500

NEIGHBORHOOD CONCERNS: N/A

IMPACT IF APPROVED: New units to ensure the squad car cameras stay functional

IMPACT IF DENIED: Possibility of squad cars not recording video or being able to upload to the storage server

ALTERNATIVES: N/A

RELATED TO EFFICIENCY STUDY: N/A

RELATIONSHIP TO THE CONCEPTUAL PLANNING PROCESS: [check no more than 2 boxes. Copy this check mark √ and paste it to the left of the relevant theme.]

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√	A Safe Community. To protect community life and property by providing effective, principled police and fire services.
	A Strong Foundation. To improve and maintain existing infrastructure and leverage opportunities for new infrastructure.
	A High Quality of Life. To support or provide services that improve the quality of life for Pekin's residents.
√	An Effective Government. To deliver effectively the services that Pekin's residents want, need, and are willing to support.

REQUIRED SIGNATURES**Department Directors and City Staff:**

Date:

Finance Department (Certification of Availability of Funds):

Date:

City Manager:

Date:



City of Pekin

Information Technology Department

To: City Council
From: IT Department
Date: 11/07/2017
Re: Squad Car Cameras

The current Cameras in the Police Squad Cars are Generation 2 Camera Units Recorders. The current generation is Generation 3. The current Generation 2 units are no longer receiving firmware updates and are at a minimum five years old. In order to maintain the equipment in working order, ensure that the camera system stays current, and that the camera units work with future updates to the storage server, it is necessary to place the camera system on a rotating replacement schedule.

Attached to this item are two quotes. A Quote in the amount of \$29,100.00 for five complete new units consisting of a Recorder, front and rear seat camera, microphone for the officer to carry, Wi-Fi antenna necessary to upload the video to the storage server, and maintenance on the hardware. The second quote in the amount of \$5,500 is for the licensing for each camera to access the storage server, as well as software maintenance for updates. Each year I.T. will request to purchase up to five new camera units for new squad cars. This will allow the camera system to stay current and in good working order for a projected life-span of five to six years per unit.

The total \$34,600 is in the I.T. budget for this fiscal year and was an anticipated expense.

Attachment: Arbitrator Memo (1268 : Arbitrator Camera Purchase Agreement)



CDS Office Technologies
 612 South Dirksen Parkway
 Springfield, Illinois 62703
 United States
 (P) 217-753-5524

Quotation (Open)

Date

Oct 07, 2017 04:06 AM
 CDT

Modified Date

Oct 08, 2017 08:52 PM
 CDT

Doc

475390 - rev 1 of 1

Description

(5) Arbitrator 360 HD (Mk3) Solution

SalesRep

Clark, Ronald
 (P) 217-753-5524

Customer Contact

Schaich, Bob
 (P) 309-478-5374
 beschaich@ci.pekin.il.us

Customer

Pekin Police
 Department (PP4320)
 Schaich, Bob
 111 S. Capitol Street
 Pekin, IL 61554
 United States
 (P) 309-478-5300

Bill To

Pekin Police Department
 Schaich, Bob
 111 S. Capitol Street
 PEKIN, IL 61554
 United States
 (P) 309-478-5374
 beschaich@ci.pekin.il.us

Ship To

Pekin Police Department
 Schaich, Bob
 111 S. Capitol Street
 PEKIN, IL 61554
 United States
 (P) 309-478-5374
 beschaich@ci.pekin.il.us

Customer PO:

Terms:

Undefined

Ship Via:

UPS Ground

Special Instructions:

DROP SHIP

Carrier Account #:

#	Description	Part #	Qty	Unit Price	Total
State of Illinois Master Contract CMS5848520					
1	Panasonic - ARBITRATOR MK3 HD CAMERA 256GB SSD KIT	ARB-KIT-HD	5	\$4,500.00	\$22,500.00
2	Panasonic - 2.4 GHZ WIRELESS MICROPHONE	ARB-M24	5	\$495.00	\$2,475.00
3	Panasonic WiFi Antenna Black - SMA Connectors - Threaded bolt mount	ARB- APWWQS22-RP- BL	5	\$145.00	\$725.00
4	Panasonic - Back Seat Camera for Arbitrator HD 720P Rear Seat IR Camera with network cable	ARB-WV-VC31-C	5	\$430.00	\$2,150.00
5	Panasonic - Panasonic - Arbitrator 360 Software Maintenance Agreement - 1yr - Per VPU Coverage for one year from date of purchase - access to software updates - 24/7 access to Arbitrator Support Technical Support - Annual Renewal	CF- SVCARB2AMA1Y	5	\$250.00	\$1,250.00

Subtotal: \$29,100.00
 Tax (0.000%): \$0.00
 Shipping: \$0.00
Total: \$29,100.00

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's 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.



CDS Office Technologies
 612 South Dirksen Parkway
 Springfield, Illinois 62703
 United States
 (P) 217-753-5524

Quotation (Open)
Date

Oct 08, 2017 08:57 PM
 CDT

Modified Date

Oct 08, 2017 09:02 PM
 CDT

Follow Up

2012-11-28

Doc #

475391 - rev 1 of 1

Description

(22) Arbitrator Software Maintenance -
 1 year

SalesRep

Clark, Ronald
 (P) 217-753-5524

Customer Contact

Schaich, Bob
 (P) 309-478-5374
 beschaich@ci.pekin.il.us

Customer

Pekin Police
 Department (PP4320)
 Schaich, Bob
 111 S. Capitol Street
 Pekin, IL 61554
 United States
 (P) 309-478-5300

Bill To

Pekin Police Department
 Schaich, Bob
 111 S. Capitol Street
 Pekin, IL 61554
 United States
 (P) 309-478-5374
 beschaich@ci.pekin.il.us

Ship To

Pekin Police Department
 Schaich, Bob
 111 S. Capitol Street
 Pekin, IL 61554
 United States
 (P) 309-478-5374
 beschaich@ci.pekin.il.us

Customer PO:
Terms:

Undefined

Ship Via:

UPS Ground

Special Instructions:
Carrier Account #:

#	Description	Part #	Qty	Unit Price	Total
1	Panasonic - ARBITRATOR 360 SOFTWARE MAINTENANCE AGREEMENT 1YR PER VPU Maintenance for one year from date of purchase - Annual Renewal	CF-SVCARB2AMA1Y	22	\$250.00	\$5,500.00

Subtotal: \$5,500.00
 Tax (0.000%): \$0.00
 Shipping: \$0.00
Total: \$5,500.00

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's 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.

Attachment: Quote 475391 (1268 : Arbitrator Camera Purchase Agreement)



REQUEST FOR COUNCIL ACTION

To: Council Members

Date: November 10, 2017

From: Sue McMillan, City Clerk

Sue McMillan, City Clerk

AGENDA ITEM: Site Lease Agreement Cell Tower

AGENDA DATE REQUESTED: November 13, 2017

ACTION REQUESTED: To approve the First Amendment to Site Lease with Option Agreement with T-Mobile USA Tower LLC by and through CCTMO LLC

DESCRIPTION: an existing lease with VoiceStream GSM I Operating Company, LLC entered into site lease dated August 8, 2005 for a portion of land described as approximately 1,200 square feet located at South Front Street Tax Parcel #04-10-03-100-002.

FINANCIAL IMPACT: Increased lease payments and \$50,000.00 within 30 days.

NEIGHBORHOOD CONCERNS: Existing tower that has been in the neighborhood for many years.

IMPACT IF APPROVED: Additional revenue.

IMPACT IF DENIED: Decrease in revenue.

ALTERNATIVES:

RELATED TO EFFICIENCY STUDY:

RELATIONSHIP TO THE CONCEPTUAL PLANNING PROCESS: [check no more than 2 boxes. Copy this check mark ✓ and paste it to the left of the relevant theme.]

A Prosperous Community. To promote and sustain a balanced economy that supports expansion and retention of family-wage jobs.

A Safe Community. To protect community life and property by providing effective, principled police and fire services.

A Strong Foundation. To improve and maintain existing infrastructure and leverage opportunities for new infrastructure.

	A High Quality of Life. To support or provide services that improve the quality of life for Pekin's residents.
X	An Effective Government. To deliver effectively the services that Pekin's residents want, need, and are willing to support.

REQUIRED SIGNATURES

Department Directors and City Staff:

Date:

Finance Department (Certification of Availability of Funds): Date:
--

City Manager:
Date:

FIRST AMENDMENT TO SITE LEASE WITH OPTION AGREEMENT
(BU 826583)

THIS FIRST AMENDMENT TO SITE LEASE WITH OPTION AGREEMENT ("First Amendment") is made effective this _____ day of _____, 2017, by and between CITY OF PEKIN, an Illinois home rule municipal corporation ("Lessor"), and T-MOBILE USA TOWER LLC, a Delaware limited liability company ("Lessee"), by and through CCTMO LLC, a Delaware limited liability company, its Attorney-in-Fact.

WHEREAS, Lessor and VoiceStream GSM I Operating Company, LLC, a Delaware limited liability company ("VoiceStream"), entered into a Site Lease With Option Agreement dated August 8, 2005 (as amended and assigned, the "Lease"), whereby Lessor leased to VoiceStream a portion of land being described as an approximately 1,200 square feet portion of that property (said leased portion being the "Premises") located at South Front Street (Tax Parcel #04-10-03-100-002), Pekin, Tazewell County, State of Illinois, together with those certain access, utility and/or maintenance easements and/or rights of way granted in the Lease; and

WHEREAS, Lessee is successor in interest in the Lease to VoiceStream; and

WHEREAS, the term of the Lease commenced on December 1, 2005, and has an original term, including all Renewal Terms (as defined in the Lease), that will expire on November 30, 2020 ("Original Term"), and Lessor and Lessee now desire to amend the terms of the Lease to provide for additional Renewal Terms beyond the Original Term, and to make other changes.

NOW THEREFORE, in exchange for the mutual promises contained herein, Lessor and Lessee agree to amend the Lease as follows:

1. Any capitalized terms not defined herein shall have the meanings ascribed to them in the Lease. The recitals in this First Amendment are incorporated herein by this reference.
2. Section 2b. of the Lease is amended by replacing "two (2)" with "six (6)", thereby adding four (4) additional five (5)-year Renewal Terms to the Lease beyond the Original Term, and extending its total term to November 30, 2040, unless sooner terminated as provided in the Lease.
3. On December 1, 2020, the monthly Lease Fee shall increase by One Hundred Ninety-Five Dollars (\$195.00). Following such increase, the monthly Lease Fee shall continue to adjust pursuant to the terms of the Lease, as amended herein. This Lease Fee increase replaces and is in lieu of the regular Lease Fee increase scheduled to occur pursuant to the Lease on the same date.
4. Commencing on December 1, 2021, and every year thereafter (each an "Adjustment Date"), the monthly Lease Fee shall increase by an amount equal to three percent (3%) of the monthly Lease Fee in effect for the month immediately preceding the Adjustment Date. Such Lease Fee escalations shall replace any Lease Fee escalations currently in the Lease.

5. Lessor hereby leases to Lessee an additional 600 square feet of real property, as same is shown as the “Additional Tower Area” on Exhibit A attached hereto and incorporated herein by reference, and described as the “Additional Tower Area” by metes and bounds on Exhibit B attached hereto and incorporated herein by reference (“Additional Premises”). The Additional Premises shall increase the size of the Premises leased by Lessor to Lessee to approximately 1,817 square feet, as same is cumulatively described as the “Tower Lease” on Exhibit A attached hereto, and described as the “Tower Lease” by metes and bounds on Exhibit B attached hereto, and the Lease is amended to reflect such increase in the size of the Premises. The “Premises” shall be deemed to also include the Additional Premises unless stated to the contrary.

6. The description and location of those easements and rights of way for access and utilities granted in the Lease is amended to reflect the “Access Easement” and as the “Utility Easement” shown on Exhibit A attached hereto and described as the “Access Easement” and as the “Utility Easement” by metes and bounds on Exhibit B attached hereto, and Lessor does hereby grant said easements and rights of way to Lessee for those purposes provided for in the Lease. Exhibit A and Exhibit B attached hereto shall replace any and all descriptions of the of the existing easements and rights of way for access and utilities; provided, however, in the event the location(s) of any of Lessee’s or its subtenants’ or licensees’ existing utilities and/or access routes are not depicted or described on Exhibit A or Exhibit B, Lessee’s easement rights over such area(s) shall remain in full force and effect.

7. Section 3b. of the Lease is amended by deleting “and contingent on any sublessee obtaining approval and a separate ground lease from Landlord” such that Lessor shall no longer enter into any ground space lease with any entity for use of the Premises. Lessee shall have the exclusive right to sublease or license use of the Premises upon providing written notice to Lessor.

8. Section 9 of the Lease is amended by deleting “or sublease” in each place it appears.

9. Section 14 of the Lease is amended by deleting the last sentence beginning with “Notwithstanding anything herein to the contrary....” and inserting the following:

Notwithstanding anything to the contrary in this Section 14, should Lessor have equipment on the Antenna Tower when Lessee exercises any of Lessee’s rights to terminate this Lease, Lessee shall offer to transfer title to the Antenna Tower to Lessor for Ten Dollars (\$10.00). Lessee’s election to not renew this Lease for any Renewal Term or the expiration of this Lease following the exercise of any or all Renewal Terms shall not constitute a termination of this Lease for purposes of this Section 14, and in either of such events, Lessee shall not have an obligation to offer to transfer title to the Antenna Tower to Lessor regardless of Lessor having equipment on the Antenna Tower at the time of the election not to renew or expiration.

10. Section 23 of the Lease is amended by deleting Lessee’s notice addresses and inserting the following:

Lessee: T-Mobile USA Tower LLC
 c/o Crown Castle USA Inc.
 General Counsel
 Attn: Legal-Real Estate Department
 2000 Corporate Drive
 Canonsburg, Pennsylvania 15317-8564

With a copy to: T-Mobile USA Tower LLC
 12920 S.E. 38th Street
 Bellevue, Washington 98006
 Attn: Leasing Administration

11. In addition to the rent currently paid by Lessee to Lessor pursuant to the Lease, as further consideration for the right to exclusively use and lease the Premises, if, after full execution of this First Amendment, Lessee enters into any future sublease or license with a third party (each a "Future Sublease"), Lessee shall pay to Lessor a monthly fee for such Future Sublease equal to Seven Hundred Fifty Dollars (\$750.00) ("Future Sublease Fee"). The first payment of the Future Sublease Fee shall be due on the first day of the month following the commencement date of the applicable Future Sublease, and each subsequent payment shall be due on the first day of each month thereafter. If any Future Sublease expires or terminates for any reason, Lessee shall no longer be obligated to pay a Future Sublease Fee for such Future Sublease. The Future Sublease Fee shall escalate each year following full execution of this First Amendment at the same time as the base Lease Fee (each a "Sublease Fee Adjustment Date") by an amount equal to three percent (3%) of the Future Sublease Fee in effect for the year immediately preceding the Sublease Fee Adjustment Date. The Future Sublease Fee for each Future Sublease shall commence at the escalated amount. For example purposes only, should Lessee enter into a Future Sublease thirty (30) months following full execution of this First Amendment, the first payment due to Lessor shall equal Seven Hundred Ninety-Five and 68/100 Dollars (\$795.68) (the amount equal to \$750.00 with two annual escalations of 3% each).

12. As additional consideration for amending the Lease in accordance with this First Amendment, Lessee agrees to pay to Lessor Fifty Thousand Dollars (\$50,000.00) within thirty (30) days of full execution of this First Amendment by both parties.

13. Representations, Warranties and Covenants of Lessor. Lessor represents, warrants and covenants to Lessee as follows:

(a) Lessor is duly authorized to and has the full power and authority to enter into this First Amendment and to perform all of Lessor's obligations under the Lease as amended hereby.

(b) Except as expressly identified in this First Amendment, Lessor owns the Premises free and clear of any mortgage, deed of trust, or other lien secured by any legal or beneficial interest in the Premises, or any right of any individual, entity or governmental authority arising under an option, right of first refusal, lease, license, easement or other instrument other

than any rights of Lessee arising under the Lease as amended hereby and the rights of utility providers under recorded easements.

(c) Upon Lessee's request, Lessor shall discharge and cause to be released (or, if approved by Lessee, subordinated to Lessee's rights under the Lease as amended hereby) any mortgage, deed of trust, lien or other encumbrance that may now or hereafter exist against the Premises.

(d) Upon Lessee's request, Lessor shall cure any defect in Lessor's title to the Premises which in the reasonable opinion of Lessee has or may have an adverse effect on Lessee's use or possession of the Premises.

(e) Lessee is not currently in default under the Lease, and to Lessor's knowledge, no event or condition has occurred or presently exists which, with notice or the passage of time or both, would constitute a default by Lessee under the Lease.

(f) Lessor agrees to execute and deliver such further documents and provide such further assurances as may be requested by Lessee to effect any release or cure referred to in this paragraph, carry out and evidence the full intent and purpose of the parties under the Lease as amended hereby, and ensure Lessee's continuous and uninterrupted use, possession and quiet enjoyment of the Premises under the Lease as amended hereby.

14. Lessee reserves the right, at its discretion and at its sole cost, to obtain a survey ("Survey") specifically describing the Premises and any access and utility easements associated therewith. Lessee shall be permitted to attach the Survey as an exhibit to this First Amendment and any related memorandum for recording, which shall update and replace the existing description, at any time prior to or after closing of this First Amendment.

15. IRS Form W-9. Lessor agrees to provide Lessee with a completed IRS Form W-9, or its equivalent, upon execution of this First Amendment and at such other times as may be reasonably requested by Lessee. In the event the Premises is transferred, the succeeding Lessor shall have a duty at the time of such transfer to provide Lessee with a completed IRS Form W-9, or its equivalent, and other related paper work to effect a transfer in rent to the new Lessor. Lessor's failure to provide the IRS Form W-9 within thirty (30) days after Lessee's request shall be considered a default and Lessee may take any reasonable action necessary to comply with IRS regulations including, but not limited to, withholding applicable taxes from rent payments.

16. In all other respects, the remainder of the Lease shall remain in full force and effect. Any portion of the Lease that is inconsistent with this First Amendment is hereby amended to be consistent with this First Amendment. All of the provisions hereof shall inure to the benefit of and be binding upon Lessor and Lessee, and their personal representatives, heirs, successors and assigns. This First Amendment may be executed in two or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument, it being understood that all parties need not sign the same counterparts.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Lessor and Lessee have signed this instrument under seal, and have caused this First Amendment to be duly executed on the day and year first written above.

LESSOR:

City of Pekin,
an Illinois home rule municipal corporation

By: _____(SEAL)

Print Name: _____

Title: _____

Attachment: Modified Document revised v. 4; First Amendment to Site Lease With Opt... (1273 : Site Lease Agreement Cell Tower)

IN WITNESS WHEREOF, Lessor and Lessee have signed this instrument under seal, and have caused this First Amendment to be duly executed on the day and year first written above.

LESSEE:

T-MOBILE USA TOWER LLC,
a Delaware limited liability company

By: CCTMO LLC,
a Delaware limited liability company
its Attorney-in-Fact

By: _____(SEAL)

Print Name: _____

Title: _____

Attachment: Modified Document revised v. 4; First Amendment to Site Lease With Opt... (1273 : Site Lease Agreement Cell Tower)

EXHIBIT A
[ATTACHED HERETO]

Attachment: Modified Document revised v. 4; First Amendment to Site Lease With Opt... (1273 : Site Lease Agreement Cell Tower)

EXHIBIT BPage 1 of 2**ADDITIONAL TOWER AREA**

PART OF THE FRACTIONAL NORTHWEST QUARTER OF SECTION 3, TOWNSHIP 24 NORTH, RANGE 5 WEST OF THE THIRD PRINCIPAL MERIDIAN, TAZEWELL COUNTY, ILLINOIS, MORE PARTICULARLY BOUNDED AND DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF FRONT STREET WITH THE WESTERLY RIGHT-OF-WAY LINE OF THE PEORIA AND PEKIN UNION RAILWAY COMPANY IN THE NORTHEAST PART OF SAID NORTHWEST QUARTER OF SECTION 3; THENCE SOUTH 05°47'00" WEST, ALONG THE WESTERLY RIGHT-OF-WAY LINE OF THE PEORIA AND PEKIN UNION RAILWAY COMPANY, A DISTANCE OF 141.41 FEET; THENCE NORTH 84°13'00" WEST, A DISTANCE OF 3.60 FEET; THENCE SOUTH 05°47'00" WEST, A DISTANCE OF 40.42 FEET TO THE POINT OF BEGINNING OF THE TRACT OF LAND TO BE DESCRIBED; THENCE CONTINUING SOUTH 05°47'00" WEST, A DISTANCE OF 19.92 FEET; THENCE NORTH 84°13'00" WEST, A DISTANCE OF 30.12 FEET; THENCE NORTH 05°47'00" EAST, A DISTANCE OF 19.92 FEET; THENCE SOUTH 84°13'00" EAST, A DISTANCE OF 30.12 FEET TO THE POINT OF BEGINNING CONTAINING 600 SQUARE FEET (OR 0.014 ACRES) MORE OR LESS.

TOWER LEASE

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ACCESS EASEMENT

PART OF THE FRACTIONAL NORTHWEST QUARTER OF SECTION 3, TOWNSHIP 24 NORTH, RANGE 5 WEST OF THE THIRD PRINCIPAL MERIDIAN, TAZEWELL COUNTY, ILLINOIS, MORE PARTICULARLY BOUNDED AND DESCRIBED AS

EXHIBIT BPage 2 of 2**FOLLOWS:**

COMMENCING AT A POINT ON THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF FRONT STREET THAT IS 29.25 FEET SOUTHWESTERLY OF THE INTERSECTION OF THE SAID SOUTHEASTERLY RIGHT-OF-WAY LINE OF FRONT STREET WITH THE WESTERLY RIGHT-OF-WAY LINE OF THE PEORIA AND PEKIN UNION RAILWAY COMPANY IN THE NORTHEAST PART OF SAID NORTHWEST QUARTER OF SECTION 3 AS THE POINT OF BEGINNING OF THE TRACT OF LAND TO BE DESCRIBED; THENCE SOUTH 20°01'00" WEST, A DISTANCE OF 98.41 FEET; THENCE SOUTH 05°47'00" WEST, A DISTANCE OF 36.00 FEET; THENCE SOUTH 84°13'00" EAST, A DISTANCE OF 6.29 FEET TO A POINT ON THE WESTERLY LINE OF THE TOWER LEASE DESCRIBED ABOVE; THENCE SOUTH 05°47'00" WEST, ALONG THE WESTERLY LINE OF THE TOWER LEASE DESCRIBED ABOVE, A DISTANCE OF 12.00 FEET; THENCE NORTH 83°35'00" WEST, A DISTANCE OF 18.29 FEET; THENCE NORTH 05°47'00" EAST, A DISTANCE OF 49.30 FEET; THENCE NORTH 20°01'00" EAST, A DISTANCE OF 63.99 FEET TO A POINT ON THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF SAID FRONT STREET; THENCE NORTH 38°29'26" EAST ALONG THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF SAID FRONT STREET, A DISTANCE OF 37.87 FEET TO THE POINT OF BEGINNING CONTAINING 1633 SQUARE FEET (OR 0.037 ACRES) MORE OR LESS.

UTILITY EASEMENT

PART OF THE FRACTIONAL NORTHWEST QUARTER OF SECTION 3, TOWNSHIP 24 NORTH, RANGE 5 WEST OF THE THIRD PRINCIPAL MERIDIAN, TAZEWELL COUNTY, ILLINOIS, MORE PARTICULARLY BOUNDED AND DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT ON THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF FRONT STREET THAT IS 198.69 FEET SOUTHWESTERLY OF THE INTERSECTION OF THE SAID SOUTHEASTERLY RIGHT-OF-WAY LINE OF FRONT STREET WITH THE WESTERLY RIGHT-OF-WAY LINE OF THE PEORIA AND PEKIN UNION RAILWAY COMPANY IN THE NORTHEAST PART OF SAID NORTHWEST QUARTER OF SECTION 3 AS THE POINT OF BEGINNING OF THE TRACT OF LAND TO BE DESCRIBED; THENCE SOUTH 83°35'00" EAST, A DISTANCE OF 73.65 FEET TO A POINT ON THE WESTERLY LINE OF THE TOWER LEASE DESCRIBED ABOVE; THENCE SOUTH 05°47'00" WEST, ALONG THE WESTERLY LINE OF THE TOWER LEASE DESCRIBED ABOVE, A DISTANCE 8.00 FEET; THENCE NORTH 83°35'00" WEST, A DISTANCE OF 69.31 FEET; THENCE SOUTH 38° 29'26" WEST, A DISTANCE OF 206.88 FEET; THENCE NORTH 51°30'34" WEST, A DISTANCE OF 8.00 FEET TO A POINT ON THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF SAID FRONT STREET; THENCE NORTH 38°29'26" EAST, ALONG THE EASTERLY RIGHT-OF-WAY LINE OF SAID FRONT STREET, A DISTANCE OF 211.31 FEET TO THE POINT OF BEGINNING CONTAINING 2245 SQUARE FEET (OR 0.052 ACRES) MORE OR LESS.

**MEMORANDUM OF FIRST AMENDMENT
TO SITE LEASE WITH OPTION
AGREEMENT**

Prepared out of State

Return to:

Crown Castle

1220 Augusta, Suite 500

Houston, Texas 77057

Tax Map #: 04-10-03-100-002

**MEMORANDUM OF FIRST AMENDMENT TO
SITE LEASE WITH OPTION AGREEMENT**

THIS MEMORANDUM OF FIRST AMENDMENT TO SITE LEASE WITH OPTION AGREEMENT ("Amended Memorandum") is made effective this ____ day of _____, 2017, by and between CITY OF PEKIN, an Illinois home rule municipal corporation ("Lessor"), with a mailing address of 111 S. Capitol Street, Pekin, Illinois 61554, and T-MOBILE USA TOWER LLC, a Delaware limited liability company ("Lessee"), by and through CCTMO LLC, a Delaware limited liability company, its Attorney-in-Fact, with a mailing address of c/o Crown Castle USA Inc., 2000 Corporate Drive, Canonsburg, Pennsylvania 15317-8564.

WHEREAS, Lessor and VoiceStream GSM I Operating Company, LLC, a Delaware limited liability company ("VoiceStream"), entered into a Site Lease With Option Agreement, dated August 8, 2005 (as amended and assigned, the "Lease"), whereby Lessor leased to VoiceStream a portion of land being described as an approximately 1,200 square feet portion of that property (said leased portion being the "Premises") located at South Front Street (Tax Parcel #04-10-03-100-002), Pekin, Tazewell County, State of Illinois, together with those certain access, utility and/or maintenance easements and/or rights of way granted in the Lease; and

WHEREAS, Lessee is successor in interest in the Lease to VoiceStream; and

WHEREAS, the term of the Lease commenced on December 1, 2005, and has an original term, including all Renewal Terms (as defined in the Lease), that will expire on November 30,

2020 ("Original Term"), and Lessor and Lessee now desire to amend the terms of the Lease to provide for additional Renewal Terms beyond the Original Term, and to make other changes; and

WHEREAS, Lessor and Lessee made and entered into a First Amendment to Site Lease With Option Agreement of even date herewith ("First Amendment") and pursuant to the terms of, and for that consideration recited in, the First Amendment, the parties wish to hereby amend certain provisions of the Lease, and provide this Amended Memorandum as notice thereof, as follows:

1. Lessor does hereby lease and grant unto Lessee, its successors and assigns, the Premises for four (4) additional five (5)-year Renewal Terms beyond the Original Term, such that the Original Term and all Renewal Terms of the Lease may last for a term of thirty-five (35) years, expiring on November 30, 2040, unless sooner terminated as provided in the Lease.

2. Lessor hereby leases to Lessee an additional 600 square feet of real property, as same is shown as the "Additional Tower Area" on Exhibit A attached to the First Amendment and attached hereto and incorporated herein by reference, and described as the "Additional Tower Area" by metes and bounds on Exhibit B attached to the First Amendment and attached hereto and incorporated herein by reference ("Additional Premises"). The Additional Premises shall increase the size of the Premises leased by Lessor to Lessee to approximately 1,817 square feet, as same is cumulatively described as the "Tower Lease" on Exhibit A attached to the First Amendment and attached hereto, and described as the "Tower Lease" by metes and bounds on Exhibit B attached to the First Amendment and attached hereto, and the Lease is amended to reflect such increase in the size of the Premises. The "Premises" shall be deemed to also include the Additional Premises unless stated to the contrary.

3. The description and location of those easements and rights of way for access and utilities granted in the Lease is amended to reflect the "Access Easement" and as the "Utility Easement" shown in Exhibit A attached to the First Amendment and attached hereto and described as the "Access Easement" and as the "Utility Easement" by metes and bounds in Exhibit B attached to the First Amendment and attached hereto, and Lessor does hereby grant said easements and rights of way to Lessee for those purposes provided for in the Lease. Exhibit A and Exhibit B attached to the First Amendment and attached hereto shall replace any and all descriptions of the of the existing easements and rights of way for access and utilities; provided, however, in the event the location(s) of any of Lessee's or its subtenants' or licensees' existing utilities and/or access routes are not depicted or described on Exhibit A or Exhibit B, Lessee's easement rights over such area(s) shall remain in full force and effect.

4. This Amended Memorandum contains only selected provisions of the First Amendment, and reference is made to the full text of the Lease and the First Amendment for their full terms and conditions, which are incorporated herein by this reference. Except as otherwise provided in the First Amendment and this Amended Memorandum, the terms and conditions of the Lease remain in full force and effect. This Amended Memorandum may be executed in two or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument, it being understood that all parties need not sign the same counterparts. A copy of the Lease and its amendments are located at the office of the Lessee.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Lessor and Lessee have signed this instrument under seal, and have caused this Amended Memorandum to be duly executed on the day and year first written above.

LESSOR:

City of Pekin,
an Illinois home rule municipal corporation

By: _____(SEAL)

Print Name: _____

Title: _____

STATE OF _____)
) ss.
COUNTY of _____)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that _____ personally known to be to be the _____ of the City of Pekin, an Illinois home rule municipal corporation, on behalf of the City of Pekin, an Illinois home rule municipal corporation, he/she signed, sealed and delivered the said Memorandum First Amendment to Site Lease With Option Agreement as his/her free and voluntary act for the uses and purposes therein set forth.

Notary Public, State of _____, County of _____
Acting in the County of _____
My Commission expires: _____

[STAMP OR SEAL REQUIRED]

IN WITNESS WHEREOF, Lessor and Lessee have signed this instrument under seal, and have caused this Amended Memorandum to be duly executed on the day and year first written above.

LESSEE:

T-MOBILE USA TOWER LLC,
a Delaware limited liability company

By: CCTMO LLC,
a Delaware limited liability company
its Attorney-in-Fact

By: _____(SEAL)
Print Name: _____
Title: _____

STATE OF _____)
_____) ss.
COUNTY of _____)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that _____ personally known to be to be the _____ of the CCTMO LLC, a Delaware limited liability company, on behalf of T-Mobile USA Tower LLC, a Delaware limited liability company, as its Attorney-in-Fact, he/she signed, sealed and delivered the said Memorandum First Amendment to Site Lease With Option Agreement as his/her free and voluntary act for the uses and purposes therein set forth.

Notary Public, State of _____, County of _____
Acting in the County of _____
My Commission expires:_____

[STAMP OR SEAL REQUIRED]

EXHIBIT A
[ATTACHED HERETO]

Attachment: Modified Document revised v. 4; First Amendment to Site Lease With Opt... (1273 : Site Lease Agreement Cell Tower)

EXHIBIT BPage 1 of 2**ADDITIONAL TOWER AREA**

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