

# **COAL CITY VILLAGE BOARD MEETING**

**MONDAY, SEPTEMBER 14, 2015  
7 P.M.**

**COAL CITY VILLAGE HALL  
515 S. BROADWAY, COAL CITY, ILLINOIS**

## **AGENDA**

1. Call meeting to order
2. Pledge of Allegiance
3. Approval of Minutes      August 24, 2015
4. Approval of the Warrant List
5. Public Comment
6. Presentation      Devan Gagliardo  
                                 Long Term Recovery Committee
7. Review and Approval-FY15 Audit

8. Resolution 15-13            Authorizing the Release of Certain  
Executive Session Minutes
  
9. Resolution 15-14            Authorizing Enforcement Actions  
Regarding Dangerous Structures
  
10. Authorize the Mayor to enter into an Agreement, Memorandum  
Of Understanding concerning Dual Control of Certain Coal City Sirens
  
11. Discussion-Tornado Recovery Project Bond Issuance
  
12. Report of Mayor
  
13. Report of Trustees:        T. Bradley  
   J. Wren  
   1. Fall Clean-Up  
   D. Togliatti  
   D. Greggain  
   R. Bradley  
   N. Nelson
  
14. Report of Village Clerk
  
15. Report of Village Attorney
  
16. Report of Village Engineer
  
17. Report of Chief of Police
  
18. Report of Village Administrator
  
19. Adjourn

## **MEMO**

**TO:** Mayor Halliday and the Board of Trustees

**FROM:** Matthew T. Fritz  
Village Administrator

**MEETING**

**DATE:** September 14, 2015

**RE: LTRC PRESENTATION FOR THE BOARD**

Devan Gagliardo of the Community Foundation of Grundy County is Chair of the (LTRC's) Finance subcommittee and Public Relations for the group. She is relied upon to provide the regular updated fund balance at each LTRC meeting and facilitate the distribution of funds as programs are recommended and adopted by the larger group. She will be on hand to provide a brief presentation for the Board on what the group has been doing and able to answer any questions Trustees might be receiving regarding the actions of this group, which is chaired by Ken Miller.

## MEMO

**TO:** Mayor Halliday and the Board of Trustees

**FROM:** Matthew T. Fritz  
Village Administrator

**MEETING**

**DATE:** September 14, 2015

**RE: FY15 AUDIT PRESENTATION**

The Village of Coal City operates within a fiscal year that begins on May 1<sup>st</sup> of each year and ends on April 30<sup>th</sup> of the next year. The most recently completed fiscal year ended on April 30, 2015. Mr. Brian Zabel will attend the Village Board Meeting to review and go over the audit with the Village Board.

The audit was also one of the subjects of a recent Finance Committee Meeting. For the ease of reviewing the draft report, a condensed version of the usual and customary summary balance sheets and major notes that typically provoke conversation, have been included within the packet. The scanned version includes the entire audit and Brian will have additional copies besides the one that is available for inspection at Village Hall.

The purpose of Mr. Zabel's report is to enable the Board to enact the annual audit that has been performed.

**Recommendation:**

Accept the Annual Audit for fiscal year 2015 from Mr. Brian Zabel to include the TIF fund Audit, which will be filed with the State Comptroller's Office.

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DRAFT

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## INDEPENDENT AUDITOR'S REPORT

To the Village Mayor  
and Board of Trustees  
Village of Coal City, Illinois

We have audited the accompanying financial statements of governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Village of Coal City, Illinois, (the Village) as of and for the year ended April 30, 2015, which collectively comprise the basic financial statements as listed in the table of contents and the related notes to the financial statements.

### **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 the standards applicable to financial audits contained in *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 the financial statements are free of material misstatement.

An audit involves performing procedures to obtain 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 Village'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 Village'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 opinions.

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Coal City, Illinois, as of April 30, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## **Other Matters**

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The introductory section, combining and individual fund financial statements and schedules and statistical section, are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Morris, Illinois  
August 6, 2015

BRIAN ZABEL & ASSOCIATES, P.C.  
Certified Public Accountants

## Village of Coal City Management's Discussion and Analysis April 30, 2015

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This section of the Village of Coal City's (the "Village") Financial Report (AFR) presents Management's Discussion and Analysis (MD&A) of the Village's financial activities during the fiscal year ended April 30, 2015. It is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Village's financial activity, (3) identify any material deviation from the financial plan (the approved budget), and (5) identify fund issues or concerns. This narrative is offered as a means to allow the reader a better understanding of the accompanying financial statements.

### Financial Highlights

- The assets of the Village of Coal City exceeded its liabilities at the close of the most recent fiscal year by \$52,079,415 (net position). Net position decreased by \$1,239,829 during fiscal year 2015.
- The Village's total assets decreased by \$1,191,576 during the fiscal year ending April 30, 2015. Governmental net position decreased \$1,765,774.
- As of the close of the current fiscal year, the Village of Coal City's governmental funds reported combined ending fund balances of \$1,713,771, a decrease of \$1,734,882 in comparison with the prior year. Approximately 36% of this total amount, \$612,310, is available for spending at the government's discretion (unrestricted, unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$669,152 or 16% of General Fund expenditures.

### Financial Statement Structure

The discussion and analysis are intended to serve as an introduction to the Village of Coal City basic financial statements. The Village of Coal City's basic financial statements are comprised of three components:

(1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. The very end of the report also contains required supplementary information regarding the bonds issued by the village.

### Government-Wide Financial Statements

The government-wide financial statement, found on pages 3 and 4, are designed to provide readers a broad perspective of the Village's finances, in a manner similar to a private-sector business. This is done by consolidating all of the Village's financial activity into one set of financial statements.

(See independent auditor's report)

The *statement of net position* (page 3) presents information on all of the Village's assets and liabilities, with the difference between the two reported as *net position*. The focus of the Statement of Net Position (the "unrestricted Net Position") is designed to be similar to bottom line results for the Village and its governmental and business-type activities. This statement combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus. Over time, increases or decreases in net position might serve as a useful indicator of whether the financial position of the Village of Coal city is improving or deteriorating.

The *statement of activities* (page 4) presents information showing how the Village's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave) and is focus on both the gross and net cost of various activities (including governmental and business-type), which are supported by the Village's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various government services and/or subsidy to various business-type activities.

The Governmental Activities reflect the Village's basic services, including police, public works, highways and streets, culture and recreation, and general administration. Property taxes, shared state sales taxes, local telecommunications taxes, and shared state income taxes finance the majority of these activities. The Business-Type Activities reflect private sector-type operations (Water Fund), where the fee for service typically covers all or most of the cost of operation including depreciation.

## **Fund Financial Statements**

The fund financial statements begin on page 5 and run through page 14. A *fund* is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The Village of Coal City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Fund Financial Statements allow the demonstration of sources and uses and/or budgeting compliance associated therewith. Traditional users of governmental financial statements will find the Fund Financial Statements presentation more familiar. The focus is now on major funds, rather than fund types. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental Funds.** *Governmental funds* are used to account for essentially the same function reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources* as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

(See independent auditor's report)

Because the focus of governmental fund is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Village maintains 9 individual governmental funds; 3 major funds and 6 nonmajor funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Government Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, Debt Service Fund, and Capital Improvements Fund, which are considered to be major funds. Data from the other eight governmental funds are combined into a single, aggregated presentation referred to as Nonmajor Funds. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The Village adopts an annual budget for its general fund. Budgetary comparison schedules have been provided to demonstrate compliance with the budget.

The basic governmental fund financial statement can be found beginning on page 5 of this report.

**Proprietary Funds.** The Village of Coal city maintains two major proprietary funds. *Enterprise funds* are used to report the same functions presented in Business-type Activities in the Government-Wide Financial Statements. The Village has two major enterprise funds, the Water and Sewer Fund and the Garbage Fund.

Proprietary fund Financial Statements (pages 10-12) provide the same type of information as the Government-Wide Financial Statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer Fund and the Garbage Fund which are considered major funds of the Village and are presented in separate columns in the Fund Financial Statements.

**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resource of those funds are not available to support the Village of Coal City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 13 and 14 of this report.

### **Notes of the Financial Statements**

The notes to the financial statements provide information essential to the full understanding of the data provided in the Government-Wide Fund financial Statements. These notes to the financial statements can be found immediately following the Basic Financial Statements section of the report beginning on page 15.

(See independent auditor's report)

## Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* including the general fund budgetary schedules and data concerning the Village's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found immediately following the notes to the financial statements beginning on page 35.

## Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Village of Coal City, assets exceeded liabilities by \$52,079,415 as of April 30, 2015.

By far the largest portion of the Village of Coal City's net position (94%) reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The Village of Coal City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village of Coal City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

	Village of Coal City's Net Position					
	Governmental Activities		Business-type Activities		Total Primary Governmental	
	2015	2014	2015	2014	2015	2014
<b>Assets</b>						
Current and Other Assets	\$ 3,637,754	\$ 5,276,662	\$ 2,220,932	\$ 2,159,737	\$ 5,858,686	\$ 7,436,399
Capital Assets	55,591,877	55,306,311	4,186,794	4,086,223	59,778,671	59,392,534
Total Assets	<u>59,229,631</u>	<u>60,582,973</u>	<u>6,407,726</u>	<u>6,245,960</u>	<u>65,637,357</u>	<u>66,828,933</u>
<b>Liabilities</b>						
Current Liabilities	1,846,101	1,734,665	366,797	391,875	2,212,898	2,126,540
Non-Current Liabilities	6,765,664	6,589,539	2,705,126	3,044,227	9,470,790	9,633,766
Total Liabilities	<u>8,611,765</u>	<u>8,324,204</u>	<u>3,071,923</u>	<u>3,436,102</u>	<u>11,683,688</u>	<u>11,760,306</u>
<b>Deferred Inflows of Resources</b>						
Unearned Property Taxes	1,874,254	1,749,383	-	-	1,874,254	1,749,383
Total Deferred Inflows of Resources	<u>1,874,254</u>	<u>1,749,383</u>	<u>-</u>	<u>-</u>	<u>1,874,254</u>	<u>1,749,383</u>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>10,486,019</u>	<u>10,073,587</u>	<u>3,071,923</u>	<u>3,436,102</u>	<u>13,557,942</u>	<u>13,509,689</u>
<b>Net Position</b>						
Invested in Capital Assets, net of related debt	47,506,982	47,481,311	1,296,165	798,036	48,803,147	48,279,347
Restricted	425,704	265,784	-	-	425,704	265,784
Unrestricted	810,926	2,762,291	2,039,638	2,011,822	2,850,564	4,774,113
Total Net Position	<u>\$ 48,743,612</u>	<u>\$ 50,509,386</u>	<u>\$ 3,335,803</u>	<u>\$ 2,809,858</u>	<u>\$ 52,079,415</u>	<u>\$ 53,319,244</u>

For more detailed information see the Statement of Net Position on page 3.

(See independent auditor's report)

At the end of the current fiscal year, the Village of Coal City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its governmental activities and business-type activities.

The Village's total net position decreased by \$1,239,829 during the fiscal year. Governmental net position decreased \$1,765,774. Business-type net position increased \$525,945.

**Governmental activities.** Governmental activities decreased the Village of Coal City's net position by \$1,765,774. Business-type activities increased the Village's net position by \$525,945. Key elements of this net decrease of \$1,239,829 are as follows:

	Village of Coal City's Changes in Net Position					
	Governmental Activities		Business-type Activities		Total Primary Governmental	
	2015	2014	2015	2014	2015	2014
Revenues						
Program Revenues						
Charges for Services	\$ -	\$ -	\$ 2,132,043	\$ 2,062,199	\$ 2,132,043	\$ 2,062,199
Operating Grants and Contrib	112,800	720,634	-	-	112,800	720,634
Capital Grants and Contrib	-	-	-	-	-	-
General Revenues						
Taxes	2,981,908	2,894,449	-	-	2,981,908	2,894,449
MFT	181,535	163,713	-	-	181,535	163,713
Utility Tax	410,371	448,545	-	-	410,371	448,545
Interest	9,287	12,007	5,269	2,952	14,556	14,959
Miscellaneous	776,218	396,709	78,123	38,358	854,341	435,067
Total Revenues	4,472,119	4,636,057	2,215,435	2,103,509	6,687,554	6,739,566
Expenses						
General Government	2,935,372	2,263,204	-	-	2,935,372	2,263,204
Public Safety	1,822,725	1,615,879	-	-	1,822,725	1,615,879
Streets and alley	1,274,366	1,816,569	-	-	1,274,366	1,816,569
Capital Improvements	11,696	345,000	-	-	11,696	345,000
Parks	60,141	78,949	-	-	60,141	78,949
Sanitation	-	-	455,681	436,094	455,681	436,094
Water and sewer	-	-	1,155,247	1,165,025	1,155,247	1,165,025
Debt Service	212,155	223,221	-	-	212,155	223,221
Total Expenses	6,316,455	6,342,822	1,610,928	1,601,119	7,927,383	7,943,941
Other Financing Sources (Uses)	78,562	225,000	(78,562)	(225,000)	-	-
Change in Net Position	(1,765,774)	(1,481,765)	525,945	277,390	(1,239,829)	(1,204,375)
Net Position: May 1	50,509,386	51,991,151	2,809,858	2,532,468	53,319,244	54,523,619
Net Position: April 30	\$ 48,743,612	\$ 50,509,386	\$ 3,335,803	\$ 2,809,858	\$ 52,079,415	\$ 53,319,244

For the fiscal year ended April 30, 2015, revenues from Governmental Activities totaled \$4,472,119. During the fiscal year, property tax continues to be the Village's largest revenue source coming in at \$1,752,703 in Fiscal Year 2015. The Village experienced an increase in its equalized assessed valuation (EAV) from \$103,142,129 for the 2013 property tax year to \$118,824,810 for the 2014 property tax year, an increase of \$15,682,681.

For the fiscal year ended April 30, 2015, expenses from Governmental Activities totaled \$6,316,455.

### **Fund Financial Statement Analysis**

As noted earlier, the Village of Coal City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Village of Coal City has eleven governmental funds displayed on the balance sheet, found on page 5.

**Governmental Funds.** The focus of the Village of Coal City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village of Coal City's financial requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Governmental funds use a cash basis of accounting designed to measure current financial resources. Consequently, the reader will notice the balance sheet does not show fixed assets or long-term liabilities. The related income statements (combined statement of revenues, expenditures and changes in fund balance) are found on page 7.

The General Fund (first column) is used to account for most of the Village's general operating activity. This includes activity for the Administration Department, Police Department, Streets and Alleys Department, and the Emergency and Safety Department. Including the effect of operating transfers and capital bond proceeds, the General Fund's expenditures exceeded revenues by \$1,606,630. The General Fund's financial position resulted in a fund balance from \$2,275,782 on April 30, 2014 to \$669,152 on April 30, 2015. Revenues were up by 1.2% (\$2,772,203 versus \$2,738,609), and actual expenditures increased by 18% (\$4,284,644 this fiscal year versus \$3,639,129 last fiscal year).

Total expenditures in every General Fund department were below the budgeted amount, as they were last fiscal year.

Information relating to the Nonmajor Governmental Funds is on pages 49 through 58. Non-major fund balance increased from last year by \$159,577.

### **Proprietary Funds**

The Village of Coal City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The financial statements for the proprietary funds begin on page 10. Proprietary funds use the accrual basis of accounting designed to measure total economic resources. The increase in total net position for the Proprietary Funds is \$525,945.

### **Fiduciary Funds**

The School Site Fund and Police Pension Fund are fiduciary funds of the Village. The financial statements for the fiduciary fund are on pages 13 and 14.

(See independent auditor's report)

### **General Fund Budgetary Highlights**

Significant differences between the final budget and the actual revenues and expenditures are summarized as follows:

- The difference between the estimated revenues and the actual revenues was \$305,821 (unfavorable).
- The difference between the estimated expenditures and the actual expenditures was \$823,238 (favorable).

### **Capital Assets and Long-term Debt**

Governmental Capital Asset activity information is presented on pages 25 and 26. Net capital assets increased by \$386,137 due to the addition infrastructure added in the current year.

The Village of Coal City has long-term debt liabilities of \$11,157,203. Long-term debt decreased \$69,012 from the prior year due to debt payments during the fiscal year. For details on the long-term debts of the Village of Coal City, see pages 27 through 29.

### **Responsibility**

Governmental Accounting Standards Board Statement Number 34 mandates that all local government's financial statement include a Management's Discussion and Analysis section. The goal is to give readers an objective, readable overview of the government's financial statements. The Village of Coal City is responsible for preparing this section. Consequently, any question regarding this narrative specifically, or the Village's audit report generally, may be addressed to the Village of Coal City, 515 S. Broadway, Coal City, IL, 60416.

## **BASIC FINANCIAL STATEMENTS**

VILLAGE OF COAL CITY, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2015

	Governmental	Proprietary	Total	
	Activities	Fund Type	2015	2014
	General	Enterprise		
<b>ASSETS</b>				
Cash in bank and investments	\$ 1,763,500	\$ 2,081,785	\$ 3,845,285	\$ 5,509,827
Motor fuel tax receivable	-	-	-	-
Property taxes receivable	1,874,254	-	1,874,254	1,749,383
Other receivables	-	139,147	139,147	177,189
Noncurrent assets				
Capital assets				
Infrastructure	57,872,864	4,173,372	62,046,236	62,004,330
Building, improvements, and land	4,954,911	-	4,954,911	3,954,951
Equipment and vehicles	3,253,223	195,101	3,448,324	2,953,870
Accumulated depreciation	(10,489,121)	(181,679)	(10,670,800)	(9,520,617)
Total Assets	<u>\$ 59,229,631</u>	<u>\$ 6,407,726</u>	<u>\$ 65,637,357</u>	<u>\$ 66,828,933</u>
<b>LIABILITIES</b>				
Other payables	\$ 49,729	\$ (385)	\$ 49,344	\$ 113,513
Compensated absences	461,453	-	461,453	419,158
Net pension obligation	15,688	-	15,688	1,420
Current portion of long-term debt	443,686	367,182	810,868	1,592,449
Notes payable	875,545	-	875,545	1,000,000
Long-term bonds payable	6,765,664	2,705,126	9,470,790	8,633,766
Total Liabilities	<u>8,611,765</u>	<u>3,071,923</u>	<u>11,683,688</u>	<u>11,760,306</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unearned property taxes	1,874,254	-	1,874,254	1,749,383
Total deferred inflows of resources	<u>1,874,254</u>	<u>-</u>	<u>1,874,254</u>	<u>1,749,383</u>
Total liabilities and deferred inflow of resources	<u>10,486,019</u>	<u>3,071,923</u>	<u>13,557,942</u>	<u>13,509,689</u>
<b>NET POSITION</b>				
Net investment in capital assets	47,506,982	1,296,165	48,803,147	48,279,347
Restricted				
General government	282,416	-	282,416	143,532
Parks	66,428	-	66,428	36,991
TIF projects	23,416	-	23,416	41,894
Highways and streets	53,444	-	53,444	43,367
Debt service	-	-	-	-
Unrestricted	810,926	2,039,638	2,850,564	4,774,113
Total Net Position	<u>48,743,612</u>	<u>3,335,803</u>	<u>52,079,415</u>	<u>53,319,244</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION</b>	<u>\$ 59,229,631</u>	<u>\$ 6,407,726</u>	<u>\$ 65,637,357</u>	<u>\$ 66,828,933</u>

See accompanying notes to financial statements.

**VILLAGE OF COAL CITY, ILLINOIS**  
**STATEMENT OF ACTIVITIES**

April 30, 2015

	Net (Expense) Revenue and Change in Net Position						
	Program Revenues			Primary Government			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>FUNCTIONS/PROGRAMS</b>							
<b>PRIMARY GOVERNMENT</b>							
Governmental Activities							
General government	\$ 2,933,372	\$ -	\$ -	\$ -	\$ (2,933,372)	\$ -	\$ (2,933,372)
Public safety	1,822,725	-	12,800	-	(1,809,925)	-	(1,809,925)
Street and alley	1,274,366	-	-	-	(1,274,366)	-	(1,274,366)
Capital improvements	11,696	-	100,000	-	88,304	-	88,304
Parks	60,141	-	-	-	(60,141)	-	(60,141)
Interest expense	212,155	-	-	-	(212,155)	-	(212,155)
Total governmental activities	6,314,455	-	112,800	-	(6,201,655)	-	(6,201,655)
Business-Type Activities							
Garbage	455,681	483,512	-	-	27,831	-	27,831
Water and sewer	1,155,247	1,648,531	-	-	493,284	-	493,284
Total business-type activities	1,610,928	2,132,043	-	-	521,115	-	521,115
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 7,925,383</b>	<b>\$ 2,132,043</b>	<b>\$ 112,800</b>	<b>\$ -</b>	<b>(6,201,655)</b>	<b>\$ 521,115</b>	<b>(5,680,540)</b>
General Revenues							
Taxes					2,981,908	-	2,981,908
MFT					181,535	-	181,535
Utility tax					410,371	-	410,371
Interest					9,287	5,269	14,556
Miscellaneous					774,218	78,123	852,341
Total general revenues					4,357,319	83,392	4,440,711
OTHER FINANCING SOURCES (USES)					78,562	(78,562)	-
CHANGE IN NET POSITION					(1,765,774)	525,945	(1,239,829)
NET POSITION, MAY 1					50,509,386	2,809,858	53,319,244
NET POSITION, APRIL 30					\$ 48,743,612	\$ 3,335,803	\$ 52,079,415

See accompanying notes to financial statements.

VILLAGE OF COAL CITY, ILLINOIS

GOVERNMENTAL FUNDS

BALANCE SHEET

April 30, 2015

	General	Debt Service	Capital Improvements	Nonmajor Governmental Funds	Total
<b>ASSETS</b>					
Cash and investments	\$ 682,732	\$ -	680,757	\$ 456,853	\$ 1,820,342
Receivables					
Accounts	-	-	-	-	-
Property taxes	977,812	613,371	-	283,071	1,874,254
Due from nonmajor funds	31,149	-	-	-	31,149
Total Assets	<u>\$ 1,691,693</u>	<u>\$ 613,371</u>	<u>\$ 680,757</u>	<u>\$ 739,924</u>	<u>\$ 3,725,745</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Cash overdraft	\$ -	\$ 15,781	\$ -	\$ 41,061	\$ 56,842
Other payables	44,729	-	5,000	-	49,729
Due to general fund	-	-	-	31,149	31,149
Total Liabilities	<u>44,729</u>	<u>15,781</u>	<u>5,000</u>	<u>72,210</u>	<u>137,720</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable property taxes	977,812	613,371	-	283,071	1,874,254
Total Deferred Inflows of Resources	<u>977,812</u>	<u>613,371</u>	<u>-</u>	<u>283,071</u>	<u>1,874,254</u>
Total Liabilities and Deferred Inflows of Resources	<u>1,022,541</u>	<u>629,152</u>	<u>5,000</u>	<u>355,281</u>	<u>2,011,974</u>
<b>FUND BALANCES</b>					
Restricted					
General government	-	-	-	282,416	282,416
Parks	-	-	-	66,428	66,428
TIF projects	-	-	-	23,416	23,416
Highways and streets	-	-	-	53,444	53,444
Debt service	-	-	-	-	-
Unrestricted					
Assigned					
Capital improvements			675,757	-	675,757
Unassigned	669,152	(15,781)	-	(41,061)	612,310
Total Fund Balances	<u>669,152</u>	<u>(15,781)</u>	<u>675,757</u>	<u>384,643</u>	<u>1,713,771</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 1,691,693</u>	<u>\$ 613,371</u>	<u>\$ 680,757</u>	<u>\$ 739,924</u>	<u>\$ 3,725,745</u>

See accompanying notes to financial statements.

VILLAGE OF COAL CITY, ILLINOIS

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE  
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION

April 30, 2015

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FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 1,713,771
Amounts reported for governmental activities in the statement activities are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	55,591,877
Long-term liabilities including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds	(8,084,895)
Compensated absences are not due and payable in the current period and, therefore, are not reported in governmental funds	(461,453)
The net pension obligation of the Police Pension Fund is included in the governmental activities in the statement of net position	<u>(15,688)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 48,743,612</u>

See accompanying notes to financial statements.

VILLAGE OF COAL CITY, ILLINOIS

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES

April 30, 2015

	General	Debt Service	Capital Improvements	Nonmajor Funds	Total
REVENUES					
Property Taxes	\$ 912,872	\$ 556,879	\$ -	\$ 282,952	\$ 1,752,703
Municipal sales tax	426,326	-	-	130,000	556,326
Utility and excise tax	410,371	-	-	-	410,371
Motor fuel tax	-	-	-	181,535	181,535
Illinois income tax	542,528	-	-	-	542,528
Use tax	107,588	-	-	-	107,588
Illinois replacement income tax	20,400	-	-	2,363	22,763
Police grant	12,800	-	-	-	12,800
Liquor licenses	8,650	-	-	-	8,650
Gaming licenses	1,255	-	-	-	1,255
Other licenses	5,076	-	-	-	5,076
Contractor licenses	16,300	-	-	-	16,300
Building permits	27,605	-	-	-	27,605
Cable TV franchise fees	57,176	-	-	-	57,176
Telephone franchise fees	-	-	-	-	-
Video gaming fees	35,839	-	-	-	35,839
Dispatcher services - Coal City	-	-	-	-	-
Fire Protection District	-	-	-	-	-
Coal City School District	-	-	-	-	57,177
& miscellaneous reimbursements	57,177	-	-	-	57,177
State grants	-	-	100,000	-	100,000
Fines	36,376	-	-	-	36,376
Interest on deposits	5,857	2,006	967	457	9,287
Zoning	20,174	-	-	-	20,174
Workman's comp reimbursement	-	-	-	-	-
Other revenues	65,833	964	8,223	433,570	508,590
<b>Total Revenues</b>	<b>2,770,203</b>	<b>559,849</b>	<b>109,190</b>	<b>1,030,877</b>	<b>4,470,119</b>
EXPENDITURES					
Current					
General government <i>TIF Expense</i>	1,969,089	-	-	836,409	2,805,498
Public safety	1,552,342	-	-	-	1,552,342
Street and alley	761,213	-	242,770	-	1,003,983
Capital improvements	-	-	1,018,794	-	1,018,794
Parks	-	-	-	60,141	60,141
Debt Service					
Principal retirement	-	360,000	-	-	360,000
Interest and fiscal charges	-	206,028	6,127	-	212,155
<b>Total Expenditures</b>	<b>4,282,644</b>	<b>566,028</b>	<b>1,267,691</b>	<b>896,550</b>	<b>7,012,913</b>
EXCESS (DEFICIENCY) REVENUES OVER EXPENDITURES	(1,512,441)	(6,179)	(1,158,501)	134,327	(2,542,794)

See accompanying notes to financial statements.

VILLAGE OF COAL CITY, ILLINOIS

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES

April 30, 2015

	General	Debt Service	Capital Improvements	Nonmajor Funds	Total
OTHER FINANCING SOURCES (USES)					
Loan proceeds	-	-	729,350	-	729,350
Operating transfer (to) from	(94,189)	-	147,501	25,250	78,562
Total Other Financing Sources (Uses)	(94,189)	-	876,851	25,250	807,912
CHANGE IN FUND BALANCES	(1,606,630)	(6,179)	(281,650)	159,577	(1,734,882)
FUND BALANCE, MAY 1	2,275,782	(9,602)	957,407	225,066	3,448,653
FUND BALANCE, APRIL 30	\$ 669,152	\$ (15,781)	\$ 675,757	\$ 384,643	\$ 1,713,771

See accompanying notes to financial statements.

**VILLAGE OF COAL CITY, ILLINOIS**

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE  
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

April 30, 2015

	Governmental Activities
NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ (1,734,882)
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	1,367,098
The issuance of long-term debt is reported as an other financing source in governmental funds but as an increase of principal outstanding in the statement of activities	(744,350)
The repayment of the principal portion long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	484,455
The change in net pension obligation is not a current financial resource and, therefore, is not reported in the governmental funds	(14,268)
Some expenses in the statement of activities (e.g., depreciation) do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	(1,081,532)
Compensated absences was treated as available resources in the governmental funds. However, they are reported as notes payable in the statement of activities.	(42,295)
Governmental funds report bond issuance costs as expenditures. However, they are reported as deferred charges and amortized over the term of the bonds in the statement of activities	-
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	\$ (1,765,774)

See accompanying notes to financial statements.

VILLAGE OF COAL CITY, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF NET POSITION

For the Year Ended April 30, 2015

	Waterworks and Sewerage Fund	Garbage Fund	Nonmajor Enterprise Funds	Total
<b>ASSETS</b>				
Cash and cash equivalents	\$ 25,758	\$ 102,869	\$ 1,953,158	\$ 2,081,785
Accounts receivable	95,353	23,597	20,197	139,147
Due from other funds	-	-	-	-
Capital assets				
Infrastructure	1,414,464	-	2,758,908	4,173,372
Equipment and vehicles	195,101	-	-	195,101
Less: Accumulated depreciation	(71,323)	-	(110,356)	(181,679)
<b>Total assets</b>	<u>\$ 1,659,353</u>	<u>\$ 126,466</u>	<u>\$ 4,621,907</u>	<u>\$ 6,407,726</u>
<b>LIABILITIES</b>				
Accounts payable	\$ (385)	\$ -	\$ -	\$ (385)
Due to other funds	-	-	-	-
Current portion of long-term debt	62,935	-	304,247	367,182
Long-term bonds payable	1,112,286	-	1,592,840	2,705,126
<b>Total liabilities</b>	<u>1,174,836</u>	<u>-</u>	<u>1,897,087</u>	<u>3,071,923</u>
<b>NET POSITION</b>				
Net investment in capital assets	434,344	-	861,821	1,296,165
Unrestricted	50,173	126,466	1,862,999	2,039,638
<b>Total net position</b>	<u>484,517</u>	<u>126,466</u>	<u>2,724,820</u>	<u>3,335,803</u>
<b>Total liabilities and net position</b>	<u>\$ 1,659,353</u>	<u>\$ 126,466</u>	<u>\$ 4,621,907</u>	<u>\$ 6,407,726</u>

See accompanying notes to financial statements.

VILLAGE OF COAL CITY, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION

For the Year Ended April 30, 2015

	Waterworks and Sewerage Fund	Garbage Fund	Nonmajor Enterprise Funds	Total
OPERATING REVENUES				
Water and sewerage charges	\$ 1,246,665	\$ -	\$ 344,855	\$ 1,591,520
Water and sewer tap on fees	48,569	-	-	48,569
Garbage collection fees	-	483,512	-	483,512
Water assessments collected	8,442	-	-	8,442
Total operating revenues	1,303,676	483,512	344,855	2,132,043
OPERATING EXPENSES				
Personnel services	515,036	3,936	-	518,972
Contractual services	431,594	446,446	3,943	881,983
Materials and supplies	33,545	5,005	-	38,550
Other Expense	15,681	294	-	15,975
Depreciation	31,868	-	36,785	68,653
Total operating expenses	1,027,724	455,681	40,728	1,524,133
OPERATING INCOME	275,952	27,831	304,127	303,783
NONOPERATING REVENUES (EXPENSES)				
Investment income	281	230	4,758	5,269
Impact fees	-	-	15,455	15,455
Capital Outlay	-	-	-	-
Debt service	-	-	-	-
Principal retirement	-	-	-	-
Interest and fiscal charges	(30,534)	-	(56,261)	(86,795)
Other income (expense)	65,562	51	(2,945)	62,668
Total nonoperating revenues (expenses)	35,309	281	(38,993)	(3,403)
Other financing sources (uses)				
Loan Proceeds	-	-	-	-
Transfers	-	-	(78,562)	(78,562)
Total other financing sources (uses)	-	-	(78,562)	(78,562)
CHANGES IN NET POSITION	311,261	28,112	186,572	525,945
NET POSITION (DEFICIT), MAY 1	173,256	98,354	2,538,248	2,809,858
NET POSITION (DEFICIT), APRIL 30	\$ 484,517	\$ 126,466	\$ 2,724,820	\$ 3,335,803

See accompanying notes to financial statements.

VILLAGE OF COAL CITY, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

For the Year Ended April 30, 2015

	Waterworks and Sewerage Fund	Garbage Fund	Nonmajor Enterprise Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	\$ 1,296,863	\$ 488,576	\$ 348,406
Payments to suppliers	(516,094)	(451,745)	(3,943)
Payments to employees	(515,036)	(3,936)	-
Net cash from operating activities	<u>265,733</u>	<u>32,895</u>	<u>344,463</u>
<b>CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Transfer (to) from other funds	-	-	(78,562)
Net cash from noncapital and related financing activities	<u>-</u>	<u>-</u>	<u>(78,562)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Proceeds from loan	-	-	-
Payment on water revenue bonds	(61,390)	-	(267,517)
Purchase of capital assets	(169,222)	-	-
Interest and fiscal charges paid	(30,534)	-	(56,261)
Net cash from capital and related financing activities	<u>(261,146)</u>	<u>-</u>	<u>(323,778)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Other revenue	65,562	51	12,510
Interest received	281	230	4,758
Net cash from investing activities	<u>65,843</u>	<u>281</u>	<u>17,268</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<u>70,430</u>	<u>33,176</u>	<u>(40,609)</u>
<b>CASH AND CASH EQUIVALENTS, MAY 1</b>	<u>(44,672)</u>	<u>69,693</u>	<u>1,993,767</u>
<b>CASH AND CASH EQUIVALENTS, APRIL 30</b>	<u>\$ 25,758</u>	<u>\$ 102,869</u>	<u>\$ 1,953,158</u>
<b>RECONCILIATION OR OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Operating income	\$ 275,952	27,831	304,127
Adjustments to reconcile operating income to net cash from operating activities:			
Depreciation	31,868	-	36,785
Changes in net assets			
Receivables	(6,813)	5,064	3,551
Accounts payable	(35,274)	-	-
Compensated absences	-	-	-
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<u>\$ 265,733</u>	<u>\$ 32,895</u>	<u>\$ 344,463</u>

See accompanying notes to financial statements.

VILLAGE OF COAL CITY, ILLINOIS

STATEMENT OF NET POSITION

FIDUCIARY FUNDS

April 30, 2015

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	<u>2015</u>	<u>2014</u>
ASSETS		
Cash and investments	\$ 1,689,900	\$ 1,514,311
Accrued Interest	<u>10,291</u>	<u>8,772</u>
Total Assets	<u>\$ 1,700,191</u>	<u>\$ 1,523,083</u>
LIABILITIES		
Accounts Payable	<u>\$ 1,610</u>	<u>\$ -</u>
Total Liabilities	<u>1,610</u>	<u>-</u>
NET POSITION		
Net position held in trust for pension benefits and school fund	<u>1,698,581</u>	<u>1,523,083</u>
Total Liabilities and Net Position	<u>\$ 1,700,191</u>	<u>1,523,083</u>

See accompanying notes to financial statements.

**VILLAGE OF COAL CITY, ILLINOIS**  
**STATEMENT OF CHANGES IN NET POSITION**  
**FIDUCIARY FUNDS**  
April 30, 2015

	2015	2014
Additions:		
Contributions:		
Employer contributions	\$ 222,246	\$ 208,489
Employee contributions	72,976	60,677
Total Contributions	<u>295,222</u>	<u>269,166</u>
Other member revenue	69,511	-
Investment Income		
Interest Income	51,121	30,295
Realized and Unrealized Gains/Losses	21,083	(19,488)
Less: Investment Expense	<u>(6,735)</u>	<u>(5,714)</u>
Net Investment Income	<u>65,469</u>	<u>5,093</u>
School site dedication fees	12,802	7,879
Interest Income	16	5
Total School Site Income	<u>12,818</u>	<u>7,884</u>
<b>TOTAL ADDITIONS</b>	<u>443,020</u>	<u>282,143</u>
Deductions:		
Pension Benefits and Refunds	227,990	103,901
Administrative Expenses		
Actuary	1,600	22,947
Auditing	1,750	-
Accounting and Bookkeeping	8,535	-
Medical Services	-	-
Legal	3,250	-
Employee Refunds	-	-
Conference/Seminar Fees	1,525	-
Association Dues	775	5,430
Compliance Fee	276	-
Miscellaneous	3,106	-
Payments to local school districts	<u>18,715</u>	<u>4,603</u>
<b>TOTAL DEDUCTIONS</b>	<u>267,522</u>	<u>136,881</u>
<b>CHANGE IN NET POSITION</b>	175,498	145,262
<b>NET POSITION - MAY 1, 2012</b>	<u>1,523,083</u>	<u>1,377,821</u>
<b>NET POSITION - APRIL 30, 2013</b>	<u>\$ 1,698,581</u>	<u>1,523,083</u>

See accompanying notes to financial statements.

**VILLAGE OF COAL CITY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
April 30, 2015

6. LONG-TERM DEBT

a. Long-Term Liabilities

Governmental Activities

The Village issued a G.O. Bond June 1, 2009. The bond was issued at \$6,000,000 at a variable interest rate between 1.75% and 4.20% and matures in December, 2024. The Village issued a G.O. Bond November 25, 2014. The bond was issued at \$1,900,000 with a 4.55% interest rate and matures in November 2023. The Village has four loans through Centrue Bank issued as \$1,000,000 during fiscal year 2014. The interest rate is variable and the current balances as of April 30, 2015 totals \$875,545. The Village has two loans through Standard Bank and Trust issued at \$744,350 during fiscal year 2015. The interest rate is 2.0% and matures in February 2025.

Business-Type Activities

The Enterprise Funds have three liabilities outstanding. There are three IEPA Loans. During the fiscal year ended April 30, 2002 the Village was approved for two separate loans through the IEPA. The Village was approved for a \$988,731 loan for water improvements at a rate of 2.905% payable over 20 years. The second loan is the amount of \$4,300,000 at a rate of 2.905% payable over 20 years for sewer improvements. The Village was issued an additional IEPA loan for a water tower in 2011. This loan was issued for \$1,458,571 maturing in 2030.

b. Changes in Long-Term Liabilities

	Fund Debt Retired By	Balances May 1	Additions	Reductions	Balances April 30	Current Portion
<b>Governmental Activities</b>						
Centrue	Governmental	\$ 1,000,000	\$ -	\$ (124,455)	\$ 875,545	\$ 875,545
Standard Bank	Governmental	-	744,350	-	744,350	68,686
GO Bonds Series 2013	Governmental	1,900,000	-	-	1,900,000	-
GO Bonds	Governmental	4,925,000	-	(360,000)	4,565,000	375,000
		<u>\$ 7,825,000</u>	<u>\$ 744,350</u>	<u>\$ (484,455)</u>	<u>\$ 8,084,895</u>	<u>\$ 1,319,231</u>
<b>Business-type Activities</b>						
2002 W&S Refunding	Enterprise	\$ -	\$ -	\$ -	\$ -	\$ -
IEPA Loan - Tower	Enterprise	1,236,611	-	(61,390)	1,175,221	62,935
IEPA Loan - Water	Enterprise	337,156	-	(28,489)	308,667	58,225
IEPA Loan - Sewer	Enterprise	1,827,448	-	(239,028)	1,588,420	246,022
		<u>\$ 3,401,215</u>	<u>\$ -</u>	<u>\$ (328,907)</u>	<u>\$ 3,072,308</u>	<u>\$ 367,182</u>

**VILLAGE OF COAL CITY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
April 30, 2015

6. LONG-TERM DEBT (Continued)

c. Debt Service Requirements to Maturity

Annual debt service requirements to maturity on long-term debt are as follows:

Fiscal Year Ending April 30	<b>G.O. Bonds, Series 2009 Governmental Activities</b>		Fiscal Year Ending April 30	<b>IEPA Loan - Sewer Business-Type Activities</b>	
	<u>Principal</u>	<u>Interest</u>		<u>Principal</u>	<u>Interest</u>
2016	375,000	189,263	2016	246,022	44,370
2017	395,000	173,325	2017	253,221	37,171
2018	410,000	156,538	2018	260,630	29,761
2019	430,000	139,113	2019	268,257	22,135
2020	445,000	119,763	2020	276,106	14,286
2021-2025	2,510,000	315,590	2021-2025	284,185	6,207
<b>TOTALS</b>	<b><u>\$ 4,565,000</u></b>	<b><u>\$ 1,093,591</u></b>	<b>TOTALS</b>	<b><u>\$ 1,588,420</u></b>	<b><u>\$ 153,930</u></b>

Fiscal Year Ending April 30	<b>IEPA Loan - Tower Business-Type Activities</b>		Fiscal Year Ending April 30	<b>IEPA Loan - Water Business-Type Activities</b>	
	<u>Principal</u>	<u>Interest</u>		<u>Principal</u>	<u>Interest</u>
2016	62,935	28,990	2016	58,225	8,547
2017	64,518	27,406	2017	59,929	6,843
2018	66,141	25,783	2018	61,682	5,090
2019	67,805	24,120	2019	63,487	3,285
2020	69,511	22,414	2020	65,344	1,427
2021-2025	844,311	120,895	2021-2025	-	-
<b>TOTALS</b>	<b><u>\$ 1,175,221</u></b>	<b><u>\$ 249,608</u></b>	<b>TOTALS</b>	<b><u>\$ 308,667</u></b>	<b><u>\$ 25,192</u></b>

Fiscal Year Ending April 30	<b>G.O. Bonds, Series 2013 Governmental Activities</b>		Fiscal Year Ending April 30	<b>Standard Bank Notes</b>	
	<u>Principal</u>	<u>Interest</u>		<u>Principal</u>	<u>Interest</u>
2016	-	86,450	2016	68,686	13,829
2017	-	86,450	2017	69,129	13,387
2018	-	86,450	2018	70,576	11,940
2019	-	86,450	2019	72,014	10,501
2020	345,000	86,450	2020	73,481	9,034
2021-2025	1,555,000	1,806,035	2021-2025	390,464	22,113
<b>TOTALS</b>	<b><u>\$ 1,900,000</u></b>	<b><u>\$ 2,238,285</u></b>	<b>TOTALS</b>	<b><u>\$ 744,350</u></b>	<b><u>\$ 80,804</u></b>

**VILLAGE OF COAL CITY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
April 30, 2015

6. LONG-TERM DEBT (Continued)

d. Legal Debt Margin

The Village is a non-home municipality	
ASSESSED VALUATION - 2013 (LATEST AVAILABLE)	\$ 118,824,810
LEGAL DEBT LIMIT - 8.625% OF ASSESSED VALUATION	10,248,640
AMOUNT OF DEBT APPLICABLE TO DEBT LIMIT	6,465,000
LEGAL DEBT MARGIN	<u>\$ 3,783,640</u>

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides, "...no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979.")

7. INDIVIDUAL FUND DISCLOSURES

a. Transfers

Transfers between funds during the year were as follows:

Fund	Transfers In	Transfers Out
General Fund	\$ -	\$ 94,189
Debt Service Fund	-	-
Special Revenue Funds	25,250	-
Capital Projects Fund	147,501	-
Proprietary Funds	-	78,562
<b>TOTAL ALL FUNDS</b>	<u>\$ 172,751</u>	<u>\$ 172,751</u>

b. Due To/Due From

Fund	Due From	Due To
General Fund		
MFT Fund	\$ 12,747	\$ -
TIF Fund	18,402	-
MFT Fund		
General Fund	-	12,747
TIF Fund		
General Fund	-	18,402
<b>TOTAL ALL FUNDS</b>	<u>\$ 31,149</u>	<u>\$ 31,149</u>

**VILLAGE OF COAL CITY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
 April 30, 2015

9. EMPLOYEE RETIREMENT SYSTEMS (Continued)

d. Funded Status and Funding Progress

Illinois Municipal Retirement Fund (IMRF)

As of December 31, 2014, the most recent actuarial valuation date, the Regular plan was 103.10% funded. The actuarial accrued liability for benefits was \$1,941,230 and the actuarial value of assets was \$2,001,497, resulting in an overfunded actuarial accrued liability (UAAL) of \$60,267. The covered payroll for calendar year 2014 (annual payroll of active employees covered by the plan) was \$933,447. Because the plan is overfunded, there is no ratio of the UAAL to the covered payroll.

Schedules of Funding Progress

Illinois Municipal Retirement Fund (IMRF)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2014	2,001,497	1,941,230	(60,267)	103.1%	933,447	0.0%
12/31/2013	2,075,543	1,901,822	(173,721)	109.1%	855,516	0.0%
12/31/2012	1,962,877	1,792,089	(170,788)	109.5%	839,737	0.0%

On a market value basis, the actuarial value of assets as of December 31, 2014 is \$2,375,240. On a market basis, the funded ratio would be 124.89%.

The actuarial value of assets and accrued liability cover active and inactive members who have service credit with Village of Coal City. They do not include amounts for retirees. The actuarial accrued liability for retirees is 100% funded.

Police Pension Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
4/30/2014	1,511,343	4,658,604	3,147,261	32.4%	794,028	396.4%
4/30/2013	1,369,364	4,196,836	2,827,472	32.6%	568,410	497.4%
4/30/2012	1,232,168	3,622,720	2,390,552	34.0%	584,379	409.1%

VILLAGE OF COAL CITY, ILLINOIS

DEBT SERVICE FUND

SCHEDULE OF GENERAL OBLIGATION REFUNDING BONDS, SERIES 2013

April 30, 2015

Date of Issue	November 25, 2013
Date of Maturity	November 1, 2023
Authorized Issue	\$1,900,000
Interest Rates	4.55%
Interest Dates	May and November

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due On			
	Principal	Interest	Totals	May 1	Amount	Nov. 1	Amount
2016	-	86,450	86,450	2015	43,225	2015	43,225
2017	-	86,450	86,450	2016	43,225	2016	43,225
2018	-	86,450	86,450	2017	43,225	2017	43,225
2019	-	86,450	86,450	2018	43,225	2018	43,225
2020	345,000	86,450	431,450	2019	43,225	2019	43,225
2021	365,000	70,752	435,752	2020	35,376	2020	35,376
2022	380,000	54,146	434,146	2021	27,073	2021	27,073
2023	395,000	36,855	431,855	2022	18,427	2022	18,428
2024	415,000	18,882	433,882	2023	9,441	2023	9,441
	<u>\$ 1,900,000</u>	<u>\$ 612,885</u>	<u>\$ 2,512,885</u>		<u>\$ 306,442</u>		<u>\$ 306,443</u>

(See independent auditor's report.)

VILLAGE OF COAL CITY, ILLINOIS

DEBT SERVICE FUND

SCHEDULE OF GENERAL OBLIGATION REFUNDING BONDS, SERIES 2009

April 30, 2015

Date of Issue	June 1, 2009
Date of Maturity	December 1, 2024
Authorized Issue	\$6,000,000
Interest Rates	4.75-4.20%
Interest Dates	June and December

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due On			
	Principal	Interest	Totals	June 1	Amount	Dec. 1	Amount
2016	375,000	189,263	564,263	2015	94,631	2015	94,631
2017	395,000	173,325	568,325	2016	86,663	2016	86,663
2018	410,000	156,538	566,538	2017	78,269	2017	78,269
2019	430,000	139,113	569,113	2018	69,556	2018	69,556
2020	445,000	119,763	564,763	2019	59,881	2019	59,881
2021	465,000	100,850	565,850	2020	50,425	2020	50,425
2022	480,000	83,180	563,180	2021	41,590	2021	41,590
2023	500,000	64,460	564,460	2022	32,230	2022	32,230
2024	520,000	44,210	564,210	2023	22,105	2023	22,105
2025	545,000	22,890	567,890	2024	11,445	2024	11,445
	<u>\$ 4,565,000</u>	<u>\$ 1,093,590</u>	<u>\$ 5,658,590</u>		<u>\$ 546,795</u>		<u>\$ 546,795</u>

(See independent auditor's report.)

**VILLAGE OF COAL CITY, ILLINOIS**

Property Tax Assessed Valuations, Rates, Extensions, and Collections  
April 30, 2015

Tax Levy Year	2014			2013		
	Grundy County	Will County		Grundy County	Will County	
Assessed Valuation	118,820,934	3,876		103,138,176	3,953	
Tax Extensions	Rate	Amount	Rate	Amount	Rate	Amount
Corporate	0.24878	\$ 262,406	0.2500	\$ 10	0.2500	\$ 10
Bonds and interest	0.58152	613,371	0.5820	23	0.5399	21
I.M.R.F.	0.07120	75,100	0.0715	3	0.0732	3
Police protection	0.07464	78,728	0.0749	3	0.0749	3
Parks	0.04361	45,999	0.0439	2	0.0749	3
Workman's Comp	0.09007	95,003	0.0906	3	0.0800	3
Social Security	0.10514	110,899	0.1058	4	0.0856	3
Tort/liability insurance	0.11314	119,337	0.1138	4	0.0825	3
Police pension	0.28445	300,030	0.2862	11	0.2153	9
Audit	0.00001	11	0.0000	-	0.0221	1
Street lighting	0.00001	11	0.0000	-	0.0499	2
	<u>1.61257</u>	<u>1,700,895</u>	<u>1.6187</u>	<u>\$ 63</u>	<u>1.54863</u>	<u>61</u>
TIF		51,064				
Road and Bridge		122,232			38,453	
Total Grundy		<u>\$ 1,874,191</u>			<u>113,638</u>	2
Plus Will		63			\$ 1,749,320	
Total Extension		<u>1,874,254</u>			<u>63</u>	
Tax collections:						
year ended April 30, 2015		\$ -			\$ 1,752,703	
Previous years		-			-	
Percent collected		0.0%			<u>\$ 1,752,703</u>	
					<u>100.2%</u>	

Property tax rates are per \$100 of assessed valuation. Assessed valuation, rates and extended amounts of property taxes levied have been presented for each of the counties for which the District files a property tax levy.

(See independent auditor's report.)



DIAMOND RUSH  
DUBLINNE  
& KEVINHEUER

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(F) 630.596.4611

August 13, 2015

Mayor Halliday  
515 S. Broadway  
Coal City, IL 60416

Re: Review of Executive Session Minutes

Dear Mayor Halliday,

I have completed my comprehensive review of the Village’s executive session minutes, including both the minutes of meetings that had not previously been analyzed (May 13, 2013 through March 23, 2015), as well as historical executive session minutes dating back to 1982 that have not yet been approved for release. I concluded that the minutes from the closed sessions listed below either concerned matters that have been resolved or otherwise have been chronicled in a general enough manner that they are of no particular strategic importance or sensitivity. Based on my review, I recommend that the following minutes be released at this time (note that some of the minutes I propose releasing only in redacted form, such that only a portion should be released):

**CURRENT**

May 13, 2013	October 14, 2013	August 11, 2014 (redact
May 28, 2013	(redact “Land	“Land Acquisition”
June 10, 2013 (redact	Acquisition” section)	section)
“Potential Litigation”	November 25, 2013	August 25, 2014 (redact
section)	(redact “Collective	“Personnel” section)
July 8, 2013 (redact	Bargaining” section)	September 8, 2014
“Potential Litigation”	February 24, 2014	November 24, 2014
section)	March 10, 2014	January 12, 2015
August 26, 2013	April 28, 2014	
September 9, 2013	May 12, 2014	

**HISTORICAL**

May 14, 2012	August 24, 2009	October 23, 2000
August 22, 2011	March 10, 2008	October 11, 2000
January 11, 2010	April 23, 2007	May 24, 1999
March 8, 2010	December 5, 2007	August 21, 1997

ANCEL, GLINK, DIAMOND, BUSH, DiCIANNI & KRAFTHFER, P.C.

August 13, 2015  
Page 2

March 10, 1997  
October 28, 1996

September 8, 1995  
August 28, 1995

August 14, 1995

The balance of the executive session minutes as well as associated materials in the binder, including several memoranda and notes, should remain closed at this time. The binder containing all of the previously-unreleased executive session minutes will be returned to Clerk Noffsinger at the next Board meeting to allow you or the trustees to coordinate with Clerk Noffsinger an opportunity to conduct an independent review as you deem necessary.

I have prepared a resolution and exhibits detailing the minutes that fall into each category (minutes to be released and minutes to be withheld). The Village Board is able to hold an executive session to enable a discussion of the closed session minutes prior to voting on the resolution. For efficiency's sake, I recommend that the elected officials review the minutes on their own time at Village Hall rather than at that executive session.

In addition, the Village may destroy certain executive session tape recordings under Section 2.06(c) of the Open Meetings Act and Section 40.10 of the Village Code. The latter provides that the Village Clerk may destroy the recordings of closed session where (1) the corporate authorities of the Village have approved the minutes of the closed session as to accurate content (regardless of whether those minutes have been released for public review); (2) more than 18 months have elapsed since the date of the executive session; (3) there is no court order requiring the preservation of the recording; and (4) the corporate authorities have not passed a motion or other enactment requiring the preservation of the recording. There are no recordings during my time as Village attorney for which criteria numbers 3 and 4 are not fulfilled. As such, where Clerk Noffsinger identifies sessions that are at least 18 months old and for which the minutes have been approved for accuracy, she may proceed with the destruction of the physical recordings.

Please let me know if you have any questions and thank you for the opportunity to be of assistance.

Sincerely yours,



Mark R. Heinle

cc: Clerk Noffsinger, Board of Trustees

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**THE VILLAGE OF COAL CITY**  
GRUNDY & WILL COUNTIES, ILLINOIS

---

RESOLUTION  
NUMBER \_\_\_\_\_

---

**A RESOLUTION AUTHORIZING THE RELEASE OF CERTAIN EXECUTIVE  
SESSION MINUTES**

---

NEAL E. NELSON, President  
PAMELA M. NOFFSINGER, Village Clerk

ROSS BRADLEY  
TIMOTHY BRADLEY  
DANIEL GREGGAIN  
NEAL NELSON  
DAVID TOGLIATTI  
JUSTIN WREN  
Village Trustees

---

Published in pamphlet form by authority of the President and Board of Trustees of the Village of Coal City  
on \_\_\_\_\_, 2015

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION AUTHORIZING THE RELEASE OF CERTAIN EXECUTIVE  
SESSION MINUTES**

**WHEREAS**, the Village of Coal City (“Village”) is a non-home rule municipality; and

**WHEREAS**, the Corporate Authorities of the Village have met from time to time in executive session for purposes authorized by, and in conformity with, the Illinois Open Meetings Act, 5 ILCS 120/1.01, *et seq.*; and

**WHEREAS**, the Village Clerk has kept written minutes and audiotapes of all such executive sessions; and

**WHEREAS**, pursuant to 5 ILCS 120/2.06, the Corporate Authorities have met in closed session to review previously-unreleased executive session minutes and determine whether a need for confidentiality still exists with respect to such minutes; and

**WHEREAS**, the Corporate Authorities have found and determined that the minutes of the closed session meetings listed in **Exhibit A**, attached hereto, made a part hereof and fully integrated herein, no longer require confidential treatment because such confidentiality is no longer necessary to protect the public interest or the privacy of any individuals, and should therefore be made available for public inspection; and

**WHEREAS**, the Corporate Authorities have found and determined that a need for confidentiality still exists in order to protect the public interest or the privacy of individuals with respect to the executive session minutes from all other closed session meetings not set forth in Exhibit A, including those certain previously-unreleased minutes dating from April 12, 1982 to and including March 23, 2015;

**NOW, THEREFORE, BE IT RESOLVED** by the President and Board of Trustees of the Village of Coal City, Counties of Will and Grundy, Illinois, as follows:

**SECTION 1. RECITALS.**

That the foregoing recitals shall be and are hereby incorporated into and made a part of this Resolution as if fully set forth in this Section 1.

**SECTION 2. ENACTMENT.**

That the Village Clerk is hereby authorized and directed to make the minutes from those meetings set forth in **Exhibit A** available for public inspection and copying in accordance with the standing procedures of the Clerk's Office and the governing regulations of the Illinois Open Meetings Act.

Further, that the Village Clerk is hereby authorized and directed to maintain the minutes from all other closed session meetings for which release has not yet been approved in a confidential matter in order to protect the public interest and the privacy of individuals.

**SECTION 3. RESOLUTION OF CONFLICTS.**

All resolutions or ordinances in conflict herewith are hereby repealed to the extent of such conflict.

**SECTION 4. SAVING CLAUSE.**

If any section, paragraph, clause, or provision of this Resolution shall be held invalid, the invalidity thereof shall not affect any of the other provisions of this Resolution, which are hereby declared to be separable.

**SECTION 5. EFFECTIVE DATE.**

This Resolution shall be in full force and effect from and after its passage and approval as provided by law.

SO RESOLVED this \_\_\_\_\_ day of \_\_\_\_\_, 2015, at Coal City, Grundy and Will Counties, Illinois.

AYES:

NAYS:

ABSENT:

ABSTAIN:

**VILLAGE OF COAL CITY**

\_\_\_\_\_  
Neal E. Nelson, President

Attest:

\_\_\_\_\_  
Pamela M. Noffsinger, Clerk

## EXHIBIT A

### **Executive Session Minutes Approved for Release**

May 13, 2013	May 14, 2012
May 28, 2013	August 22, 2011
June 10, 2013 (partially redacted)	January 11, 2010
July 8, 2013 (partially redacted)	March 8, 2010
August 26, 2013	August 24, 2009
September 9, 2013	March 10, 2008
October 14, 2013 (partially redacted)	April 23, 2007
November 25, 2013 (partially redacted)	December 5, 2007
February 24, 2014	October 23, 2000
March 10, 2014	October 11, 2000
April 28, 2014	May 24, 1999
May 12, 2014	August 21, 1997
August 11, 2014 (partially redacted)	March 10, 1997
August 25, 2014 (partially redacted)	October 28, 1996
September 8, 2014	September 8, 1995
November 24, 2014	August 28, 1995
January 12, 2015	

**MEMO**

**TO:** Mayor Halliday and the Board of Trustees

**FROM:** Matthew T. Fritz  
Village Administrator

**MEETING**

**DATE:** September 14, 2015

**RE: RESOLUTION AUTHORIZING ENFORCEMENT ACTIONS  
REGARDING DANGEROUS STRUCTURES**

Many property owners continue their progress in restoring property and homes following the June 22 tornado. However, some properties remain without activity, and the structures remain in a dangerous condition. Staff has prepared a list of those properties which have proven unsuccessful in coordinating any further activity being started or completed. Staff is proposing structures at the following addresses be designated for demolition and the village attorney be authorized to proceed with the necessary actions to accomplish demolition of these buildings.

While seven properties are listed in the resolution, staff recommends the following properties for immediate demolition action:

- 1090 S. Broadway
- 1095 S. Broadway
- 810 Daisy
- 160 W. Walnut

The Village’s preference continues to be property owners remedy their own problems. At this time, it is in the best interests of public welfare and safety demolition action is pursued on these properties. Previously, these properties have been publicly posted. Ten properties were posted in all. This step led to additional communication and progressive steps toward property restoration. This evening’s consideration may be the first of multiple resolutions on the same subject with different addresses. However, this is anticipated to get the most severe cases moving forward towards resolution.

Approval of this resolution will initiate the next two steps in the demolition process.

Title searches shall be conducted on these properties, and all identified parties will be notified of the proceedings by certified mail. In addition, staff will publish legal notice in the paper for three consecutive days. The last action completed will begin the thirty day notice period. In the event the noticed persons fail to respond or show no interest in compliance, the village authorities may then order the demolition and lien the property for costs.

**Recommendation:**  
Adopt Resolution No. \_\_\_\_\_ : Authorizing Enforcement Actions Regarding Dangerous Structures.

**THE VILLAGE OF COAL CITY**

GRUNDY & WILL COUNTIES, ILLINOIS

---

RESOLUTION  
NUMBER \_\_\_\_\_

---

**A RESOLUTION AUTHORIZING ENFORCEMENT ACTIONS REGARDING  
DANGEROUS STRUCTURES**

---

TERRY HALLIDAY, Village President  
PAMELA M. NOFFSINGER, Village Clerk

ROSS BRADLEY  
TIMOTHY BRADLEY  
DANIEL GREGGAIN  
NEAL NELSON  
DAVID TOGLIATTI  
JUSTIN WREN  
Village Trustees

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION AUTHORIZING ENFORCEMENT ACTIONS REGARDING  
DANGEROUS STRUCTURES**

WHEREAS, the Village of Coal City, Grundy and Will Counties, Illinois (the "Village"), is a non-home rule municipal corporation and body politic of the State of Illinois, duly created, organized and existing under the Constitution of the State of Illinois, the Illinois Municipal Code and other laws of the State of Illinois, as amended from time to time, and having the powers, objects and purposes provided thereby; and

WHEREAS, the Village is authorized to demolish, repair or enclose (i) dangerous and unsafe buildings and (ii) qualifying open and vacant buildings presenting an immediate and continuing hazard to the community, and to remove garbage, debris and other hazardous, noxious or unhealthy substances or materials from such buildings in accordance with 65 ILCS 5/11-31-1(a) and (e), respectively; and

WHEREAS, the Village suffered extensive damage as a result of an EF-3 tornado and related severe weather striking the community on June 22, 2015 (the "Storm"); and

WHEREAS, the Storm severely damaged many residential and commercial structures throughout the Village; and

WHEREAS, the vast majority of Village residents and property owners have responded to the Storm damage resiliently and expeditiously by demolishing, repairing or securing damaged buildings; and

WHEREAS, Village officials and staff have identified a small number of houses in the Village that are open and vacant and present an immediate and continuing hazard to the Village but have not received timely or appropriate attention by responsible parties; and

WHEREAS, the President and Board of Trustees of the Village (collectively, the "Corporate

Authorities") hereby find and determine that it is necessary and in the interest of the public health, safety and welfare to exercise such powers as authorized by law to ensure that certain Storm-damaged houses remaining in a dangerous condition as described herein be demolished or fully remediated in a timely fashion in order to eliminate the ongoing threat to the public health and safety.

**NOW, THEREFORE, BE IT RESOLVED** by the President and Board of Trustees of the Village of Coal City, Grundy and Will Counties, as follows:

**SECTION 1. RECITALS.** That the foregoing recitals shall be and are hereby incorporated into and made a part of this Resolution as if fully set forth in this Section 1.

**SECTION 2. APPROVAL AND RATIFICATION.**

A. The Corporate Authorities hereby authorize and direct the Village Attorney, Administrator, Director of Building and Zoning, administrative staff, and Public Works Department employees to initiate and take such actions as may be necessary or convenient to abate the nuisances and eliminate the dangerous conditions presented by the Storm-damaged structures located on certain real property commonly described as: 1090 S. Broadway, 1095 S. Broadway, 810 W. Daisy, 610 W. Eagle Court, 260 W. Elm, 170 W. Iroquois, and 160 W. Walnut (cumulatively, the "Dangerous Properties"), including, without limitation:

- a. Securing title commitments to identify parties with an interest in the Dangerous Properties;
- b. Applying for administrative search warrants to enable the gathering of additional information and evidence concerning the dangerous conditions presented by the Dangerous Properties;

- c. Executing demolition procedures in accordance with the terms of 65 ILCS 5/11-31-1(e);
- d. Prosecuting demolition procedures in accordance with the terms of 65 ILCS 5/11-31-1(a);
- e. Taking such other and further action as may be legally authorized and necessary or convenient to eliminate in a timely and cost-effective manner ongoing threats to the public health, safety and welfare presented by the Dangerous Properties.

B. The Village President, Village Clerk, Village Administrator, Village Attorney, and Director of Building and Zoning are further authorized and directed to prepare, execute and attest any and all other documents and to take such other or further action as may be necessary to carry out and give effect to the purpose and intent of this Resolution.

C. The Corporate Authorities shall be kept informed as to the strategies, actions and status of any proceedings or actions undertaken with respect to the Dangerous Properties via the provision of oral or written updates at each regularly-scheduled meeting of the Corporate Authorities.

**SECTION 3. RESOLUTION OF CONFLICTS.** All resolutions or ordinances in conflict herewith are hereby repealed to the extent of such conflict.

**SECTION 4. SAVING CLAUSE.** If any section, paragraph, clause, or provision of this Resolution shall be held invalid, the invalidity thereof shall not affect any of the other provisions of this Resolution, which are hereby declared to be separable.

**SECTION 5. EFFECTIVE DATE.** This Resolution shall be in full force and effect immediately from and after its passage and approval as provided by law.

SO RESOLVED this \_\_\_\_\_ day of \_\_\_\_\_, 2015, at Coal City, Grundy and Will Counties, Illinois.

AYES:

ABSENT:

NAYS:

ABSTAIN:

**VILLAGE OF COAL CITY**

\_\_\_\_\_  
Terry Halliday, President

Attest:

\_\_\_\_\_  
Pamela M. Noffsinger, Clerk

## MEMO

**TO:** Mayor Halliday and the Board of Trustees

**FROM:** Matthew T. Fritz  
Village Administrator

**MEETING**

**DATE:** September 14, 2015

**RE: MOU FOR DUAL CONTROL OF SIRENS**

Chief Best has been investigating and personally investigated the operational procedure for the utilization of sirens at Grundy County Consolidated Dispatch. Grundy County relies upon the “Exelon Warning System” as its hazard response for storms, emergencies, etc. In addition to the base network throughout the rest of the County, Coal City augments this pre-emptive service with three additional sirens located east of Broadway and north of Division, atop the Police Station, and adjacent to Des Plaines & Mazon.

Dispatch operates its notification system throughout the County on a quadrant basis and is pulling these sirens simultaneously along with the southeastern quadrant. Since the remainder of the system is placed sue to Exelon’s requirements to have the base system throughout the remainder of the County, this MOU will ensure the sirens to be utilized for radiologic emergencies in addition to the storm events and regular test days the units are currently operated. This is most likely indicative of what would currently occur, but this agreement formally allows this to occur.

None of the payments to maintain the system are to be affected by entering into this understanding documented by Grundy County EMA Coordinator Joe Schroeder.

**Recommendation:**

Authorize Mayor Halliday to enter into a Memorandum of Understanding regarding the utilization of Coal City Dual Use Sirens.

Memorandum of Understanding

Between the County of Grundy, Illinois and the Village of Coal City, Illinois

This Memorandum of Understanding (MOU) is entered into by the County of Grundy, Illinois and the Village of Coal City, Illinois for the conditional dual control of specific outdoor warning sirens located within the corporate limits of Coal City, Illinois.

Specifically, the outdoor warning sirens are as follows:

CC01: between 2<sup>nd</sup> and 3<sup>rd</sup> St. east side and between Broadway and Kankakee St.

CC02: Coal City Police Station on Broadway south of Center St.

CC03: 150 Des Plaines St. west of Broadway

These sirens are owned and maintained by the village of Coal City, Illinois and Exelon has no objection to dual control of these sirens through Exelon Control Centers located at Grundy County.

The County of Grundy and the Village of Coal City agree to the dual control of the listed outdoor warning sirens with the following conditions:

- Radiological related outdoor warning siren activation will be initiated by Grundy County.
- Non-radiological related outdoor warning siren activation for Coal City will be initiated by Grundy County.
- Sirens will be activated during monthly full volume testing.
- Should siren activation be requested by the Village of Coal City, the Village agrees to make prompt public notification through local radio stations as to reason the sirens were activated.
- The Village of Coal City will ensure notice of siren activation is provided to Grundy County dispatch and the Grundy County Emergency Management Agency.
- The parties agree that 60 days written notice will be required to cancel this MOU.
- The transition to dual siren control shall have no financial impact on the Grundy County or the Village of Coal City.

\_\_\_\_\_  
For the County of Grundy

\_\_\_\_\_  
Date

\_\_\_\_\_  
For the Village of Coal City

\_\_\_\_\_  
Date

## MEMO

**TO:** Mayor Halliday and the Board of Trustees

**FROM:** Matthew T. Fritz  
Village Administrator

**MEETING**

**DATE:** September 14, 2015

**RE: TORNADO RECOVERY PROJECT BOND ISSUANCE DISCUSSION**

Attached is a draft ordinance that can be adopted by the Village Board at an upcoming meeting. Costs incurred and related to the tornado have been tracked and vendors desire to be paid. The reasons for issuing debt remain the same as advertised – reimbursement of immediate costs related to the tornado’s aftermath, replacement of income that shall not be received due to the displaced population in the affected area, and necessary infrastructure improvements in light of the physical impact of the tornado as well as its fiscal impact due to its need to draw all available resources to commit for its repayment.

The major difference now that costs have been incurred, is the scope of total borrowing required shall be less than anticipated. Although total road maintenance could utilize an estimated \$9 - \$13 million of revenue to offset the reduced life expectancy of the Village’s road network, borrowing at this level is not sustainable. The Village Board has been and shall continue to discuss the total scope of these needs. The current language calls for a \$3 million bond rather than the \$7.5 that is currently accessible to eth Village Board.

After this evening’s discussion, a final form of this ordinance could be prepared for the Board’s adoption.

MINUTES of a regular public meeting of the Board of Trustees of the Village of Coal City, Grundy and Will Counties, Illinois, held in the Boardroom of the Village Hall, 515 South Broadway, Coal City, Illinois, at 7:00 P.M., on the \_\_ day of \_\_\_\_\_, 2015.

The Village President called the meeting to order and directed the Village Clerk to call the roll.

Upon the roll being called, the following Trustees answered present:

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The following Trustees were absent: \_\_\_\_\_

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Trustee \_\_\_\_\_ presented and the Village Clerk read in full an ordinance as follows:

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS (ALTERNATE REVENUE SOURCE), SERIES 2015, IN ONE OR MORE SERIES, OF THE VILLAGE OF COAL CITY, GRUNDY AND WILL COUNTIES, ILLINOIS, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$3,000,000 FOR THE PURPOSE OF FINANCING THE COSTS OF CERTAIN CAPITAL PROJECTS WITHIN THE VILLAGE AND PAYING FOR COSTS RELATED THERETO.**

**WHEREAS**, the Village of Coal City, Grundy and Will Counties, Illinois, (the “**Village**”) is a municipal corporation and body politic of the State of Illinois, duly created, organized and existing under The Municipal Code of the State of Illinois (the “**Code**”), and having the powers, objects and purposes provided by said Code; and

**WHEREAS**, the Board of Trustees of the Village (the “**Corporate Authorities**”) has determined that it is necessary to (i) finance the costs of the acquisition, construction, rehabilitation and equipping of certain infrastructure within the municipality and matters related thereto, including, but not limited to, certain working capital costs and costs related to the immediate response for public health and safety related to the aftermath of the tornadoes which affected the Village on June 22, 2015 (the “**Disaster**”) and other costs incidental thereto (the “**Project**”) and (iii) pay certain costs of issuance of the Bonds (as such term is hereinafter defined), all for the benefit of the inhabitants of the Village; and

**WHEREAS**, the estimated cost of the Project, including legal, financial, bond discount, printing and publication costs, capitalized interest, and other expenses (collectively, the “**Costs**”), is not to exceed \$3,000,000, and there are insufficient funds on hand and lawfully available to pay such costs; and

**WHEREAS**, for the purpose of providing funds to pay the Costs and in accordance with the provisions of the Local Government Debt Reform Act, as supplemented and amended (the “**Act**”), the Corporate Authorities on the 13th day of July, 2015, adopted an ordinance (the “**Authorizing Ordinance**”) authorizing the issuance of alternate bonds, being general obligation bonds payable from any revenue source as provided by the Act, in an amount not to exceed \$3,000,000; and

**WHEREAS**, it is necessary for the best interests of the Village that the Project be completed, and in order to raise funds required for such purpose it will be necessary for the Village to borrow an aggregate principal amount of not to exceed \$3,000,000 and in evidence thereof to issue alternate bonds, being general obligation bonds payable from (i) all collections distributed to the Village from Retailer’s Occupation Taxes, Service Occupation Taxes, Use Taxes and Service Use Taxes (the “**Sales Taxes**”), (ii) receipts of the Village’s distributive share of State of Illinois income taxes (such distributive share referred to herein as the “**Revenue Sharing Receipts**”) imposed by the State of Illinois pursuant to the Illinois Income Tax Act and distributed pursuant to the State Revenue Sharing Act and such other funds legally available and

appropriated therefor (iii) Telecommunications Taxes, Electric Utility Taxes and Gas Utility Taxes (collectively, the “**Utility Taxes**”), (iv) all collections from grants and or insurance proceeds related to reimbursement of damages resulting from the Disaster (collectively, the “**Disaster Related Proceeds**”) (together the Sales Taxes, Revenue Sharing Receipts, the Utility Taxes and the Disaster Related Proceeds are the “**Pledged Revenues**”) and (v) the Pledged Taxes (as defined below), in an aggregate principal amount not to exceed \$3,000,000, all in accordance with the Act; and

**WHEREAS**, if the above-mentioned revenue sources are insufficient to pay the principal of and interest on the Bonds, ad valorem property taxes upon all taxable property in the Village (the “**Pledged Taxes**”) without limitation as to rate or amount are authorized to be extended to pay the principal of and interest on the bonds, in an aggregate principal amount not to exceed \$3,000,000 in accordance with the Act; and

**WHEREAS**, on the 15th day of July, 2015, the Authorizing Ordinance, together with a notice in the statutory form, was published in the *Coal City Courant*, being a newspaper of general circulation in the Village, and an affidavit evidencing the publication of the Authorizing Ordinance and said notice have been presented to the Corporate Authorities and made a part of the permanent records of the Corporate Authorities; and

**WHEREAS**, more than thirty (30) days have expired since the date of publication of the Authorizing Ordinance and said notice, and no petition with the requisite number of valid signatures thereon has been filed with the Village Clerk requesting that the question of the issuance of the alternate bonds be submitted to referendum; and

**WHEREAS**, on the 27th day of July, 2015, the Corporate Authorities held a public hearing pursuant to the Bond Issuance Notification Act following notice published in the *Coal City Courant*, on the 15th day of July, 2015; and

**WHEREAS**, the Village has insufficient funds to pay the costs of the Project and, therefore, must borrow money and issue one or more series of alternate bonds under this ordinance, from time to time, in evidence thereof in the aggregate principal amounts as herein provided for such purpose; and

**WHEREAS**, the Corporate Authorities are now authorized to issue alternate bonds in an aggregate amount not to exceed \$3,000,000 in accordance with the provisions of the Act, and the Corporate Authorities hereby determine that it is necessary and desirable that the bonds so authorized be issued at this time; and

**WHEREAS**, the Village shall set forth the term of the Bonds and their status as tax-exempt bonds in the Bond Order as hereinafter defined; and

**WHEREAS**, such determination is supported by the most recent audit of the Village (the “**Audit**”), which Audit has previously been presented to the Corporate Authorities and is currently on file with the Village Clerk or by a report prepared by a nationally recognized feasibility consultant or independent accountant, either of which are not otherwise involved with the Project and approved by the Village President pursuant to the Bond Order;

**WHEREAS**, pursuant to the offering of the Bonds (as defined in Section 1) for negotiated sale and the related Preliminary Official Statement (the “**Preliminary Official Statement**”, which when supplemented and completed is to constitute a final “**Official Statement**”), the Village has determined to accept the Bond Purchase Agreement (which when executed and delivered each shall constitute a “**Purchase Agreement**”) submitted by Stern Brothers & Co., of Chicago, Illinois (the “**Underwriter**”), with respect to which the Village will execute a Continuing Disclosure Undertaking (the “**Disclosure Agreement**”) under Rule 15c2-12 of the Securities and Exchange Commission (“**Rule 15c2-12**”); and

**WHEREAS**, for convenience of reference only this ordinance is divided into numbered sections with headings, which shall not define or limit the provisions hereof, as follows:

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**NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE VILLAGE OF COAL CITY, GRUNDY AND WILL COUNTIES, ILLINOIS, as follows:**

**Section 1. Definitions.** Certain words and terms used in this ordinance shall have the meanings given them herein, including above in the recitals in the preamble hereto, and the meanings given them in this Section 1, unless the context or use clearly indicates another or different meaning is intended. Certain definitions are as follows:

“**Act**” collectively and as applicable, the Local Government Debt Reform Act (Section 350/1 *et seq.* of Chapter 30 (and particularly Section 350/15 thereof concerning alternate bonds) of the Illinois Compiled Statutes, as supplemented and amended, the Illinois Municipal Code (65 ILCS 5/1-1-1 *et seq.*), and applicable laws in connection with the Registered Bond Act, the Illinois Bond Replacement Act and the Bond Authorization Act.

“**Alternate Bonds**” means “**alternate bonds**” as described in Section 15 of the Local Government Debt Reform Act (Section 350/15 of Chapter 30 of the Illinois Compiled Statutes), and includes expressly the Bonds.

“**BDSF**” or “**bona fide debt service fund**” means a fund, which may include proceeds of an issue, that (1) is used primarily to achieve a proper matching of revenues with principal and interest payments within each bond year (i.e. each \_\_\_\_\_ 2 to \_\_\_\_\_ 1 annual period); and (2) is depleted at least once each bond year, except for a reasonable carryover amount not to exceed the greater of: (i) the earnings on the fund for the immediately preceding bond year; or (ii) one-twelfth of the principal and interest payments on the issue for the immediately preceding bond year.

“**Bond**” or “**Bonds**” means, the Village’s General Obligation Bonds (Alternate Revenue Source), Series 2015, as authorized to be issued by this ordinance, as supplemented and amended.

“**Bond Order**” means one or more certificates signed by the Village President, and attested to by the Village Clerk and under the seal of the Village, setting forth and specifying details for the Bonds, including, as the case may be, but not limited to, identification of a Policy and an Insurer, if any, book-entry only registration, specification of Pledged Taxes, final interest rates, final maturity schedules, optional and mandatory redemption provisions, reoffering premium, original issue discount (“**OID**”) status as “**qualified tax-exempt obligations,**” designation of a Bond Registrar, Paying Agent or other fiscal agent, and designation of series subject to not exceeding the specified aggregate principal amount for the Bonds.

“**Bond Year**” means each annual period of December 2 to the next December 1, for the Bonds, subject to such lawful elections as the Village may make.

“**Village**” means the Village of Coal City, Grundy and Will Counties, Illinois.

“**Code**” means the Internal Revenue Code of 1986, as amended, and includes related and applicable Income Tax Regulations promulgated by the Treasury Department.

“**Corporate Authorities**” means the Board of Trustees of the Village.

“**Depository**” means a securities depository with respect to Bonds subject to global book entry registration, initially The Depository Trust Company (“**DTC**”), New York, New York.

“**Disaster Related Proceeds**” shall have the meaning as set forth in the recitals in the preamble to this ordinance.

**“Disclosure Agreement”** means the Village’s Continuing Disclosure Undertaking under Rule 15c2-12 related to the Bonds.

**“Fiscal Year”** means the twelve-month period beginning on May 1 of the calendar year and ending on the succeeding April 30.

**“Insurer”** means, if any, the issuer of a Policy securing payment of one or more series of Bonds.

**“Outstanding”**, when used with reference to any referenced obligation, means any referenced obligation which is outstanding and unpaid; provided, however, such term shall not include obligations: **(i)** which have matured and for which moneys are on deposit with proper paying agents, or are otherwise properly available, sufficient to pay all principal and interest thereof, or **(ii)** the provision for payment of which has been made by the Village by the deposit in an irrevocable trust or escrow of funds of direct, full faith and credit non-callable obligations of the United States of America, the principal and interest of which will be sufficient to pay at maturity or as called for redemption all the principal of and applicable premium on such obligations, and will not result in the loss of the exclusion from gross income of the interest thereon under Section 103 of the Code.

**“Parity Bonds”** means bonds or any other obligations, if any, which share ratably and equally in the applicable Pledged Revenues, as set forth and provided for in any such ordinance authorizing the issuance of any such Parity Bonds.

**“Pledged Revenues”** means: Sales Taxes, Revenue Sharing Receipts, Utility Taxes, and Disaster Related Proceeds and other funds legally available and appropriated therefor, distributed pursuant to applicable law.

**“Pledged Taxes”** means the Taxes authorized to be levied in Section 10 to secure and pay the Bonds.

**“Purchase Agreement”** means the Bond Purchase Agreement with the Underwriter for the purchase of Bonds, which upon acceptance and execution by the Village and the Underwriter constitutes the Purchase Agreement for the applicable Bonds.

**“Qualified Investments”** means legal investments of the Village under applicable law, limited and restricted with respect to any applicable Insurer’s Policy.

**“Revenue Sharing Receipts”** shall have the meaning as set forth in the recitals in the preamble to this ordinance.

**“Revenue Source”** means Sales Taxes, Revenue Sharing Receipts, Utility Taxes and Disaster Related Proceeds.

**“Rule 15c2-12”** means Rule 15c2-12 of the Securities and Exchange Commission.

**“Sales Taxes”** shall have the meaning as set forth in the recitals in the preamble to this ordinance.

“**Underwriter**” means Stern Brothers & Co., Chicago, Illinois, the underwriter in connection with the Bonds identified in the preamble to this ordinance.

“**Utility Taxes**” shall have the meaning as set forth in the recitals in the preamble to this ordinance.

“**Yield**” or “**yield**” means yield computed under Section 1.148-4 of the Income Tax Regulations for the Bonds, and yield computed under Section 1.148-5 of the Income Tax Regulations for an investment.

“**Yield Reduction Payments**” or “**yield reduction payments**” shall have the meaning in Income Tax Regulations Section 1.148-5(c).

“**Yield Restricted**” or “**yield restricted**” with reference to an obligation means that the yield thereon is restricted not to exceed the yield on the Bonds.

**Section 2. Preambles, Authority and Purpose.** The Corporate Authorities hereby find that all the recitals contained in the preamble and recitals to this ordinance are true, complete and correct, and hereby incorporate them into this ordinance by this reference thereto. This ordinance is adopted pursuant to the Constitution and applicable laws of the State of Illinois, including the Act, for the purpose of paying all or a portion of the costs of the Project and costs of issuance of the Bonds. The Corporate Authorities hereby determine the period of usefulness of the Project to be not less than ten (10) years from the expected date of delivery of the Bonds.

**Section 3. Authorization and Terms of Bonds.** To meet all or a part of the estimated costs of the Project, there is hereby appropriated each applicable sum to be derived from the proceeds of the Bonds. For the purpose of financing such appropriations, the Bonds of the Village shall be issued and sold from time to time in the aggregate principal amount set forth herein, shall be designated: **General Obligation Bonds (Alternate Revenue Source), Series 2015** (\$3,000,000 maximum aggregate principal amount), and shall be issuable in the denominations of \$5,000 each or any authorized integral multiple thereof.

(a) **General Terms.** The Bonds series shall be numbered consecutively from R-1 upwards in order of their issuance and may bear such identifying numbers or letters as shall be useful to facilitate the registration, transfer and exchange of the Bonds. As set forth in an order to authenticate the Bonds, each Bond shall be dated as of or before the date or dates of the issuance and sale thereof and acceptable to the Underwriter. Subject to the applicable Bond Order, the Bonds of each series are hereby authorized to bear interest at a rate not to exceed 7.00% and mature in the principal amount on December 1 of each of the years (subject to redemption, as the case may be), not to exceed \$500,000 for any year commencing not before 2015 and ending not later than 2046, as shall be specified in a Bond Order.

Each Bond shall bear interest from its date, or from the most recent interest payment date to which interest has been paid, computed on the basis of a 360-day year consisting of twelve 30-day months, and payable in lawful money of the United States of America semiannually on each June 1 and December 1, commencing as set forth in the Bond Order, at the rates percent per

annum as shall be specified in the Bond Order. The principal of and premium, if any, on the Bonds shall be payable in lawful money of the United States of America upon presentation and surrender thereof at the designated payment office of the financial institution designated in the Bond Order to act as the Paying Agent for the Bonds (including its successors, the “**Paying Agent**”). Interest on the Bonds shall be payable on each interest payment date to the registered owners of record appearing on the registration books maintained by the financial institution designated in the Bond Order to act as the Bond Registrar on behalf of the Village for such purpose (including its successors, the “**Bond Registrar**”), at the designated corporate trust office of the Bond Registrar as of the close of business on the fifteenth (15th) day (whether or not a business day) of the calendar month next preceding the applicable interest payment date. Interest on the Bonds shall be paid by check or draft mailed by the Paying Agent to such registered owners at their addresses appearing on the registration books.

**Redemption.** The Bonds are subject to redemption as follows:

**(i) Optional Redemption.** Bonds maturing on and after December 1 of the year specified in a Bond Order may be subject to optional redemption prior to maturity on and after the date specified in a Bond Order, if applicable, in whole or in part on any date, in any order of specified maturity (but in inverse order if none is specified), at a redemption price of par, plus accrued interest to the date fixed for redemption, and otherwise are not subject to call for optional redemption prior to maturity.

**(ii) Mandatory Sinking Fund Redemption.** The Bonds may be subject to mandatory sinking fund redemption, if needed, as determined in the Bond Order.

**(iii) Procedure.** The Village covenants that it will redeem Bonds pursuant to the redemption provisions applicable to such Bonds. Proper provision for redemption having been made, the Village covenants that the Bonds so selected for redemption shall be payable as at maturity.

The Village shall, at least 45 days prior to an optional redemption date (unless a shorter time shall be satisfactory to the Bond Registrar), notify the Bond Registrar of any optional redemption date and of the principal amount of Bonds to be redeemed. In the event that less than all of the Bonds of a particular series or maturity are called for redemption as aforesaid, as necessary, the particular Bonds or portions of Bonds to be redeemed shall be selected not more than sixty (60) days or less than thirty (30) days prior to the redemption date by the Bond Registrar by such method as the Bond Registrar shall deem fair and appropriate; provided, that such lottery shall provide for the selection for redemption of Bonds or portions thereof so that any \$5,000 Bond or \$5,000 portion of a Bond shall be as likely to be called for redemption as any other such \$5,000 Bond or \$5,000 portion. The Bond Registrar shall promptly notify the Village in writing of the Bonds or portions of Bonds selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed.

Unless waived by the registered owner of Bonds to be redeemed, presentment for payment being conclusively such a waiver, notice of any such redemption shall be given by the Bond Registrar on behalf of the Village by mailing the redemption notice by first class mail not less than thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption

to each registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by each such registered owner to the Bond Registrar.

All notices of redemption shall include at least the information as follows: (1) the identification of the particular Bonds (and related series) to be redeemed; (2) the redemption date; (3) the redemption price; (4) if less than all of the Bonds of a particular maturity are to be redeemed, the identification numbers and maturities (and, in the case of partial redemption of any Bond, the respective principal amounts) of the Bonds to be redeemed; (5) a statement that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after such date; and (6) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the designated payment office of the Paying Agent.

Prior to any redemption date, the Village shall deposit with the Paying Agent an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, together with accrued interest, and from and after such date (unless the Village shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Neither the failure to mail such redemption notice nor any defect in any notice so mailed to any particular registered owner of a Bond shall affect the sufficiency of such notice with respect to any other registered owner. Notice having been properly given, failure of a registered owner of a Bond to receive such notice shall not be deemed to invalidate, limit or delay the effect of the notice or the redemption action described in the notice. Such notice may be waived in writing by a registered owner of a Bond, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice shall be filed with the Bond Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Upon surrender of such Bonds for redemption in accordance with such notice, such Bonds shall be paid from available funds therefor by the Paying Agent at the redemption price. Interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for the partial redemption of any Bond, there shall be prepared for the registered owner a new Bond or Bonds of the same maturity in the amount of the unpaid principal.

If any Bond or portion of Bond called for redemption shall not be so paid upon surrender thereof for redemption, the principal, and premium, if any, shall, until paid, bear interest from the redemption date at the rate borne by the Bond or portion of Bond so called for redemption. All Bonds which have been redeemed shall be marked cancelled by the Bond Registrar and shall not be reissued.

Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall identify the series and the Bond or Bonds, or portion thereof, being redeemed with the proceeds of such check or other transfer.

**Section 4. Registration of Bonds and Book-Entry.** The Bonds shall be negotiable, subject to the provisions for registration of transfer contained herein and related to book-entry only registration.

(a) **General.** This subsection (a) is subject to the provisions of subsection (b) concerning book-entry only provisions. The Village shall cause books (as applicable to each series, the “**Bond Register**”) for the registration and for the transfer of the Bonds as provided in this ordinance to be kept at the designated payment office of the Bond Registrar, which is hereby constituted and appointed the Bond Registrar of the Village. The Village is authorized to prepare, and the Bond Registrar shall keep custody of, multiple Bond blanks executed by the Village for use in the issuance from time to time of the Bonds and in the transfer and exchange of Bonds.

Upon surrender for transfer of any Bond at the principal payment office of the Bond Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Bond Registrar and duly executed by the registered owner or such owners attorney duly authorized in writing, the Village shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of the same series and maturity of authorized denominations, for a like aggregate principal amount. Any fully registered Bond or Bonds may be exchanged at the office of the Bond Registrar for a like aggregate principal amount of Bond or Bonds of the same series and maturity of other authorized denominations. The execution by the Village of any fully registered Bond shall constitute full and due authorization of such Bond, and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond.

The Bond Registrar shall not be required to transfer or exchange any Bond during the period from the fifteenth (15th) day of the calendar month next preceding any interest payment date on such Bond and ending on such interest payment date, nor to transfer or exchange any Bond after notice calling such Bond for prepayment has been mailed, nor during a period of fifteen (15) days next preceding mailing of a notice of prepayment and redemption of any Bonds.

The person in whose name any Bond shall be registered on the Bond Register shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of, premium (if any) or interest on any Bond shall be made only to or upon the order of the registered owner thereof or such registered owners legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

No service charge shall be made for any transfer or exchange of Bonds, but the Village or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds exchanged in the case of the issuance of a Bond or Bonds for the outstanding portion of a Bond surrendered for redemption. In the event any registered owner fails to provide a correct taxpayer

identification number to the Paying Agent, the Paying Agent may make a charge against such registered owner sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with Section 3406 of the Code, such amount may be deducted by the Paying Agent from amounts otherwise payable to such registered owner hereunder or under the Bonds.

The Village President, Village Clerk or Village Treasurer may, in his or her discretion at any time, designate a bank with trust powers or trust company, duly authorized to do business as a bond registrar, paying agent, or both, to act in one or both such capacities hereunder, in the event the Village President, Village Clerk or Village Treasurer shall determine it to be advisable. Notice shall be given to the registered owners of any such designation in the same manner, as near as may be practicable, as for a notice of redemption of Bonds, and as if the date of such successor taking up its duties were the redemption date.

(b) **Book-Entry-Only Provisions.** Unless otherwise set forth in a Bond Order, the Bonds shall be issued in the form of a separate single fully registered Bond of each series for each of the maturities of the Bonds. Upon initial issuance, the ownership of each such Bond shall be registered in the Bond Register therefor in a street name (initially “**Cede & Co.**” for DTC) of the Depository, or any successor thereto, as nominee of the Depository. As necessary, the outstanding Bonds from time to time may be registered in the Bond Register in a street name, as nominee of the Depository. If not already done and effective, the Village President or Village Clerk or Village Treasurer is authorized to execute and deliver on behalf of the Village such letters to or agreements with the Depository as shall be necessary to effectuate such book-entry system (any such letter or agreement being referred to herein as the “**Representation Letter**”). Without limiting the generality of the authority given to the Village President, Village Clerk or Village Treasurer with respect to entering into such Representation Letter, it may contain provisions relating to (a) payment procedures, (b) transfers of the Bonds or of beneficial interest therein, (c) redemption notices and procedures unique to the Depository, (d) additional notices or communications, and (e) amendment from time to time to conform with changing customs and practices with respect to securities industry transfer and payment practices.

With respect to Bonds registered in the Bond Register in the name of a nominee of the Depository, the Village and the Bond Registrar shall have no responsibility or obligation to any broker-dealer, bank or other financial institution for which the Depository holds Bonds from time to time as securities depository (each such broker-dealer, bank or other financial institution being referred to herein as a “**Depository Participant**”) or to any person on behalf of whom such a Depository Participant or an Indirect Participant holds an interest in the Bonds (an “**indirect participant**” or a “**beneficial owner**”). Without limiting the meaning of the foregoing, the Village and the Bond Registrar or Paying Agent shall have no responsibility or obligation with respect to (a) the accuracy of the records of the Depository, the nominee, or any Depository Participant, Indirect Participant or Beneficial Owner, with respect to any ownership interest in the Bonds, (b) the delivery to any Depository Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any notice with respect to the Bonds, including any notice of redemption, or (c) the payment to any Depository Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any amount with respect to principal of or interest on the Bonds.

As long as the Bonds are held in a book-entry-only system, no person other than the nominee of the Depository, or any successor thereto, as nominee for the Depository, shall receive a Bond certificate with respect to any Bonds. Upon delivery by the Depository to the Bond Registrar of written notice to the effect that the Depository has determined to substitute a new nominee in place of the prior nominee, and subject to the provisions hereof with respect to the payment of interest to the registered owners of Bonds as of the close of business on the fifteenth (15<sup>th</sup>) day (whether or not a business day) of the calendar month next preceding the applicable interest payment date, the reference herein to nominee in this ordinance shall refer to such new nominee of the Depository.

In the event that (a) the Village determines that the Depository is incapable of discharging its responsibilities described herein and in the Representation Letter, (b) the agreement among the Village, the Bond Registrar, the Paying Agent and the Depository evidenced by the Representation Letter shall be terminated for any reason or (c) the Village determines that it is in the best interests of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the Village shall notify the Depository and the Depository Participants of the availability of Bond certificates, and the Bonds shall no longer be restricted to being registered in the Bond Register in the name of a nominee of the Depository. At that time, the Village may determine that the Bonds shall be registered in the name of and deposited with a successor depository operating a book-entry system, as may be acceptable to the Village, or such depository's agent or designee, and if the Village does not select such alternate book-entry system, then the Bonds may be registered in whatever name or names registered owners of Bonds transferring or exchanging Bonds shall designate, in accordance with the provisions hereof. Notwithstanding any other provision of this ordinance to the contrary, so long as any Bond is registered in the name of a nominee of the Depository, all payments with respect to principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the Representation Letter.

**Section 5. Execution and Authentication.** Each Bond shall be executed in the name of the Village by the manual or authorized facsimile signature of its Village President and the corporate seal of the Village, or a facsimile thereof, shall be thereunto affixed, impressed or otherwise reproduced or placed thereon and attested by the manual or authorized facsimile signature of its Village Clerk. Temporary Bonds, in lieu of or preliminary to the availability of Bonds in definitive form, shall be and are hereby authorized and approved. Typewritten Bonds are authorized in the event Section 4(b) applies.

In case any officer whose signature, or a facsimile of whose signature, shall appear on any Bond shall cease to hold such office before the issuance of such Bond, such Bond shall nevertheless be valid and sufficient for all purposes, the same as if the person whose signature, or a facsimile thereof, appears on such Bond had not ceased to hold such office. Any Bond may be signed, sealed or attested on behalf of the Village by any person who, on the date of such act, shall hold the proper office, notwithstanding that at the date of such Bond such person may not hold such office. No recourse shall be had for the payment of any Bonds against any member of the Corporate Authorities or any officer or employee of the Village (past, present or future) who executes the Bonds, or on any other basis.