

COAL CITY VILLAGE BOARD MEETING

**WEDNESDAY
MARCH 23, 2022
7:00 p.m.**

(Immediately following the public hearings)

AGENDA

1. Call meeting to order
2. Pledge of Allegiance
3. Approval of Minutes

Budget Meeting	March 7, 2022
Budget Meeting	March 14, 2022
Regular Meeting	March 9, 2022
4. Approval of Warrant List
5. Public Comment
6. Ordinance 22-04

Approval of Zoning Text Amendment

7. Adoption of Annual Zoning Map
8. Preliminary Ordinance of FY2023 Budget Adoption
9. Approval of Water/Sewer/Garbage Rates
10. Appointment of Kyle Harmon to the Police Pension Board
11. Authorize Mayor to Enter into an Agreement with Wight & Company For a Building/Maintenance Facility Analysis
12. Accept the Terms of Engagement for Sole Managing Underwriters for The Sale of Alternate Revenue Bonds-Robert W. Baird & Co., Inc.
13. Approval of Purchase of a 2021 F-10 Pick-up Truck for the Water & Sewer Department
14. Report of Mayor Halliday
15. Report of Trustees:
 - S. Beach
 - T. Bradley
 - D. Spesia
 - D. Greggain
 - R. Bradley
 - D. Togliatti
16. Report of Village Clerk
17. Report of Village Attorney
18. Report of Village Engineer
19. Report of Chief of Police
20. Report of Village Administrator

MEMO

TO: Mayor Halliday and the Board of Trustees

FROM: Matthew T. Fritz
Village Administrator

MEETING

DATE: March 23, 2022

RE: ANNUAL ADOPTION OF ZONING MAP

The Planning & Zoning Board reviewed the Village of Coal City Zoning District Map at its last meeting of March 7, 2022. The Board recommends the adoption of the prepared map as this year's update to the Village's Zoning Map. Changes to the map, due to the actions of the Village Board over the past year are minimal; they include the annexation and proper zoning along with any conditional uses for the land surrounding the UP railroad tracks on the south side of Division. This includes the annexation of three small portions of land as well as their zoning, which changed from RS-1 upon annexation to RS-2 and C-5, which relate to their current utilization.

According to Section 156-46 of the Village Code, this Map must be considered and adopted on an annual basis. Maps are being prepared for your review prior to this recommended adoption on Wednesday evening.

Recommendation:

Adopt the 2022 Village of Coal City Zoning District Map as presented.

MEMO

TO: Mayor Halliday and the Board of Trustees.

FROM: Matthew T. Fritz
Village Administrator

MEETING

DATE: March 23, 2022

RE: PRELIMINARY FY23 BUDGET

The Village annually adopts a budget by the beginning of its fiscal year, which occurs on May 1st of each year. Over the past few weeks, staff has been discussing the upcoming FY23 Budget with the Village Board. It is available for review should anyone be interested. Attached is a Budget Summary along with the preliminary ordinance for the budget to be adopted for the upcoming fiscal year from May 1, 2022 through April 30, 2023.

Recommendation:

Set the FY23 Annual Budget Hearing for the evening of April 27, 2022 and consideration of the Annual Budget for the same evening.

THE VILLAGE OF COAL CITY
GRUNDY & WILL COUNTIES, ILLINOIS

ORDINANCE
NUMBER 22 - _____

**ORDINANCE APPROVING THE ANNUAL MUNICIPAL BUDGET
FOR THE FISCAL YEAR 2022/2023**

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

SARAH BEACH
ROSS BRADLEY
TIM BRADLEY
DAN GREGGAIN
DAVID SPESIA
DAVID TOGLIATTI
Village Trustees

ORDINANCE NO. 22 - _____

**ORDINANCE APPROVING THE ANNUAL MUNICIPAL BUDGET
FOR THE FISCAL YEAR 2022/2023**

WHEREAS, the Village of Coal City (“Village”) is a non-home rule municipality operating under the Illinois Municipal Code; and

WHEREAS, in the Village it is the responsibility of the Budget Officer to complete an annual budget; in lieu of an annual appropriation ordinance, which the Village Board is required to adopt before the Fiscal Year to which it applies begins and which fiscal years of the Village begin May 1st of each calendar year; and

WHEREAS, the purpose of the adoption of a budget is to replace the annual appropriation ordinance with a budget which more truly reflects anticipated receipts and disbursements of the Village; and

WHEREAS, the budget is required to contain an estimate of revenue available to the Village for the forthcoming Fiscal Year to which the budget is drafted, together with recommendations for expenditures of the Village and all of its departments, commissions and boards; and, the budget is required to contain actual or estimated revenues and expenditures for the preceding two (2) Fiscal Years of the Village and shall show the specific fund from which each anticipated expenditure shall be made; and

WHEREAS, pursuant to the terms and provisions of 65 ILCS 5/8-2-9.1, et seq., and the Village Code, the Annual Budget for the Village for Fiscal Year 2022/2023 has been duly presented for approval and adoption; and

WHEREAS, said Budget is hereby found to be in good order and in form for adoption;
and

WHEREAS, said Budget was made publicly available for inspection and copying not less than ten days prior to the date of approval; and

WHEREAS, notice of a public hearing on the proposed Budget was published in the Coal City Courant, a newspaper of general circulation within the Village, on April 13, 2022, which was at least one week prior to the date of said public hearing; and

WHEREAS, a public hearing was held on the Budget pursuant to statute on April 27, 2022, and all of those members of the public desiring to speak were given the opportunity; and

WHEREAS, adoption of said Budget is in the best interests of the Village of Coal City.

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

Section 1: The above-stated recitals are incorporated by this reference.

Section 2: The Annual Budget for fiscal year 2022/2023 which is attached hereto as Exhibit "A" is hereby adopted and approved.

Section 3: Within thirty (30) days after the Village enacts its ordinance to adopt its budget, it is required to file a certified copy of the ordinance and the budget with the County Clerks of Grundy and Will Counties, Illinois, same to be accompanied by an estimate of the revenues the Village anticipates receiving during the forthcoming Fiscal Year of the Village, identifying the sources of revenue, with the revenue estimate to be certified by the Village's chief financial office.

Section 4: This Ordinance shall be in full force and effect from and after its passage and approval.

Section 5: In the event any portion of this Ordinance is found and determined to be invalid, the invalid portion shall be stricken herefrom and the remainder shall be in full force and effect.

SO ORDAINED this _____ day of April, 2022, at Coal City, Grundy County, Illinois.

AYES:

NAYS:

ABSENT:

ABSTAIN:

VILLAGE OF COAL CITY

Terry Halliday, President

Attest:

Pamela M. Noffsinger, Clerk

Exhibit A
Village of Coal City
FY23 Proposed Budget

Program No. Name	FY23 Budgeted Expenditures		FY22 Budgeted Expenditures		FY21 Actual Expenditures	FY20 Actual Expenditures
	Personnel	Operations	Personnel	Operations		
<u>Operational Programs</u>						
01-11 Administration	212,015	819,563	189,705	762,672	887,960	807,169
01-21 Police Department	2,096,422	356,302	2,077,749	382,229	2,344,847	2,215,903
01-31 Community Development	105,329	51,666	100,541	45,090	223,412	177,456
01-41 Maintenance	373,159	363,278	328,935	428,108	797,150	687,150
01-71 Emergency Operations	14,900	14,900	22,581	22,581	21,150	22,173
16-00 IMRF/Social Security	235,100	235,100	265,924	265,924	261,330	241,105
General Fund & Levy Funded Subtotal	2,786,924	1,840,709	2,696,931	1,906,604	4,535,849	4,150,956
51-00 Water & Sewer	685,147	1,263,552	624,444	1,150,615	1,930,871	1,643,774
52-00 Garbage Collection	22,587	581,269	8,714	572,000	694,650	506,351
71-00 Parks	32,014	121,750	37,946	103,000	301,253	137,091
	3,526,672	3,807,280	3,368,034	3,732,219	7,462,623	6,438,172
<u>Capital Projects</u>						
15-00 Motor Fuel Tax	732,705	732,705		380,000	200,000	95,750
35-00 Bond Projects	363,500	363,500		360,500	436,000	397,818
38-00 Capital Improvements	2,237,606	2,237,606		2,145,161	1,745,214	1,153,026
39-00 Municipal Facilities	21,525	21,525		165,467	20,000	60,605
48-00 Infrastructure Expansion	30,000	30,000		35,000	5,000	5,012
78-00 Economic Development	40,000	40,000		279,667	38,000	17,650
	3,425,336	3,425,336		3,365,795	2,444,214	1,729,861
<u>Discretionary Spending</u>						
18-00 School Sites		20,000		20,000	17,000	35,655
20-00 TIF Fund	53,758	1,204,910	48,488	1,284,003	1,050,118	118,394
32-00 Water Impact				45,000	45,000	30,000
33-00 Sanitary Sewer Impact		0	48,488	45,000	45,000	26,000
	53,758	1,224,910	48,488	1,394,003	1,157,118	210,049
<u>Obligations</u>						
02-00 Building Fees Depreciation		313,000		27,500	20,000	-
34-00 Storm Water Re-Fi Bonds Paymt		491,591		489,841	760,499	610,659
36-00 Water Infrastructure Improvement		0		-	-	-
37-00 Sanitary Sewer Infr. Improvement		0		-	-	200,746
41-00 SSA		367,404		151,475	34,808	1,195,626
46-00 Water Depreciation		0		-	-	-
47-00 Sewer Plant Depreciation		0		0	-	-
		1,171,995		668,816	815,307	2,007,031
TOTAL - All Programs	\$ 3,580,430	\$ 9,629,521	\$ 3,416,522	\$ 9,160,833	\$ 11,879,262	\$ 10,385,113

Village of Coal City
FY23 Proposed Budget

Revenues by Fund Summary

Fund No.	Fund Name	FY23 Budget Revenues	FY22 Budget Revenues	FY22 Actuals Revenues	FY21 Actuals Revenues	FY20 Actuals Revenues
01	General	\$4,100,913	\$3,919,177	\$3,728,173	\$4,091,395	\$3,569,465
16	IMRF/Social Security	235,200	245,100	243,301	307,174	295,257
51	Water & Sewer	1,849,856	1,822,670	1,356,079	1,655,276	1,656,980
52	Garbage	613,182	543,000	410,817	539,027	549,513
71	Parks	106,878	96,496	99,018	184,935	120,089
	Operating Funds Subtotal	\$6,906,029	\$6,626,443	\$5,837,388	\$6,777,807	\$6,191,304
15	Motor Fuel Tax	\$362,936	\$339,734	\$221,589	\$396,120	\$206,021
32	Water Impact	15,000	13,050	104,000	19,647	14,130
33	San. Sewer Impact	24,100	22,100	18,400	32,669	25,085
38	Capital Improvement	2,299,325	2,229,108	861,360	1,713,918	1,013,036
39	Municipal Facilities	100	142,042	0	1,365	27,521
48	Infrastructure Expansion	1,000	119,667	(147)	1,018	46,805
78	Economic Development	87,100	303,434	12,488	22,665	18,132
	Capital Funds Subtotal	\$2,789,561	\$3,169,135	\$1,217,689	\$2,187,403	\$1,350,729
18	School Sites	\$18,000	\$17,020	\$17,983	\$26,246	\$19,427
44	Water Bond Reserve	0	0	0	70,000	0
45	Sewer Bond Reserve	0	0	0	0	0
46	Water Depreciation	0	0	0	0	0
47	Sewer Plant Depreciation	0	0	0	0	0
	Required Funds	\$18,000	\$17,020	\$17,983	\$96,246	\$19,427
02	Building Fees Depreciation	\$30,000	\$30,050	\$20,958	\$37,392	\$23,131
34	Storm Water Ref. Bond Repayment	491,691	490,341	484,050	511,558	608,631
35	Bond Fund	363,600	360,000	359,501	285,922	213,400
36	Water Infrastructure Improvmt.	0	90,000	0	79	2,261
41	SSA	484,404	34,808	151,474	22,872	431,450
37	Sanitary Sewer Infrastructure Improvmt.	0	50	0	520	13,106
	Debt Obligation Funds	\$1,369,695	\$1,005,249	\$1,015,983	\$858,342	\$1,291,978
20	TIF	\$995,000	\$952,000	\$965,252	\$894,560	\$806,466
	TOTAL - All Funds	\$12,078,285	\$11,769,847	\$9,054,295	\$10,814,358	\$9,659,903

MEMO

TO: Mayor Halliday and the Board of Trustees

FROM: Matthew T. Fritz, Village Administrator

DATE: March 3, 2022

RE: PROPOSED FY23 BUDGET OVERVIEW

The upcoming fiscal year, which begins on May 1, 2022 and shall run until April 30, 2023 will attempt to see the return of the usual buzz of multiple projects being completed for neighborhoods and business areas in order to improve the infrastructure of the Village despite the inflationary impacts of some capital projects that currently persist. The COVID-19 pandemic stretched across multiple fiscal years and there are less retail locations within Coal City's Core Area despite the completion of the multi-million reconstruction recently completed and topped with holiday lights this past holiday season. Emergency federal spending bills did result in additional infrastructure funds having been provided and will begin being programmed in this upcoming budget.

During last year's budget consideration, there was a large discussion on FY22 being a transition year as projects were being considered and designed, but not quite ready for construction. Here is an update on each of those projects contemplated at this time during last year's budget consideration.

Update on Last Year's Planned Transition Topics

- **Sanitary Treatment Plant Modernization Project** – Although this project was submitted for DCEO grant consideration, the public infrastructure project to be constructed with ReBUILD bond proceeds can no longer wait to be awarded. This project was awarded and the \$2.0 million capital debt to afford this will be sold shortly following the beginning of FY23. The debt payment is included within the annual rate consideration for setting the utility billing rate.
- **Dresden Nuclear power Plant EAV** – A large sigh of relief was experienced when the Illinois State Legislature adopted nuclear energy- friendly legislation enabling Constellation Energy to continue operation of nearby Dresden Nuclear Station. This major assessed valuation asset allows other governmental entities for which the Coal City residents remit taxes to levy at lower rates than if the power plant was no longer operating. This will reduce pressures of the possible downturn in residential property tax values. This success is due to the significant regional support this project received; federal legislation is hopefully the next step to ensuring this fix is long-term and beyond the 5 years guaranteed within the Illinois legislation.
- **Second Avenue Storm Improvement Project** – This project remains to be constructed in this calendar year. This project, which involved the replacement of existing water main, additional storm drainage and final restoration with new roadways is in its last stages of

DCEO consideration. Due to the delay in State review time, this project has increased from its original \$350,000 estimate upwards to \$815,000, but remains under the grant cap of \$1,000,000.

- **Other Project Considered with Other Entities** – The *IDOT Illinois Transportation Enhancement Project* was denied funding on its third attempt. The funding provided to these projects centered on pedestrian and bike paths and did not fund as much corridor enhancement. The *Reed Road Engineering Study* that attempted to complete Phase One engineering for Reed Road did not occur; while Maine Township adopted the proposed intergovernmental agreement, Grundy County did not prioritize completing this project after review by its Transportation Committee. In light of this decision, a major road reconstruction was completed on Coal City's portion of Reed Road between S. Broadway and Carbon Hill Road, but no plan exists for improvement of the next unincorporated two miles westward to Gorman Road.

Overview of FY23 Proposed Expenditures

This year's total budget of \$13,209,951 is a 5.03% increase over last year's planned expenditures of \$12,577,355. The operational portion of the budget, which includes those programs through which the operational departments like the Police Department and Public Works are organized include a 2.96% increase in expenditures with the majority coming within the Water/Sewer Utility due to financing facility capital upgrades with an additional \$135,000 added for debt payments in FY23. This debt payment will double in next year's budget as the payment stabilizes at an estimated \$270,000 per year.

The Utility Fee has been managed to allow existing debt payments to fall off in order to make room for financing the sanitary treatment plant modernization project. Included within the proposed budget is a \$5.00/month water treatment plant surcharge to be added back onto bills to gather capital to finance future water treatment plant improvements. These dollars will be collected in order to prepare for an upcoming IEPA financed loan expected to be contracted by the end of FY23 or within FY24. The surcharge-related revenues will be collected and a final surcharge amount will be configured when that improvement project has been bid and final construction costs are known.

Each year a comparison of the Operational Budget is provided on the next page. The current budget shows an overall balanced budget with total revenues exceeding total expenditures by \$105,660. Please note, this contains a 95% utilization rate for the overall expenditures and combines the funding for all programs regardless of their supporting funds.

This chart has been provided on the following page –

FY23 Operational Budget Summary

		FY23	FY22	FY21	FY20	FY19
Operational Program						
Number						
01-11	Admin.	1,031,577	952,377	887,960	558,241	739,217
01-21	PD	2,452,724	2,459,979	2,344,847	1,770,833	2,180,534
01-31	Comm. Dev.	156,995	145,631	223,412	86,557	183,405
01-41	Maintenance	736,437	757,043	797,150	757,043	705,330
01-71	EMA	14,800	22,581	16,150	8,951	12,219
16-00	IMRF/Soc. Security	235,100	265,924	261,330	161,116	241,811
	Subtotal	\$ 4,627,634	\$4,603,535	\$4,530,849	\$3,342,741	\$4,062,516
51-00	Water/Sewer	1,948,699	1,775,059	1,930,871	1,314,456	1,742,418
52-00	Garbage	603,856	580,714	694,650	217,998	498,906
71-00	Parks	153,764	140,946	301,253	215,611	194,302
	Subtotal	2,706,319	2,496,719	2,926,774	1,748,065	2,435,626
	95% Utilizatic	(366,698)	(333,440)	(351,309)	(232,968)	(324,907)
Total	Expense	\$6,967,255	\$6,766,813	\$7,106,314	\$4,857,838	\$6,173,235
Fund Revenues						
Fund						
01	General	4,100,913	3,919,177	3,683,915	3,830,570	3,569,468
16	IMRF/Soc. Security	235,200	245,100	308,740	296,345	295,257
	Subtotal	4,336,113	4,164,277	3,992,655	4,126,915	3,864,725
51	Water/Sewer	1,849,856	1,822,670	1,737,000	1,692,594	1,656,980
52	Garbage	613,182	543,000	514,470	506,720	549,513
71	Parks	106,878	96,496	190,835	101,325	102,046
	Fund Balance Use	166,886	201,800	291,065	70,000	92,256
Total	Revenue	\$7,072,915	\$6,828,243	\$6,726,025	\$6,497,554	\$6,265,520
	Difference	105,660	61,430	(380,289)	1,639,716	92,286

Aside from the regular operational expenses, there are a few large projects that deserve consideration. The availability of American Rescue Plan (ARP) funding shall allow the Village to replace some priority water mains throughout Coal City. This allows this necessary infrastructure to be completed utilizing federal funds rather than increase Water/ Sewer rates for their completion. Three segments of water main are planned for replacement in the upcoming year - #1 – E. Carbon Street from S. Kankakee to S. Washington; Section #2 – E. Elm Street from S. Broadway to S. Kankakee; and Section #3 – E. Spring Road from S. Broadway to the UP RR tracks.

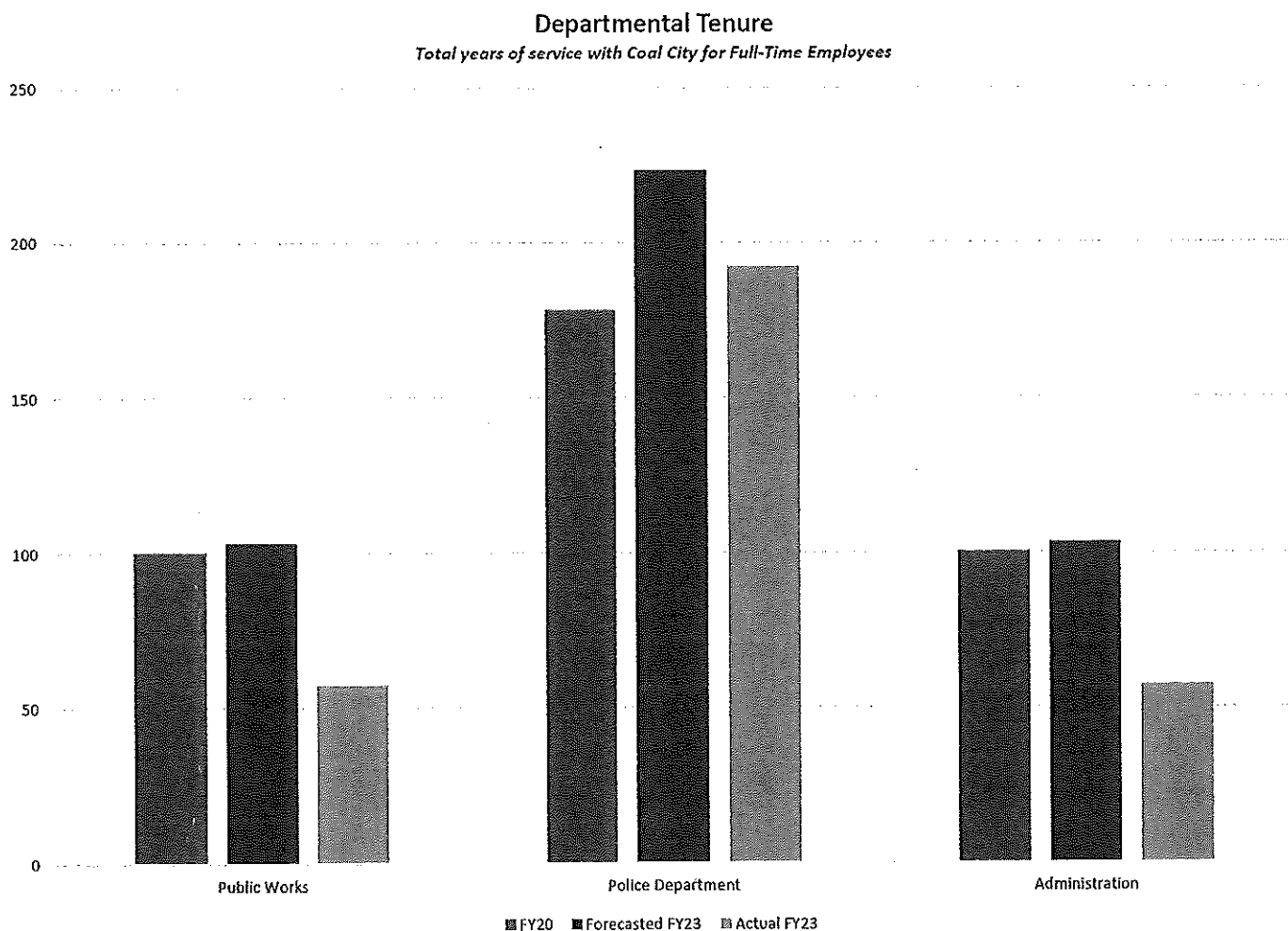
Another project made possible with one-time capital funds is the N. Broadway bridge replacement. This section of roadway is the N. Broadway bridge allowing traffic to flow north and south across the Claypool Drainage Ditch. This structure has been downgraded since its assignment from Felix Township and has been in need of repair being subject to a weight

restriction to allow the structure to last until its eventual replacement. This project will be completed with ReBUILD Bond proceeds, which are deposited by the State of Illinois within the Motor Fuel Tax (program 16-00) proceeds for the Village.

Last, but not least, is the expenditure regarding engineering to accomplish gaining Quiet Zone status along the BNSF railroad corridor through Coal City. Due to the recent S. Broadway median improvement, it is time to work with BNSF, IDOT, the federal railroad authority, and the Illinois Commerce Commission in order to plan for a quad gate installation on State Route 113, which will increase the overall safety liability score regarding the intersection of train and auto/pedestrian traffic throughout Coal City. This will likely be one of the projects prioritized while Grundy County gathers its first Master Transportation Plan in order to adopt a plan for which federal transportation dollars can be collected to complete large scale projects throughout Coal City and the entire county.

Other Budgetary Components

While last year may have been a transition in terms of operational budgeting, the personnel within Coal City have not been immune to the workforce retirements and departures that have occurred nationwide since the onset of the pandemic.



The chart has been provided showing employees across the three major departments (the Building Inspector was included within Administration) in Coal City. The first column represents the total years of service from all full-time employees within that department at the end of FY20. Move forward to the end of FY23 and without any departures or retirements, the forecasted tenure of these departments would be the middle red column. However, with what is planned in the upcoming year, i.e. the Police Department's need to replace three open patrol positions and upcoming retirements among the administrative staff, overall tenure will become much shorter than what had been forecasted previously. Hiring within the current marketplace is very competitive and Coal City must monitor the competitiveness of its wages within this market to retain talent.

Included within the FY23 Proposed budget is the reclassification of responsibilities and positions within Administration since the newly hired positions will differ from the current personnel assembled. In addition, there are a few positions that have been reclassified due to an HR/Gov Study that was completed prior to the pandemic to assist with keeping wages competitive.

As has been custom, there will be two meetings with department heads as well as a preliminary reading of the budget and final reading prior to the April 30th adoption deadline. Please note, there is a discussion of impacted line items at the end of the narrative within each program. The number associated with the budgetary impact is the change from this year to last year regarding that specific budget line item. Those items selected were ones that were amended or changed due to either a programmatic change or the cost of that specific line item changed by a larger than expected amount; those items, for example *(\$10,000)*, in parenthesis, represent a lesser cost to that budget item as opposed to an increase. Please do not hesitate to ask questions when staff is present to discuss departmental operations.

MEMO

TO: Mayor Halliday & the Board of Trustees

FROM: Matthew T. Fritz
Village Administrator

MEETING

DATE: March 23, 2022

RE: FY23 UTILITY BILLING RATE INCREASE RECOMMENDATION

Each year, the Village reviews its Combined Water & Sewer Utility rate and estimates total expenses according to the formula $C=OMR+CI+DS/WS$; i.e. The total charge per gallons equals the cost for operation, maintenance and replacement plus capital improvement and debt service all divided by the total usage expected to take place in one year's time. This information is provided below. The Village revised the total number of gallons when configuring water/sewer rates at this time last year. With 5 of the 6 billing periods having been completed, it looks as though the Village will come close to having its assumed usage rates and will finish the year at 98% of the estimated annual total for the year; this collection comes with a slight 2% decrease over the usage from the prior fiscal year.

Coal City has attempted to keep its annual rates stable. At the beginning of the COVID pandemic, the Board of Trustees withheld the planned increase of 4.65% and returned last year with only a 2.65% rate increase. At this point, it will be necessary to increase the utility rate in order to raise the capital necessary for required upgrades at the water and sanitary treatment plants. This year, the utility has major capital expenditures to modernize the sanitary treatment plant that has serviced the utility since its original construction. This year's recommended increase is 2.75%. In addition to the rate increase, the Village should begin to collect a surcharge with the planned water treatment capabilities that are currently being approved by the IEPA.

Although the rate per gallon has been increased, the past removal of the surcharge continues to result in lower bills than had been collected in FY19, which has been four years of utility bills. This year's recommended surcharge is less than the amount that was removed upon final payment of the last two IEPA loans; the final surcharge monthly amount will be configured following the final approval, design, and bid of the water treatment plant expansion improvements.

Below are the amounts being budgeted for expenditure in the upcoming budget –

Operations (O) = \$1,267,803

Personnel expenditures of \$715,601 and other operational costs within the proposed FY23 budget at \$552,202. This includes the hiring of a replacement along with another FT position within Public Works.

Maintenance (M) = \$323,000

The repair and maintenance line items included within the budgeted line items allow for the regular expenditures on infrastructure throughout the year. Items to be maintained within this year's budget include the repair of the inflow sanitary treatment pumps.

Replacement (R) = \$41,000

Within this portion of the rate is a contribution towards patching for the road repair related to open road cuts annually asphalted representing a majority of this cost.

Capital (CI) = \$65,000

This item is the capital expense necessary to acquire necessary equipment. This year's budget includes the purchase of an F-150 for one of the Utility Operators.

Debt Service (DS) = \$252,350

The annual payment for the South Water Tower supply, which provides approximately half of the water supply for the Coal City Fire District. This year includes the first half of revenue collected for the 1-year alternative revenue bonds sold for the sanitary treatment plant modernization project.

Water Sold (WS) = 125,060

This amount was utilized during last year's rate calculation in anticipation of continued strong utilization. Nearing year's end the estimate proved accurate.

	<u>FY21 Rate</u>	<u>FY22 Rate</u>	<u>FY23 Rate</u>	<u>Change from last rate</u>
Operations (O)	\$1,063,365	\$1,161,169	\$1,267,803	\$106,634
Maintenance (M)	523,354	444,250	323,000	(121,250)
Replacement (R)	41,000	41,000	41,000	-
Capital (CI)	70,316	92,816	65,000	(27,816)
Debt Service (DS)	232,836	137,349	252,599	115,001
Water Sold (WS)*	125,060	125,060	125,060	-

*Number represents thousands of gallons consumed

This formula results in total charges of \$1,855,854 being collected from 125,060,000 gallons of consumption. If the Village did not have a decelerating rate structure, the flat rate cost for 1,000 gallons of water would equal \$15.22. The amount of revenues collected from the water/sewer rate represents 94% of the annual revenues for the utility; the remainder comes from other line items such as penalty fees which offset the remaining annual expense for providing this utility.

If the Board was reliant solely upon the water/sewer rate for all of the revenues to fund the Utility Fund (#51), an increase of 5.5% would be necessary. The debt service planned for the current FY23 budget shall continue to rise. This rate only contains half of the debt service required for the annual payment for scheduled debt payments related to the sanitary treatment

plant modernization. Included within the current fiscal year is a payment of \$135,250, which shall increase upwards to its permanent funding level of \$270,500 per year until calendar year 2031.

The information provided below is the statistics behind the bi-monthly bills on a month-to-month basis. This represents what took place across the last year.

<i>These Statistics represent February of 2021 thru February of 2022</i>			
<i>Total 1,000 Gals. (bi-monthly)</i>	<i>1-5,999</i>	<i>6,000-20,999</i>	<i>21,000 +</i>
Number of Bills	6,246	7,640	442
Total Consumption	20,048	73,446	33,611
Total Cost Billed	\$265,905	\$1,019,506	\$420,320
Avg. Consumption	3	9	76
Avg. Billed	\$42.44	\$133.44	\$950.95
<u>Rates</u>			
<i>Water & Sewer</i>	\$13.30	\$14.82	\$14.22
<i>Water Only</i>	8.65	9.65	9.25

Return of the Monthly Surcharge

The Village of Coal City submitted plans to the IEPA for the review of a water treatment plant expansion beginning in 2020. Since that time, the IEPA requested for additional information for its consideration. Having followed up with detailed water studies and fully designed a water treatment expansion project, this project is likely to receive approval within the upcoming year. Regardless, of the timing from the IEPA concerning its consideration, the Village is identifying multiple methods to secure greater volume of water in order to secure the Village's long-term growth and capability to provide service to future industrial users. These revenues shall be held in a dedicated fund for repayment of the IEPA loan.

Garbage Collection Fee

The Village entered into its first year of service provision by Environmental Waste Hauling. Due to the new contracted rates and existing fund balance, the garbage rates may remain at their current level of \$23.00 per month without any increase.

Recommendation:

Increase the utility rates for the upcoming fiscal year with the billing to be provided to residents in June as follows:

<u>Water Usage</u>	<u>Water & Sewer Rate</u>	<u>Water Only</u>
0 – 5,999	\$ 13.67	\$8.90
6,000 – 20,999	15.23	9.90
21,000 +	14.61	9.50

The Garbage Fee will remain at its current rate of \$23.00 per month, which is \$46.00 per billing.

Each Account shall be charged a \$5.00 per month surcharge to be collected for the water treatment plant upgrade and expansion currently under review by the IEPA.

MEMO

TO: Mayor Halliday and the Board of Trustees

FROM: Matthew T. Fritz
Village Administrator

MEETING

DATE: March 23, 2022

RE: AUTHORIZATION FOR BUILDING DEPT. SPACE USE ANALYSIS

Following a discussion regarding an update to the 2009 Village Facility Study, a larger study proposed by Wight & Company was focused upon a single topic to consider the best means of proceeding with the facility space utilized by the Building Departments. This location, 55 W. Maple, which is currently leased, provides space for a number of operations including the Building Department records and review space, parks equipment, as well as some PW and PD equipment. The review of the annual lease that is beginning to increase annually due to the increase in land value is being reviewed. Instead, alternative solution such as purchasing the building or building on other Village property a structure with the same capability may serve a better long-term solution than continuing to lease each year.

Wight & Co. significantly dropped its initial professional services agreement due to the Board's desire to simply look at the functionality that is currently served at the one location and determining the best means of continuing its function.

Recommendation:

Authorize Mayor Halliday to enter into a professional services agreement for fixed fee of \$5,500 to complete this facility analysis.



February 18, 2022

Mr. Matt Fritz
Village Administrator
Village of Coal City
515 S. Broadway
Coal City, Illinois 60416

**Village of Coal City, Illinois
Analysis of Building/Maintenance Facility and Operations
Professional Services Proposal**

Dear Mr. Fritz:

Wight & Company (Wight) is pleased to submit this proposal to the Village of Coal City (Village) for an analysis of their Building/Maintenance Facility and Operations. We have prepared our proposal in the following four parts:

- PROJECT UNDERSTANDING
- SCOPE OF SERVICES
- SCHEDULE
- COMPENSATION

PROJECT UNDERSTANDING

It is our understanding that the Village would like Wight to analyze the current Building/Maintenance facility in order to address the future space and operational needs for the Village. In 2021, the Village migrated the Building Department to a leased garage/storage building with small offices at 55 West Maple Street near the Village Hall to provide interim additional space for the Village and Building Department. This same location is housing equipment from the Public Works and Parks Department and provides additional space for storage on the second floor.

We understand that the Village would like Wight to evaluate options as follows:

1. Continuing to lease the space
2. Purchase the building
3. Build a new building at an alternate location.

We understand that there have been space needs studies done for multiple Village departments and operations previously and we would review past studies in our efforts as well as discuss other space needs issues that are being considered by the Village. We think it is important to consider the value of this building in the context of the overall needs and long-term vision of the Village.

SCOPE OF SERVICES

To provide a recommendation on how best to proceed with addressing Village space needs and evaluate the options for the 55 West Maple Street building we propose the following Scope of Services:

- Review historical assessments of space needs for the operations being housed as well as work with the Village to determine what the anticipated future needs are.
- Review the Maple Street building condition, including how it could be better utilized if the building was purchased and any improvements that might be needed.
- Work with the Village on identifying possible alternate property locations where a new building could be built.
- Preparation of budget costs options for purchasing and renovating the Maple Street building as well as the alternate scenario of building a new facility.
- We would summarize our findings and recommendations in a written report.
- We also plan to present our findings at a Board or Committee meeting as needed.

SCHEDULE

We are prepared to begin work within two (2) weeks of your authorization to proceed and we anticipate 2-4 weeks to complete the assessment, dependent upon availability of Village Staff and key stakeholders for meetings.

COMPENSATION

Wight proposes to provide the scope of services described in this proposal for a Fixed Fee of Five Thousand and Five Hundred Dollars (\$5,500.00). Wight will invoice monthly based on a percentage of work completed and payment will be due within 30-days.

We thank you for the opportunity to submit this proposal and look forward to working with you on this exciting project. If this proposal meets your approval, please sign one copy, and return it to us. If you have any questions, please do not hesitate to contact Ragan Freitag Pattison at (815) 545-6642.

Respectfully submitted,

Wight & Company



Ragan Freitag Pattison
Director, State & Local Government Market



Jason Dwyer, AIA, LEED AP
President, Design & Construction

Approved by:

Signature

Date

Printed Name

Title

MEMO

TO: Mayor Halliday and the Board of Trustees

FROM: Matthew T. Fritz
Village Administrator

MEETING

DATE: March 23, 2022

RE: ACCEPTANCE OF BAIRD TERMS OF ENGAGEMENT

Robert W. Baird & Co., Inc. is a leading municipal bond underwriter in Chicagoland. They have been reviewing the terms by which the alternative revenue bonds for the sanitary treatment plant modernization project shall be sold and communicating with Ice/Miller Bond Counsel on the details to prepare the sale of bonds up to \$4 million. Due to its size, the utilization of Baird assists with ensuring the debt will be sold to be repaid from alternative revenues and shall not impact the general obligation debt capacity of the village, which is reduced not-to-exceed the maximum as allowed by state statute for non-homerule municipalities.

Furthermore, Baird has committed to a rate below their standard minimum flat rate for private placement bonds (this means less than the minimum fee of \$10,000, even if the issuance is as low as \$2 million).

Recommendation:

Authorize Mayor Halliday to engage with Baird & Co. to serve as sole managing underwriter for the issuance of Alt. Revenue Bonds related to the Sanitary Treatment Plant Modernization Project.



March 10, 2022

Mr. Matt Fritz
Village Administrator
Village of Coal City
515 S Broadway
Coal City, IL 60416

Mr. Fritz:

On behalf of Robert W. Baird & Co. Incorporated (“we” or “Baird”), we wish to thank you for the opportunity to serve as sole managing underwriter or placement agent for the Village of Coal City, Illinois (“you” or “the “Issuer”) on its proposed offering and issuance of approximately \$4,000,000 General Obligation Bonds (Alternate Revenue Source), Series 2022 to finance capital projects (the “Securities”). This letter will confirm the terms of our engagement; however, it is anticipated that this letter will be replaced and superseded by a bond purchase agreement or placement agreement or term sheet to be entered into by the parties (the “Agreement”) if and when the Securities are priced following successful completion of the offering or placement process. The Agreement will set forth the terms and conditions on which Baird will purchase or place the Securities.

I. Services to be Provided by Baird. Baird is hereby engaged to serve as sole managing underwriter or placement agent of the proposed offering and issuance of the Securities, and in such capacity Baird agrees to provide the following services:

- Review and evaluate the proposed terms of the offering or placement and the Securities
- If underwriting, develop a marketing plan for the offering, including identification of potential purchasers of the Securities
- Assist in the preparation of the preliminary official statement and final official statement or the private placement memorandum and other offering documents
- Contact potential purchasers of the Securities and provide them with copies of the offering materials and related information
- Respond to inquiries from potential purchasers and, if requested, coordinate their due diligence calls and meetings
- If the Securities are to be rated, assist in the preparation of information and materials to be provided to securities rating agency or agencies and in the development of strategies for meetings with the rating agency or agencies to obtain a rating for the Securities
- If the Securities are to carry bond insurance, assist in the preparation of information and materials to be provided to bond insurance companies and in the development of strategies for meetings/calls with the bond insurance companies
- If underwriting, inform the Issuer of the marketing and offering process
- Negotiate the pricing, including the interest rate, and other terms of the Securities
- Obtain CUSIP number(s) for the Securities and arrange for their DTC book-entry eligibility
- If underwriting, submit documents and other information about the offering to the MSRB’s EMMA website
- Plan and arrange for the closing and settlement of the issuance and the delivery of the Securities
- Such other usual and customary underwriting services as may be requested by the Issuer

In addition, at the Issuer’s request, Baird may provide incidental financial advisory services, including advice as to the structure, timing, terms and other matters concerning the issuance of the Securities. Please note that Baird would be providing such advisory services in its capacity as underwriter or placement agent and not as a municipal advisor or financial advisor to the Issuer.

If Baird is acting as placement agent for the proposed issuance and the Issuer is obligated under a current continuing disclosure agreement, the Issuer will submit information about the transaction through EMMA's continuing disclosure service, if material, and provide details including, but not limited to, the amount of debt being issued and its impact on the debt position, the purpose of the debt and use of proceeds, source of repayment, payment dates, interest rate, maturity and amortization of the debt, covenants, prepayment terms, events of default and remedies, acceleration events, other material terms, evidence of compliance with additional debt test, ratings, CUSIP number, transfer and redistribution rights and financial reporting requirements. If the Issuer is not obligated under a current continuing disclosure agreement, Baird recommends that the Issuer submit information about the transaction through EMMA's continuing disclosure service located in the continuing disclosure category of "Financial/Operating Data – Investment/Debt/Financial Policy."

2. Fees and Expenses. If Baird is acting as underwriter, Baird's proposed underwriting fee/spread is 0.80% of the public offering price of the Securities issued. If underwriting, the underwriting fee/spread will represent the difference between the price that Baird pays for the Securities and the public offering price stated on the cover of the final official statement. If Baird is acting as a placement agent, Baird's placement agent fee shall be 0.40% of the amount of gross proceeds of the Securities issued.

The Issuer shall be responsible for paying or reimbursing Baird for all other costs of issuance, including without limitation, CUSIP, DTC, IPREO (electronic book-running/sales order system); a day loan charge (currently at the rate of .1% per annum of the par amount); official statement printing and mailing/distribution charges; bond counsel, disclosure counsel and underwriter's counsel fees; ratings agency fees and expenses and travel expenses directly related thereto; auditor and other expert fees; trustee, registrar and paying agent fees; and all other expenses incident to the performance of the Issuer's obligations under the proposed offering. However, Baird will be responsible for paying any fees to the MSRB in connection with the issuance of the Securities.

3. Conflicts of Interest and Disclosures Pursuant to MSRB Rules. Baird is registered with the Municipal Securities Rulemaking Board ("MSRB") and the SEC. The MSRB website is www.msrb.org. Two investor brochures, Information for Municipal Securities Investors and Information for Municipal Advisory Clients, describe the protections that may be provided by the MSRB's rules. The brochures are available on the MSRB website. The MSRB website also contains information about how to file a complaint with an appropriate regulatory authority.

Baird makes the following conflict of interest and other disclosures as required by MSRB Rule G-17.

- Disclosures Concerning the Underwriter's or Placement Agent's Role:
 - MSRB Rule G-17 requires an underwriter or placement agent to deal fairly at all times with both issuers and investors.
 - An underwriter's primary role is to purchase the Securities with a view to distribution in an arm's-length commercial transaction with the Issuer. A placement agent's primary role is to place or facilitate or arrange for the placement of the Securities by the Issuer with one or more purchasers in an arm's length commercial transaction. An underwriter or placement agent has financial and other interests that differ from those of the Issuer.
 - Unlike a municipal advisor, an underwriter or placement agent does not have a fiduciary duty to the Issuer under the federal securities laws and is, therefore, not required by federal law to act in the best interests of the Issuer without regard to its own financial or other interests.
 - The Issuer may choose to engage the services of a municipal advisor with a fiduciary obligation to represent the Issuer's interest in this transaction.
 - An underwriter has a duty to purchase the Securities from the Issuer at a fair and reasonable price, and if all of the conditions to its obligations for the placement of the Securities have been satisfied, a placement agent has a duty to facilitate or arrange for the placement of the Securities at a fair and reasonable price to the Issuer, but in each case an underwriter or placement agent must balance that duty with its duty to sell or arrange for the sale of the Securities to investors at prices that are fair and reasonable.

- o A placement agent is not required to purchase the Securities or to find one or more buyers of the Securities, but rather to use its reasonable best efforts to facilitate or arrange for the sale of the Securities to one or more purchasers, each of which is a “qualified institutional buyer” or an “accredited investor,” as defined in the Securities Act of 1933.
- o An underwriter or placement agent will review the official statement, private placement memorandum or other offering documents for the Securities in accordance with, and a part of, its responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of this transaction.
- Disclosures Concerning the Underwriter’s or Placement Agent’s Compensation:

The underwriter or placement agent will be compensated by an underwriting fee and/or an underwriting discount or a placement fee that will be set forth in the bond purchase agreement to be negotiated and entered into in connection with the issuance of the Securities. Payment or receipt of the underwriting fee or discount or placement fee will be contingent on the closing of the transaction and the amount of the fee or discount may be based, in whole or in part, on a percentage of the principal amount of the Securities. While this form of compensation is customary in the municipal securities market, it presents a conflict of interest since the underwriter or placement agent may have an incentive to recommend to the Issuer a transaction that is unnecessary or to recommend that the size of the transaction be larger than is necessary.

- Baird-Specific Conflicts of Interest Disclosures:

Baird is a full-service securities firm and as such Baird and its affiliates may from time to time provide advisory, brokerage, consulting and other services and products to municipalities, other institutions, and individuals including the Issuer, certain Issuer officials or employees, and potential purchasers of the Securities for which Baird may receive customary compensation; however, such services are not related to the proposed offering or placement. Baird may also be engaged from time to time by the Issuer to manage investments for the Issuer (including the proceeds from the proposed offering) through a separate contract that sets forth the fees to be paid to Baird. Baird may compensate its associates for any referrals they have made that resulted in the Issuer’s selection of Baird to serve as underwriter or placement agent on the proposed offering of the Securities. Baird manages various mutual funds, and from time to time those funds may own bonds and other securities issued by the Issuer (including the Securities). Additionally, clients of Baird may from time to time purchase, hold and sell bonds and other securities issued by the Issuer (including the Securities).

In the ordinary course of fixed income trading business, Baird may purchase, sell, or hold a broad array of investments and may actively trade securities and other financial instruments, including the Securities and other municipal bonds, for its own account and for the accounts of customers, with respect to which Baird may receive a mark-up or mark-down, commission or other remuneration. Such investment and trading activities may involve or relate to the offering or other assets, securities and/or instruments of the Issuer and/or persons and entities with relationships with the Issuer. Spouses and other family members of Baird associates may be employed by the Issuer.

Baird has not identified any other actual or potential material conflicts of interest.

- Disclosures of Material Financial Characteristics and Material Financial Risks.

- o Accompanying this letter is a disclosure document describing the material financial characteristics and material financial risks of the Securities as required by MSRB Rule G-17.

4. Term and Termination. The term of this engagement shall extend from the date of this letter to the closing of the offering. Notwithstanding the forgoing, either party may terminate Baird’s engagement at any time without liability of penalty upon at least 30 days’ prior written notice to the other party. If Baird’s engagement is terminated by the Issuer, the Issuer agrees to compensate Baird for the services provided and to reimburse Baird for its out-of-pocket expenses incurred until the date of termination.

5. Limitation of Liability. The Issuer agrees that neither Baird nor its employees, officers, agents or affiliates shall have any liability to the Issuer for the services provided hereunder except to the extent it is judicially determined that Baird engaged in gross negligence or willful misconduct.

6. Miscellaneous. This letter shall be governed and construed in accordance with the laws of the State of Illinois. This letter may not be amended or modified except by means of a written instrument executed by both parties hereto. This letter may not be assigned by either party without the prior written consent of the other party.


If there is any aspect of this letter that requires further clarification, please do not hesitate to contact us. In addition, please consult your own financial and/or municipal, legal, accounting, tax and other advisors as you deem appropriate. We understand that you have the authority to bind the Issuer by contract with us, and that you are not a party to any conflict of interest relating to the proposed offering. If our understanding is not correct, please let us know.

If the forgoing is consistent with your understanding, please send me an email at scroberts@rwbaird.com to acknowledge receipt of this letter and agreement with its terms.

Again, we thank you for the opportunity to assist you with your proposed issuance and the confidence you have placed in us.

Very truly yours,

ROBERT W. BAIRD & CO. INCORPORATED

By: 

Director

Disclosures of Material Financial Characteristics and Financial Risks of Proposed Offering of General Obligation Bonds

Robert W. Baird & Co. Incorporated ("Baird") has been engaged as underwriter or placement agent for the proposed offering by you (or the "Issuer") of fixed rate bonds, notes or other debt securities (the "Securities"), to be sold on a negotiated basis. The Securities to be issued will be general obligation notes or bonds. The following is a general description of the financial characteristics and security structures of general obligation bonds, as well as a general description of certain financial risks that you should consider before deciding whether to issue general obligation bonds.

This document is being provided to an official of the Issuer who has the authority to bind the Issuer by contract with Baird, who does not have a conflict of interest with respect to the offering.

Financial Characteristics

The Securities will be general obligations of the Issuer. The Issuer's full faith and credit and unlimited taxing powers will be pledged to the payment of principal of and interest on the Securities when due. Under current law, taxes may be levied by the Issuer on all taxable property in the county without limitation as to rate or amount.

Maturity and Interest. The Securities are interest-bearing debt securities that the Issuer will issue. Maturity dates for the Securities will be fixed at the time of issuance and may include serial maturities (specified principal amounts are payable on the same date in each year until final maturity) or one or more term maturities (specified principal amounts are payable on each term maturity date) or a combination of serial and term maturities. Maturity dates, including the final maturity date, are subject to negotiation and will be reflected in the official statement. The state may impose limitations on the final maturity date. At each maturity, the scheduled principal or par amount of the Securities will have to be repaid.

The Securities will pay fixed rates of interest typically semi-annually on scheduled payment dates. The interest rates to be paid on the Securities may differ for each series or maturity date of the Securities. The specific interest rates will be determined based on market conditions and investor demand and reflected in the official statement for the Securities. Securities with longer maturity dates will have interest rates that are greater than securities with shorter maturity dates.

Redemption. The Securities may be subject to optional redemption, which allows the Issuer, at its option, to redeem some or all of the Securities on a date prior to scheduled maturity, such as in connection with the issuance of refunding bonds to take advantage of lower interest rates. The Securities will be subject to optional redemption only after the passage of a specified period of time, to be negotiated with investors and reflected in the official statement. The amount and maturities of the Securities to be redeemed will be selected by the Issuer. The redemption price will be equal to 100% of the principal amount being redeemed, plus accrued interest. The Issuer will be required to send out a notice of optional redemption to the holders of the Securities at a certain period of time prior to the redemption date.

The Securities may also be subject to mandatory sinking fund redemption, which requires the Issuer to redeem specified principal amounts of the Securities annually in advance of the term maturity date, at a redemption price equal to 100% of the principal amount of the Securities to be redeemed. The Securities may also be subject to extraordinary or mandatory redemption upon the occurrence of certain events, authorizing or requiring you to redeem the Fixed Income Bonds at their par amount (plus accrued interest).

Credit Enhancements. Fixed Rate Bonds may feature credit enhancements, such as an insurance policy provided by a municipal bond insurance company that guarantees the payment of principal of an interest on the bonds when due in the event of default. Other credit enhancements could include a letter of credit provided by a financial institution, or financial support from a state agency.

Tax Status. If the Securities are tax-exempt, counsel will provide an opinion that the interest on the Securities will be excluded from gross income for federal income tax purposes. If the Securities (or a portion thereof) are taxable, interest on the Securities will be included in gross income for federal and state income tax purposes.

Security

The Securities are general obligations of the Issuer. "General obligations" are debt securities to which your full faith and credit is pledged to pay principal and interest when due. The basic security for payment of the Securities is the requirement that the Issuer levy ad valorem (property) taxes, which taxes are unlimited as to rate and amount, as needed to pay the debt service on the Securities. The Issuer's full faith and credit pledge also means that other funds of the Issuer may be used to pay debt service, except if such funds are prohibited from use by state or federal law or specifically limited to another use.

The description above regarding "Security" is only a brief summary of certain possible security provisions for the Bonds and is not intended as legal advice. You should consult with your bond counsel for further information regarding the security for the Securities.

Financial Risk Considerations

Certain risks may arise in connection with your issuance of the Securities, including some or all of the following:

Issuer Default Risk

You may be in default if the funds pledged to secure the Securities are not sufficient to pay debt service on the Securities when due. The consequences of a default may be serious for you and, depending on applicable state law and the terms of the authorizing documents, the holders of the Securities may be able to exercise a range of available remedies against you. For example, you may be ordered by a court to raise taxes. Other budgetary adjustments also may be necessary to enable you to provide sufficient funds to pay debt service on the Securities. Further, if you are unable to provide sufficient funds to remedy the default, subject to applicable state law and the terms of the authorizing documents, you may find it necessary to consider available alternatives under state law, including bankruptcy or receivership. Bond holders will also have the right of mandamus or other actions to require you to levy, collect and apply taxes to pay

principal and interest on the Securities.

The State of Illinois may impose debt and/or revenue limits on the Issuer. The Issuer's payment of debt service on the Securities may be subject to such limits.

This description is only a brief summary of issues relating to defaults and is not intended as legal advice. You should consult with your bond counsel for further information regarding defaults and remedies.

Redemption Risk

Your ability to redeem the Securities prior to maturity may be limited, depending on the terms of any optional redemption provisions. In the event that interest rates decline, you may be unable to take advantage of the lower interest rates to reduce future debt service. In addition, if the Securities are subject to extraordinary or mandatory redemption, you may be required to redeem the bonds at times that are disadvantageous.

Refinancing Risk

If your financing plan contemplates refinancing some or all of the Securities at maturity (for example, if you have term maturities or if you choose a shorter final maturity than might otherwise be permitted under the applicable federal tax rules), market conditions or changes in law may limit or prevent you from refinancing those Securities when required. Further, limitations in the federal tax rules on advance refunding of bonds (an advance refunding of bonds occurs when tax-exempt bonds are refunded more than 90 days prior to the date on which those bonds may be retired) may restrict your ability to refund the Securities to take advantage of lower interest rates.

Reinvestment Risk

You may have proceeds to invest prior to the time that you are able to spend those proceeds for the authorized purpose. Depending on market conditions, you may not be able to invest those proceeds at or near the rate of interest that you are paying on the Securities, which is referred to as "negative arbitrage".

Tax Compliance Risk (applicable if the Securities are tax-exempt bonds)

The issuance of tax-exempt bonds is subject to a number of requirements under the United States Internal Revenue Code, as enforced by the Internal Revenue Service (IRS), and applicable state tax laws. You must take certain steps and make certain representations prior to the issuance of tax-exempt bonds. You also must covenant to take certain additional actions after issuance of the tax-exempt bonds. A breach of your representations or your failure to comply with certain tax-related covenants may cause the interest on the Securities to become taxable retroactively to the date of issuance of the Securities, which may result in an increase in the interest rate that you pay on the Securities or the mandatory redemption of the Securities. The IRS also may audit you or the Securities or your other bonds, in some cases on a random basis and in other cases targeted to specific types of bond issues or tax concerns. If the Securities are declared taxable, or if you are subject to audit, the market price of the Securities and/or your other bonds may be adversely affected. Further, your ability to issue other tax-exempt bonds also may be limited.

This description of tax compliance risks is not intended as legal advice and you should consult with your bond counsel regarding tax implications of issuing the Securities.

Continuing Disclosure Risk.

In connection with the issuance of the Securities, you may be subject to continuing disclosures which require dissemination of annual financial and operating information and notices of material events. Compliance with these continuing disclosure requirements is important and facilitates an orderly secondary market. Failure to comply with continuing disclosure requirements may affect the liquidity and marketability of the Securities, as well as your other outstanding securities. Because instances of material non-compliance with previous continuing disclosure requirements must be disclosed in an official statement, failure to comply with continuing disclosure requirements may also make it more difficult or expensive for you to market and sell future bonds.

MEMO

TO: Mayor Halliday and the Board of Trustees

FROM: Matthew T. Fritz
Village Administrator

MEETING

DATE: March 23, 2022

RE: PURCHASE OF FY23 PLANNED PW/UTILITY TRUCK

While researching the upcoming proposed budget, Darrell was able to locate a small number of F150 4x4 Pickup Trucks that remain available under an existing State bid. Due to the rising retail prices of trucks, there is no expected state bid to take place over the next year. The limited supply of available trucks will be sold throughout all of the manufacturer retailers for more than locked in sales they usually pick up through conducting a state bid.

This pickup truck was included within the capital improvement plan and was due to be replaced after May. Doing so now will reduce the overall expense for this line item due to the going rate for a comparable unit in either a 2022 or 2023 model F150. Previously approved equipment in the current fiscal year having not yet arrived should allow for this purchase to take place now without impact upon the current FY22 budget.

Recommendation:

Approve the purchase of a Ford F150 Pickup Truck from Morrow Brothers Ford of Greenfield at the state bid price of \$34,980.



WWW.MORROWBROTHERSFORDINC.COM

1242 Main Street • GREENFIELD IL 62044

(217) 368-3037 • Fax (217) 368-3517 • Toll free 1-877-368-3038

February 22, 2022

Village of Coal City

We have figured the following for your consideration.

1-NEW 2021 FORD F150 Extended Cab 4x4 6' 6" Bed

To include the following optional equipment:

White Exterior, 40/20/40 Seating

5.0L Engine, XL3 E-Locking Rear Axle

Cruise Control, SYNC Bluetooth

AM/FM/ Stereo, Air Conditioning

Power Windows/Locks/Mirrors

Tow Package, Back-Up Camera

Whelen 4 Corner LED Warning

Whelen 16" Mini LED Lightbar

Grip Strut Running Boards

New M License/Title

All other standard equipment

Illinois Government Price \$34,980.00*

Units are in stock* at the time of this quote and is available, first come first serve. Additional options can be added as required. Any and all trade in vehicles are welcome regardless of miles or condition. Let me know if you have any questions.

Thank you,

Richie Morrow Wellenkamp

Government Sales Manager

Morrow Brothers Ford, Inc.

Customer Acceptance: _____ Date: _____

Please submit this signed quote with your purchase order and a copy of your Illinois Tax Exempt Letter.