



**CITY COUNCIL MEETING**

*Council Chambers*

401 E Third Street

Kewanee, Illinois 61443

**Closed Meeting starting 6:30 pm**

**Open Meeting starting at 7:00 p.m.**

**Monday, December 13<sup>th</sup>, 2021**

Posted by 6:00 p.m. December 10<sup>th</sup>, 2021

1. Roll Call
2. Closed Session to discuss Collective Bargaining 2(C)(2)
3. Return to regular meeting.
4. Roll Call
5. Consent Agenda
  - a. Approval of Minutes
  - b. Payroll
  - c. Staff Reports
6. Presentation of Bills and Claims
7. Public Participation
8. New Business
  - a) **Consideration of Resolution #5318** to set the dates for Council Meetings for the 2022 calendar year.
  - b) **Consideration of Ordinance #4082** abating the tax heretofore levied for the year 2021 to pay the principal of, and the interest on General Obligation Bonds, Series 2012
  - c) **Consideration of Ordinance #4083** abating the tax heretofore levied for the year 2021 to pay the principal of, and the interest on General Obligation Waterworks and Sewerage Refunding Bonds, Series 2013
  - d) **Consideration of Ordinance #4084** abating the tax heretofore levied for the year 2021 to pay the principal of, and the interest on General Obligation Waterworks and Sewerage Refunding Bonds, Series 2015.
  - e) **Consideration of Ordinance #4085** establishing the annual tax levy for 2021 payable in 2022 for the City of Kewanee, Illinois.
  - f) **Consideration of Ordinance #4086** authorizing the issuance of not to exceed \$1,620,000 General Obligation Refunding Bonds (Alternate Revenue Source), series 2022A, of the City of Kewanee, Henry County, Illinois, providing the details of such bonds and for alternate revenue sources and the levy of direct annual taxes sufficient to pay the principal of and interest on such bonds, and related matters.
  - g) **Consideration of Ordinance #4087** authorizing the issuance of not to exceed \$1,505,000 Taxable General Obligation Refunding Bonds (Alternate Revenue Source), series 2022B, of the City of Kewanee, Henry County, Illinois, providing the details of such bonds and for alternate revenue sources and the levy of direct annual taxes sufficient to pay the principal of and interest on such bonds, and related matters.
  - h) **Consideration of Resolution #5319** to award demolition work at 121 S. Jackson Street to Martin Bros. Co., Inc., and declaring that this resolution shall be in full force immediately.

- i) **Consideration of Resolution #5320** authorizing the City Manager to execute an agreement for budgeting software and declaring that this resolution shall be in full force immediately.
- j) **Consideration of a Resolution #5321** authorizing application to the Illinois Department of Commerce and Economic Opportunity Rebuild Downtown and Main Streets Capital Grant Program to construct infrastructure and streetscape improvements in the downtown business district in the City of Kewanee.

9. Adjournment:



## MEMORANDUM

**Date:** December 10, 2021  
**From:** Gary Bradley, City Manager  
**To:** Mayor & Council  
**RE:** Council Meeting of **Monday, December 13, 2021**

**CLOSED MEETING AT 6:30 P.M.**  
**REGULAR MEETING AT 7:00 P.M.**

1. **Police Department Hiring**— Our next potential member of the police department is scheduled to complete his polygraph, psychological eval next week and would then be given a conditional offer of employment. He is scheduled to attend the police academy starting January 17, 2022. He should then be on the streets for FTO training beginning in March and on his own as a fully trained officer in July or August.
2. **Joint Review Board**— The annual Joint Review Board meeting reviewing the Tax Increment Financing Districts was held on December 8<sup>th</sup> at 1PM in the City Council Chambers. There were two members of the board in attendance. We reviewed the status of each of the TIF Districts and discussed anticipated projects and expenditures for the short-term future.
3. **Finance**— The Finance Director is working closely with the auditors to ensure that the audit is wrapped up before the December 26<sup>th</sup> filing deadline. We anticipate the audit report being presented to the City Council for its consideration at the first meeting in January. The director is also working to get financial information to Jacob & Klein for TIF reports to be submitted to the State before that deadline passes next month. This is in addition to work on the annual tax levy that will be presented for your consideration at the 2<sup>nd</sup> meeting in December and the bond refunding that will lower our annual debt service payments (which in turn frees up additional funding for operations). Lastly, the Director is assisting to wrap up calendar year end items like payroll taxes, pension contributions, and healthcare contributions so that employees receive their W-2s and other tax forms in a timely manner.
4. **Rock Falls Fire Department**— As you are aware, the City sent staff and equipment to backfill for the Rock Falls Fire Department so that members of that department could attend the calling hours of Lt. Garrett Ramos, who died in the line of duty while fighting a fire in Rock Falls. Staff members also attended the funeral to pay their respect to a fallen brother.
5. **Rob Adkison**— As you know, since our last meeting we lost a member of our Public Works team with the passing of Cecil “Rob” Adkison on Wednesday, November 24<sup>th</sup>. Rob had been with the City for 17 years and will be greatly missed. Staff is working with his widow Penny on the administration of survivor benefits.

6. **Accounting Software**— Staff is preparing for and upgrade to LOCiS 8 in mid-January. The updated version of the software we use has a work order module that tracks work management and will communicate with smart phones of employees in the field, making our operations more efficient. It also codes which employees were involved in working on a particular project, helping to ensure that their pay is coded to the fund for which the work was completed.
7. **Demolitions**— There were six demolitions approved at the last City Council meeting, which was November 22<sup>nd</sup>. Five of the six structures are already down.
8. **Demolitions (Part Two)**— CSB has submitted a demolition permit for the former Tenney Bowl building. The cost estimates they received to repair the building exceed what they thought the building would be worth after the improvements were made, so they felt the best decision was to simply have the building taken down to improve the aesthetics and safety of the area.
9. **Fire Department Training**— The Fire Department has made effective use of houses that are scheduled to be demolished, working with new hires on entry techniques, room clearing, and other aspects of firefighting without the actual presence of a fire on the scene.
10. **Train Depot**— Staff received a report indicating a concern that there was evidence of squatting taking place at the Depot. The night patrol diligently checked into the matter, entering the building every night for a week after the doors were locked for the evening and found not a single instance of anyone trying to take up residence in the building to avoid the cold.
11. **Unnecessary Phone Line**— You may have seen a post on the City's Website or Facebook page regarding the elimination of an unnecessary phone line. Decades ago, before 911 existed, an emergency line was established for the Fire Department. The line is associated with a number of medical alert companies. We have undertaken a campaign to notify those companies and the customers who use them that we are taking the number out of service. It is simply a redundant system that is less effective than calling 911 or having the calls come through on another line that goes to the dispatch center. In the event of a loss of service, the numbers to dispatch roll over to Henry County, which was not the case for the direct line to the Fire Department. The change will result in a small annual savings for the cost of the line but also result in better service to customers who may have a medical emergency.
12. **Fuel RFP**— the annual RFP process for the selection of a vendor to provide fuel is expected to go out soon and will be on the agenda for the next City Council meeting.
13. **North Main Joint Repair**— It's certainly not as timely as we had hoped, but with permitting and working the project into the schedule of the contractor, the work is expected to be completed next week, which works out well with the expected unseasonably warm weather.

14. **HRSA**— The City received a reimbursement of \$38,913 for our COVID related expenses. This is similar to the process used to gain reimbursement for expenditures under the CURES program last year.
15. **IEPA Violation Notice**— Staff provided a written response to the IEPA regarding operations at the transfer station. A copy of both the Violation Notice and the response are included in your packet for your review.
16. **Patrol Car Financing**— The Police Department is requesting proposals from banks for financing of police cars for future acquisitions. Favorable terms would enable us to replace more cars at once with financed cars rather than annually setting aside enough money to replace them one at a time.
17. **Virtual Police Training Simulations**— The City hosted a Henry County Chiefs and Sheriff meeting. The main purpose of the meeting was a demonstration from VirTra, Inc. on a training simulation for de-escalation and use of force scenarios that help to improve officer decision making during times of high intensity. The technology uses their real duty weapons, rifles, and OC spray with attachments that allow the actions of the officer to be displayed on a very large screen that displays the scenarios. The software and equipment allow for training that is certified through the Illinois Training and Standards Board.
18. **Labor/Management Relations Meeting**— Staff met with AFSCME last week to continue our efforts to improve the relationship between the Public Works employees and their management. We discussed a side letter of agreement that they have proposed relating to the employment of inmates. We also discussed a proposed reorganization within the department that will enable the City to more effectively address the most pressing concerns of our customers. Staff provided additional information to the leadership of AFSCME for their review and consideration. A side letter of agreement may be used to incorporate such changes into our operations until such time as they can be included in a collective bargaining agreement.
19. **Street Program**— IMEG is developing a scope for assisting with the development and implementation of our annual road program and providing inspection services during the construction process went well. Once the City receives the proposal, if we find it to be acceptable, we will bring it forward to the City Council for consideration.
20. **Rebuild Downtowns and Main Street (RDMS)**— Staff is working with Hutchison Engineering on the grant application. There will be a resolution related to the grant application on the agenda for the next meeting. The updated Retail Analysis has been provided to the City in draft form. Staff is reviewing the document so that corrections can be made in time for its inclusion as a supporting document with our RDMS grant application.

**The November 22nd, 2021, Council Meeting was called to order at 7:00 PM. 5 members of the City Council were present in Chambers.**

*The Consent Agenda included the following items:*

- a. Approval of Minutes of the November 8<sup>th</sup> Meeting.
- b. Payroll for the pay period ending November 6<sup>th</sup>, 2021, in the amount of **\$218,418.46**
- c. Reports from Police, Community Development
- d. Bock Inc. Reports

**Motion made by Councilmember Colomer to approve consent agenda. A Seconded was made by Councilmember Faber. Discussion: None Motion Passed 5-0**

**Bills were presented in the amount of \$813,877.72.**

**Councilmember Komnick moved to approve payment of the bills. Councilmember Colomer seconded the motion. Discussion:** Faber asked about the 2 Backhoes that have had to have some extensive work. Newton stated that they are past their life, and we are looking to get some on lease. **The motion was approved 5-0.**

- **Public Comments:** Scott Withrow wanted to speak to the council regarding a lighting issue at 318 East St. He would like to have a streetlight installed to help with the safety.
- Michelle Churchy wanted to express her concern on closing a side street and how this would affect her travel especially in bad weather.

- **New Business:**

- a) **Skip along Presentation by Angela Casteel and Bailee Reiter**
- b) **Consideration of an Ordinance #4081** to vacate a public street running west-east in the city block bounded by valley street, west second street and union street. **Councilmember Komnick made the motion, Councilmember Faber seconded. Discussion:** Faber asked if there was anyone present. Mike Kabinski stepped up describe the reason for the closure. If this street would be closed permanently, he could build garage and combine his property. **Motion passed 5-0**
- c) **Consideration of a Resolution #5308** authorizing the City Manager to execute documents for the renewal of a self-funded insurance plan with Blue Cross Blue Shield of Illinois and other carriers for the plan year 2022. **Councilmember Faber made the motion, Councilmember Baker seconded. Discussion:** None. **Motion passed 5-0**
- d) **Consideration of a Resolution #5309** adopting a policy governing the City's use of Family Medical Leave to better provide for and safeguard the City's human resources. **Councilmember Colomer made the motion, Councilmember Komnick seconded. Discussion:** Mayor stated this was standard at State and Federal level. **Motion passed 5-0**
- e) **Consideration of a Resolution #5310** authorizing the City Manager to execute an amended public service agreement with the Chamber of Commerce for

Economic Development Services. **Councilmember Baker made the motion, Councilmember Komnick seconded. Discussion: None. Motion passed 5-0**

- f) **Consideration of a Resolution #5311** awarding the pump station valve replacement project to Dooley Brother's Plumbing and authorizing the City Manager to execute an agreement with Dooley Brothers Plumbing for the work identified in the request for proposals. **Councilmember Colomer made the motion, Councilmember Faber seconded. Discussion:** Colomer stated he was happy about the bidder being local. **Motion passed 5-0**
- g) **Consideration of a Resolution #5312** to award demolition work at 209 Eustis St. to Kirk Dana Construction. **Councilmember Faber made the motion, Councilmember Komnick seconded. Discussion:** Moore was happy with the number of bids. **Motion passed 5-0**
- h) **Consideration of a Resolution #5313** to award demolition work at 212 n. Grove St. to Martin Bros. co., Inc. **Councilmember Komnick made the motion, Councilmember Faber seconded. Discussion: None. Motion passed 5-0**
- i) **Consideration of a Resolution # 5314** to award demolition work at 624 Willard St. Lamco Outdoor Services, LLC. **Councilmember Colomer made the motion, Councilmember Faber seconded. Discussion: None. Motion passed 5-0**
- j) **Consideration of a Resolution # 5315** to award demolition work at 707 Rose St. to Martin Bros. co. INC. **Councilmember Komnick made the motion, Councilmember Faber seconded. Discussion: None. Motion passed 5-0**
- k) **Consideration of a Resolution # 5316** to award demolition work at 802 Rose St. to Martin Bros. co., INC. **Councilmember Komnick made the motion, Councilmember Faber seconded. Discussion: None. Motion passed 5-0**
- l) **Consideration of a Resolution # 5317** to award demolition work at 1030 Pine Lamco Outdoor Services, LLC. **Councilmember Komnick made the motion, Councilmember Baker seconded. Discussion: None. Motion passed 5-0**

- **Mayor's Communications:**

**Mayor Moore:** Veterans Day Ceremony was very nice. Congrats to the Visitation 8<sup>th</sup> grade girls and the 7<sup>th</sup> grade. Received complaints about N Elm Street and rusty water. Newton stepped up to explain that area has dead ends and that seems to be the issue.

**Council Communications:**

- **Councilmember Colomer:** Happy and Safe Thanksgiving to everyone.
- **Councilmember Baker:** Nothing
- **Councilmember Faber:** Windmont Park is looking good. The display will be amazing and please come see the lighting. Wethersfield will also be having an event. Friends of the animals will have pictures with Santa at Farm King. Bring out your pets!!
- **Councilmember Komnick:** Veterans Day ceremony was very nice. Career fair was very well attended especially from the city employees.
- **Announcements: None**
- **Councilmember Colomer** moved to adjourn the meeting. **Councilmember Faber seconded the motion. Motion passed 5-0 The meeting adjourned at 7:44 PM**



December 7, 2021

Illinois EPA  
Attn: Ukanno Foxworth  
Bureau of Land #24  
1021 North Grand Avenue East  
Springfield, IL 62794-9276

RE: Violation Notice: L-2001-00287  
LPC#0730650023  
Kewanee/Kewanee Waste Transfer Station

Dear Ukanno:

Thank you for your letter dated October 22, 2021 to provide formal notification of our alleged violations. As I'm sure Mr. Figge and Ms. Poppajohn recall, both Kevin Newton and I were entirely unaware that the actions that had been taken by staff assigned to the transfer station had occurred. Neither of us would allow, permit, or condone such steps to be taken and I assured Mr. Figge that we would take the steps necessary to correct the matter before the notice of violation would even be sent. Mr. Figge indicated that leachate cannot simply be dumped, it should be taken to the waste water treatment facility so that it can be properly treated before it is released. At that time I indicated that we were aware of the process, and noted that we had just entered into an agreement with a nearby landfill to treat their leachate, which serves as evidence that we were both fully aware of and in support of the proper way in which leachate should be treated. We were, in fact, under the impression that all our leachate was handled in the same manner. We have paid invoices verifying the holding tank was pumped out and then transported the short distance to our waste water treatment facility so that it could be properly disposed of and treated before Mr. Figge's inspection. After Mr. Figge's inspection, and well before this notice was sent (just as I indicated it would be on the date of Mr. Figge's inspection) we had the tank pumped out, the scale pit pumped out, then cleaned and inspected the plumbing to ensure that it was operational. At that time, the approximately 500 gallons of leachate that had been pumped out was transported to our waste water treatment facility so that it could be properly disposed of.



When I began my employment with the City of Kewanee in September of 2015, it was under the presumption that everything we operated was properly licensed and permitted, and I would suggest that at some point in the inspection process a permit that had been expired since 1998 should have come up in the conversation, either while on site or in a letter noting any deficiencies that had come up during the inspection and review process. It's important to note that I was unaware of the expired permit until the above referenced notice of violation was provided to the City. Since that time, we have monitored the levels of leachate in the scale pit and holding tank, but have not pumped the leachate out or taken it to our waste water treatment facility, as doing such would constitute a knowing and willful violation of environmental rules, since we do not have a valid permit allowing for such treatment. Likewise, we have not yet accepted any leachate from the nearby landfill, as doing so would be an unpermitted act.

My staff is taking the steps necessary to obtain a new permit similar to the one that expired in 1998 and would welcome any assistance that your office could provide to help us navigate the approval process.

With regard to litter, we are working with trustees from the local Illinois Department of Corrections facility who have been hired as seasonal employees, with a plan to pick up litter around the facility and cut the brush and weeds that catch and trap litter that occasionally escapes from vehicles that are preparing to unload their waste or have already done so. We believe cutting the vegetation will allow us to more easily manage litter by regularly policing the fences that surround the property.

We look forward to meeting with you and your staff to examine our proposed solutions as well as any ideas that you may have that would serve as both cost effective and environmentally friendly approaches as we work together to provide compliant and environmentally friendly solid waste collection and disposal services to our customers.

In addition to this electronic copy, a hard copy of this letter is being sent via certified mail.

Best Regards,



Gary Bradley  
City Manager



## ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

1021 NORTH GRAND AVENUE EAST, P.O. BOX 19276, SPRINGFIELD, ILLINOIS 62794-9276 • (217) 782-3397

JB PRITZKER, GOVERNOR

JOHN J. KIM, DIRECTOR

(217)524-3300  
TDD 217/782-9143

October 22, 2021

City of Kewanee  
Attn: Kevin Newton  
200 W. 3<sup>rd</sup> Street  
Kewanee, IL 61443

Re: Violation Notice L-2021-00287  
LPC #0730650023 - Henry County  
Kewanee/Kewanee Waste Transfer Station  
Compliance File

Dear Kevin Newton:

This constitutes a Violation Notice pursuant to Section 31(a)(1) of the Illinois Environmental Protection Act, 415 ILCS 5/31(a)(1), and is based on an inspection completed on August 26, 2021 by representatives of the Illinois Environmental Protection Agency ("Illinois EPA").

The Illinois EPA hereby provides notice of alleged violations of environmental laws, regulations, or permits as set forth in the attachment to this notice. The attachment includes an explanation of the activities that the Illinois EPA believes may resolve the specified alleged violations, including an estimate of a reasonable time period to complete the necessary activities. Due to the nature and seriousness of the alleged violations, please be advised that resolution of the violations may also require the involvement of a prosecutorial authority for purposes that may include, among others, the imposition of statutory penalties.

A written response, which may include a request for a meeting with representatives of the Illinois EPA, must be submitted via certified mail to the Illinois EPA within 45 days of receipt of this notice. If a meeting is requested, it shall be held within 60 days of receipt of this notice. The response must include information in rebuttal, explanation, or justification of each alleged violation and a statement indicating whether you wish to enter into a Compliance Commitment Agreement ("CCA") pursuant to Section 31(a) of the Act. If you wish to enter into a CCA, the written response must also include proposed terms for the CCA, including dates for achieving each commitment, and may include a statement that compliance has been achieved for some or all of the alleged violations. The proposed terms of the CCA should contain sufficient detail and must include steps to be taken to achieve compliance and the necessary dates by which compliance will be achieved.

The Illinois EPA will review the proposed terms for a CCA provided by you and, within 30 days of receipt, will respond with either a proposed CCA or a notice that no CCA will be issued by the Illinois EPA. If the Illinois EPA sends a proposed CCA, you must respond in writing either by

2125 S. First Street, Champaign, IL 61820 (217) 278-5800  
1101 Eastport Plaza Dr., Suite 100, Collinsville, IL 62234 (618) 346-5120  
9511 Harrison Street, Des Plaines, IL 60016 (847) 294-4000  
595 S. State Street, Elgin, IL 60123 (847) 608-3131

2309 W. Main Street, Suite 116, Marion, IL 62959 (618) 993-7200  
412 SW Washington Street, Suite D, Peoria, IL 61602 (309) 671-3022  
4302 N. Main Street, Rockford, IL 61103 (815) 987-7760

agreeing to and signing the proposed CCA or by notifying the Illinois EPA that you reject the terms of the proposed CCA.

If a timely written response to this Violation Notice is not provided, it shall be considered a waiver of the opportunity to respond and meet, and the Illinois EPA may proceed with referral to a prosecutorial authority.

Written communications should be directed to:

Illinois Environmental Protection Agency  
Attn: Ukanno Foxworth  
Bureau of Land # 24  
1021 North Grand Ave. East  
Springfield, Illinois 62794-9276

Please include the Violation Notice Number L-2021-00287 and the Site Identification Number 0730650023 on all written communications and supporting documents.

The complete requirements of the Illinois Environmental Protection Act and any Illinois Pollution Control Board regulations cited herein or in the inspection report can be viewed at:

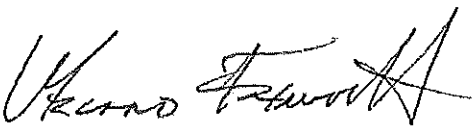
<http://www.ipcb.state.il.us/SLR/TheEnvironmentalProtectionAct.asp>

and

<http://www.ipcb.state.il.us/SLR/PCBandIEPAEnvironmentalRegulations-Title35.asp>

If you have questions regarding this matter, please contact Gene Figge at the following email address: [Gene.Figge@Illinois.gov](mailto:Gene.Figge@Illinois.gov) or at (309) 671-3070.

Sincerely,



Ukanno Foxworth, Unit Manager  
Compliance & Reporting Unit  
Bureau of Land  
Illinois Environmental Protection Agency

Enclosure: Violation Notice Attachment

## **Violation Notice Attachment**

City of Kewanee ("Respondent") owns and operates the solid waste transfer station located at Fisher Avenue in Kewanee, Illinois ("the subject property"). On August 26, 2021, the Illinois EPA inspected the subject property. During the inspection, apparent violations of the Illinois Environmental Protection Act, Illinois Pollution Control Board ("Board") Regulations, and Solid Waste Permit No. 1998-080-OP ("the Permit") were observed. These apparent violations are discussed in further detail below.

### **1. Threatened Leachate Discharge to the Spoon River**

#### **A. Applicable Law**

Illinois law prohibits any person from:

- i) Depositing any contaminants onto the land so as to create a water pollution hazard. *See* 415 ILCS 5/12(d).
- ii) Causing, threatening or allowing discharge without or in violation of an NPDES permit. *See* 415 ILCS 5/12(f).
- iii) Causing or allowing open dumping of any waste in Illinois. *See* 415 ILCS 5/21(a).
- iv) Causing or allowing the open dumping of any waste in a manner which results in standing or flowing liquid discharge from the dump site. *See* 415 ILCS 5/21(p)(6).

#### **B. Alleged Violations**

The Illinois EPA inspectors observed leachate pooled on a concrete pad at the subject property, which would channel the leachate into the Spoon River. This caused, threatened, or allowed water pollution and accordingly violated Illinois law.

#### **C. Suggested Resolutions**

Respondent shall take remedial action to address the above-referenced violations, including:

#### **Site Operations. Immediately upon receipt of this Violation Notice ("VN"):**

- i) Cease all activities, including liquid discharges, that cause, threaten, or allow a water pollution hazard at the subject property.
- ii) Cease discharging at the subject property without an NPDES permit.

### **2. Operating Transfer Station in Violation of the Permit**

**A. Applicable Law**

- i) Illinois law prohibits any person from:
  - a) Conducting any waste-storage, waste-treatment, or waste-disposal operation without a permit granted by the Illinois EPA or in violation of any conditions imposed by such permit *See* 415 ILCS 5/21(d)(1).
  - b) Conducting any waste-storage, waste-treatment, or waste-disposal operation in violation of any regulations or standards adopted by the Board. *See* 415 ILCS 5/21(d)(2).
  - c) Disposing, treating, storing, or abandoning any waste into Illinois at or to sites not meeting the requirements of the Act. *See* 415 ILCS 5/21(c).
- ii) Board Regulations prohibit any person from causing or allowing:
  - a) The development of a new solid waste management site or modification of an existing one without a Development Permit issued by the Illinois EPA. *See* 35 Ill. Adm. Code 807.201.
  - b) The modification of any solid waste management site, or accept any type of waste except under conditions specified in a permit issued by the Illinois EPA. *See* 35 Ill. Adm. Code 807.210.
- iii) The Permit prohibits discharges to Waters of the State or sanitary sewer will occur, except as authorized by a permit from the Bureau of Water. *See* Condition 3 of the Permit.

**B. Alleged Violations**

The Illinois EPA inspectors observed leachate handling at the subject property in a manner that would channel it past the Kewanee Sewage Treatment Plant, which violates Illinois law, Board regulations, and the Permit.

**C. Suggested Resolutions**

**Immediately upon receipt of this VN**, the Respondent shall initiate protocols to ensure the conditions of the Permit are satisfied. This includes conditions related to obtaining necessary permits for the discharge to Waters of the State.

- 3. Litter at the Subject Property Record keeping. **Within 45 calendar days upon receipt of the VN**, the Respondent shall submit copies of records reflecting remedial actions undertaken to address the above-referenced violations, including but not limited to copies of permit renewal applications, records of clean up activities at the subject property, and photographs reflecting the completion of the suggested resolutions identified above, to:

Summary of Apparent Violation(s)			
Violations From This Evaluation			
Status	Date	Violation	Narrative
New	8/26/2021	12(f)	Cause, threaten or allow discharge without or in violation of an NPDES permit
New	8/26/2021	21(d)(1)	Conduct a waste storage, treatment, or disposal operation without a permit
New	8/26/2021	21(d)(2)	Conduct a waste storage, treatment, or disposal operation in violation of any regulations or standards adopted by the Pollution Control Board
New	8/26/2021	21(a)	Cause or allow open dumping
New	8/26/2021	21(e)	Dispose, treat, store, abandon any waste, or transport any waste into Illinois at or to sites not meeting requirements of the Act
New	8/26/2021	21(p)(1)	Cause or allow open dumping of any waste in a manner which results in litter
New	8/26/2021	21(p)(6)	Cause or allow open dumping of any waste in a manner which results in standing or flowing liquid discharge from the dump site
New	8/26/2021	807.201	Cause or allow development of a new solid waste management site or modification of an existing one without a Development Permit issued by the Agency.
New	8/26/2021	807.210	Cause or allow modification of a solid waste management site, or accept any type of waste, except in accordance with an Agency Permit.
New	8/26/2021	12(d)	Create a water pollution hazard
Violations Outstanding From Previous Evaluations			
Status	Date	Violation	Narrative
None Observed			

Attachment Listing	
Type	Description
None Observed	

After viewing the area where the leachate had been pumped, management from the City of Kewanee had arrived on the site. I spoke with Kevin Newton, the Public Works Coordinator, Gary Bradley, the City Manager, and Jack Calhoun, the Street Foreman. I explained the situation and all three of them indicated that they had not heard of the procedure being used to handle leachate and appeared surprised by it. Mr. Newton said that he had only been the Public Works Coordinator for a few months and suspected the procedure had been initiated by one of his predecessors who has now retired.

Ms. Papajohn and I then departed from the facility. Back at my office I had access to the BOL permit as well as BOW permits and did some research. The BOL permit was issued on October 7, 1993. Condition 3 of the permit states "This permit is issued with the expressed understanding that no process discharge to Waters of the State or sanitary sewer will occur from these facilities, except as authorized by a permit from the Bureau of Water." On October 27, 1993, BOW permit 1993-EE-4423 was issued to the facility. The permit specified that 1,000-gallon loads of leachate were to be transported to the Kewanee Sewage Treatment Plant for treatment and that the yearly volume of Leachate transported was not to exceed 17,500 gallons a year.

The BOW permit expired on October 1, 1998. The BOW permit was not renewed, and the facility has operated without a BOW permit since. These facts seem to indicate that since 1998 the facility may have operated under the practice of pumping the leachate from the collection pit onto the concrete pad and channeling it toward the waters of the West Fork of the Spoon River. If this was not the practice since 1998, leachate was being transported to the Kewanee Sewage Treatment Plant without a BOW permit.

Apparent violations of the Illinois Environmental Protection Act and permit were observed.

LPC # 0730650023 – Henry County  
Kewanee / Kewanee Waste Transfer Station

*Illinois EPA Peoria Regional Office*  
*Attn: Gene Figge*  
*412 SW Washington Street, Suite D*  
*Peoria, Illinois 61602*



## Executive Summary

On August 26, 2021, I conducted an inspection from 10:25 p.m. until 11:30 a.m. at Kewanee Waste Transfer Station. The inspection consisted of a review of facility records, an interview of facility employees, and a tour of the facility. The facility operates under solid waste permit number 1992-080-OP. The night before the inspection there had been heavy rains in the area. During the inspection I observed leachate that had been pumped from the collection pit onto a concrete pad at the entrance on the lower level and channeled into a manmade ditch. From this ditch the leachate entered a culvert and was channeled under the gravel lot. It was pooled in a low spot on the other side of the culvert and the slope of the land would ultimately channel the leachate past the Kewanee Sewage Treatment Plant and into the waters of the West Fork of the Spoon River. Apparent violations were observed during the inspection.

## Evaluation Narrative

The following persons participated in the inspection:

Dan Holtschult – Operator  
Gary Songer – City of Kewanee Trainee  
Kevin Newton – City of Kewanee Public Works Coordinator  
Gary Bradley – City Manager  
Jack Calhoun – Streets Foreman  
Gene Figge -- IEPA (author)  
Amelia PapaJohn -- IEPA

Empty trailers waiting to be filled with waste were present at the facility and the lot was free of litter. The lower doors were also closed. The tipping floor had been swept and was free of waste. A trailer was in the process of being loaded. An accumulation of used tires and TVs that had been found in loads was separated and accumulated near the entrance to the tipping floor. See photographs 1 through 7.

The facility hours are from 7:00 a.m. until 3:00 p.m. and closed from 11:00 a.m. to 11:30 a.m. for lunch. Load checks are being conducted. The facility receives an average of two semi loads of municipal solid waste an operating day. The regular facility operator, Dan Holtschult, was accompanied by Gary Songer, who is a new hire with the City of Kewanee. After completing a tour around the tipping floor, Ms. Papajohn and I proceeded to the parking area on the lower level. There we observed leachate flowing from the concrete pad at the entrance to the lower level into a ditch that had recently been excavated as was apparent due to the presence of freshly turned soil.

After making the initial observation, we went back to speak further with Mr. Holtschult. When I inquired, Mr. Holtschult stated that the procedure since he became the operator had been when the leachate collection pit located on the lower level was full, to pump it out so it flowed into the manmade ditch. He stated that the procedure never seemed correct to him, but he had not questioned it. I have inspected the facility since 2008 and had never observed leachate before. But the combination of weather and the freshly cleared ditch made it obvious during this inspection. There had been considerable rain the previous night and the ditch had silted in and been cleaned out.

I informed Mr. Holtschult that this was a problem. He then proceeded to contact his supervisor and Ms. Papajohn and I went to make more detailed observations of the leachate. The leachate is pumped from the leachate pit (that is in place to prevent leachate from escaping into the environment) onto a concrete pad and from there it flows into the manmade ditch. Pumps were visible as well as hose and piping used for the process. Leachate was standing in the ditch and it had a strong odor, black color, and could be seen bubbling. Litter was also present in this area and appeared to have followed the direction of the flow of the leachate. The leachate then entered a culvert that passed under the gravel lot and pooled where it exited the culvert. The slope of the land would ultimately channel the leachate past the Kewanee Sewage Treatment Plant (where the leachate is supposed to be treated according to permit conditions) and ultimately into the West Fork of the Spoon River. At the time of the inspection, the leachate was not flowing, but was pooling. See photographs 8 through 26.

Illinois Environmental Protection Agency  
Bureau of Land – Field Operations Section  
**Inspection Report**

General Facility Information			
<b>BOL ID:</b>	0730650023	<b>Region:</b>	Peoria
<b>USEPA ID:</b>	N/A	<b>County:</b>	Henry
<b>Site Name:</b>	Kewanee Waste Transfer Station	<b>Phone:</b>	N/A
<b>Address:</b>	Fisher Ave. - Back Sewage Pit	<b>Latitude:</b>	41.245725
<b>City/State/Zip:</b>	Kewanee, IL 61443	<b>Longitude:</b>	-89.926433
<b>Inspection Date:</b>	8/26/2021		

Evaluation Type
Transfer Station/Storage Site Inspection (TRS)

Inspection Participants		
Participant	Type	Phone
Gene Figge	IEPA FOS Primary Inspector	309-671-3070
Amelia Papajohn	IEPA FOS Secondary Inspector	309-671-3069

Owner	Operator
City of Kewanee Attn: Kevin Newton 200 W. 3rd St. Kewanee, IL 61443	City Of Kewanee Attn : Dan Holtschult 200 W. 3rd St. Kewanee, IL 61443

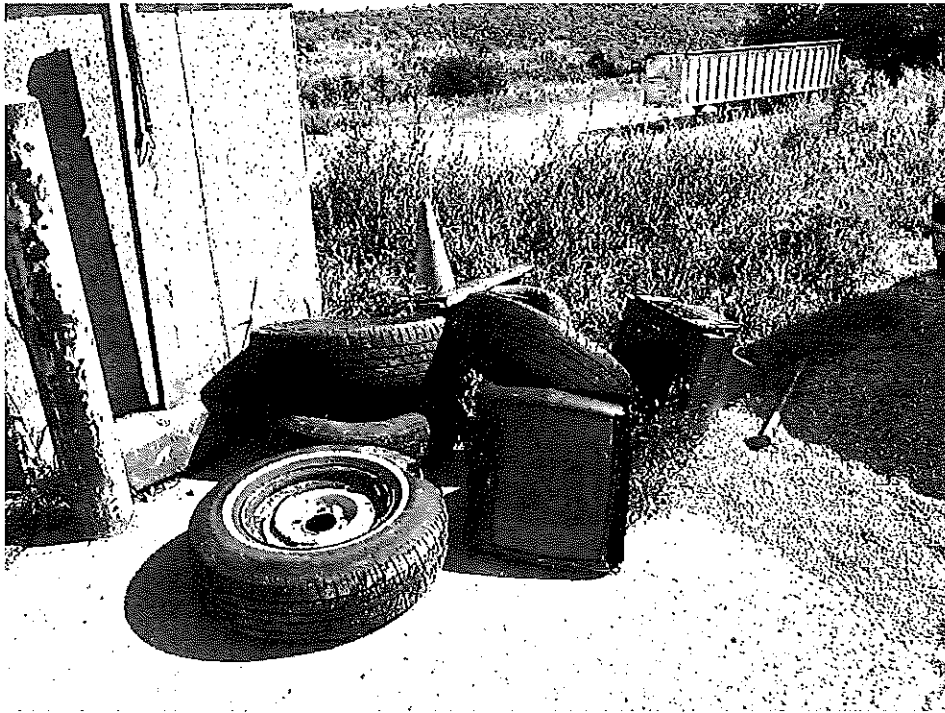
Observations	
<b>Time</b>	1025 -- 1130
<b>Weather Conditions</b>	Sunny Wind South 2 MPH
<b>Temperature</b>	81 Fahrenheit
<b>Photos Taken</b>	Yes – 26
<b>Number of Tires</b>	5

Persons Interviewed		
Person	Phone	E-Mail
Dan Holtschult	309-852-5286	N/A
Kevin Newton	309-761-4857	N/A
Gary Songer	N/A	N/A
Jack Calhoun	N/A	N/A
Gary Bradley	309-883-1520	N/A

# Site Diagram



## Digital Photographs



Bureau Id: 0730650023

Photo No.: 1

Photo Date: 8/26/2021

Photo Time: 10:34:29 AM

Direction: Northeast

Taken By: Gene Figge

Used tires and TVs separated from incoming loads as non-acceptable waste.



Bureau Id: 0730650023

Photo No.: 2

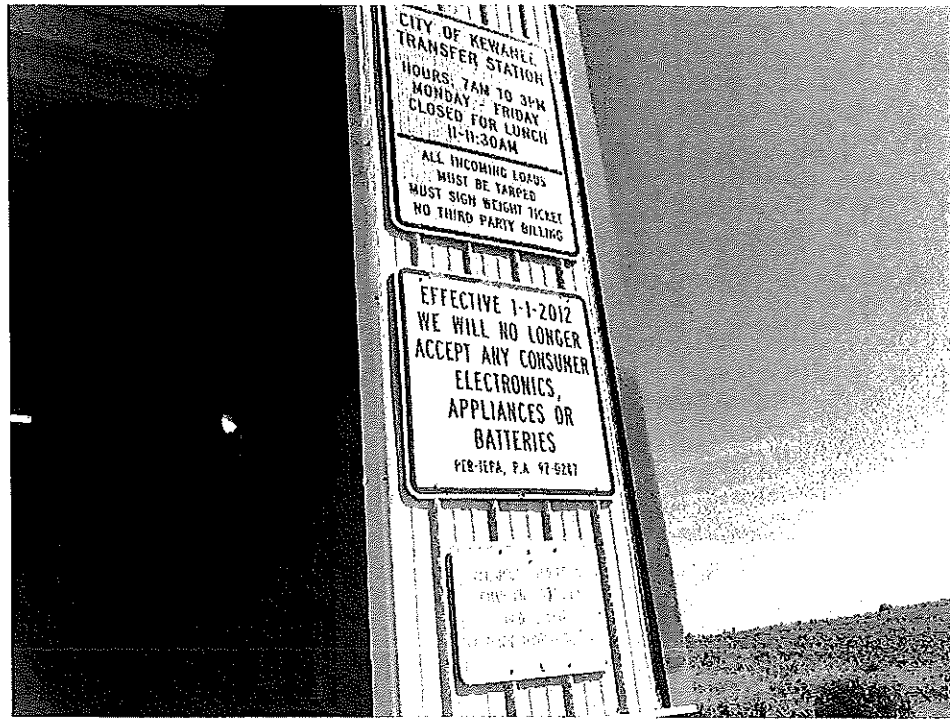
Photo Date: 8/26/2021

Photo Time: 10:34:39 AM

Direction: Northeast

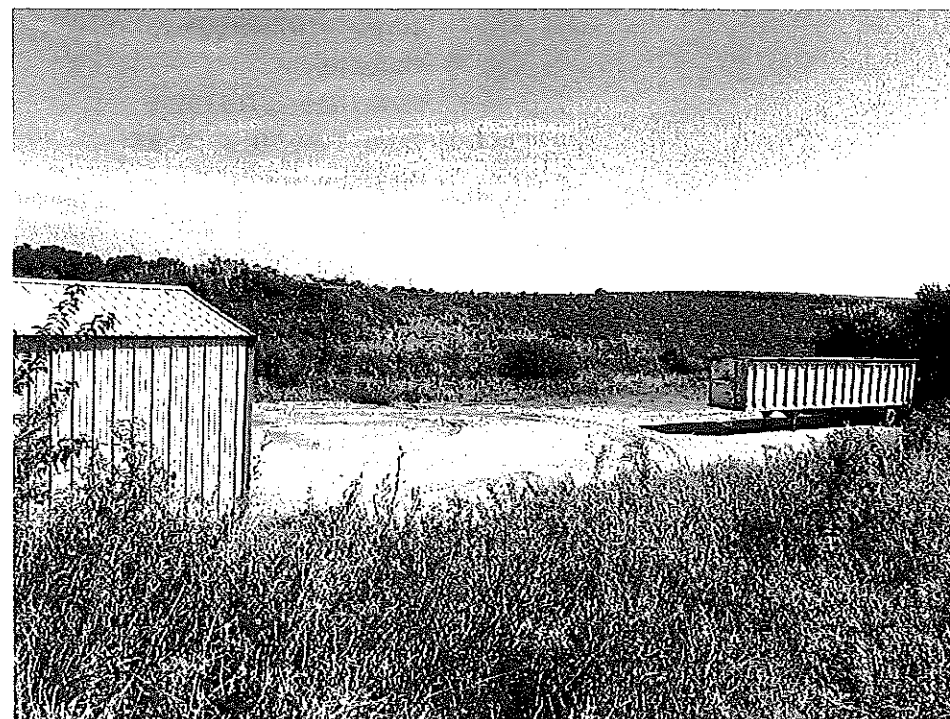
Taken By: Gene Figge

Used tires and grounds free of litter.



Bureau Id: 0730650023  
 Photo No.: 3  
 Photo Date: 8/26/2021  
 Photo Time: 10:34:50 AM  
 Direction: North  
 Taken By: Gene Figge

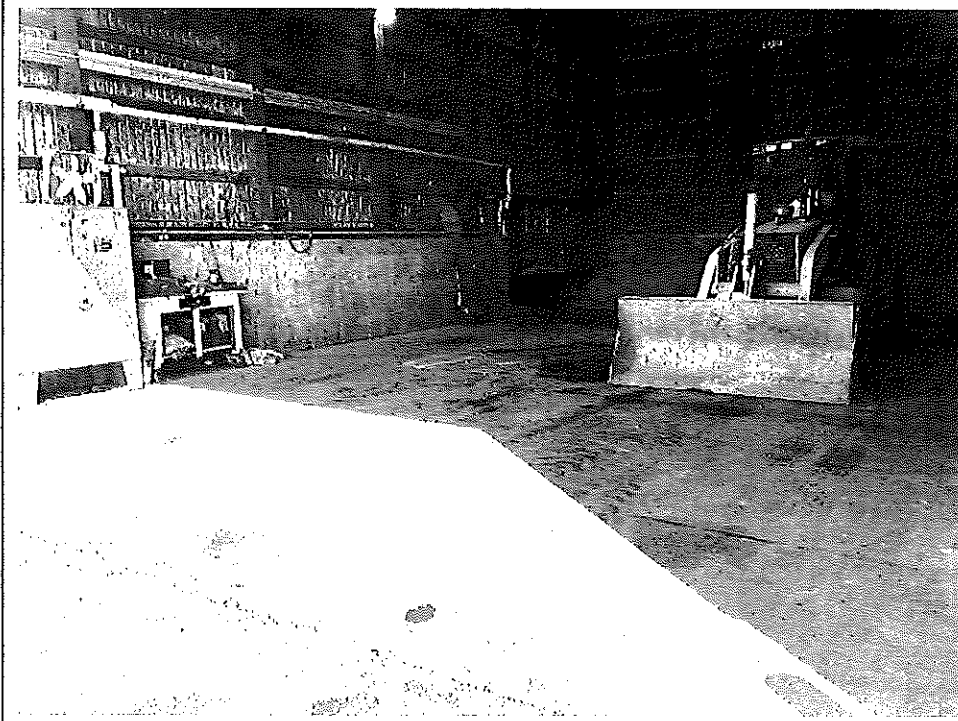
Signs at the entrance to the tipping floor.



Bureau Id: 0730650023  
 Photo No.: 4  
 Photo Date: 8/26/2021  
 Photo Time: 10:36:15 AM  
 Direction: Northeast  
 Taken By: Gene Figge

Grounds free of litter.





Bureau Id: 0730650023

Photo No.: 5

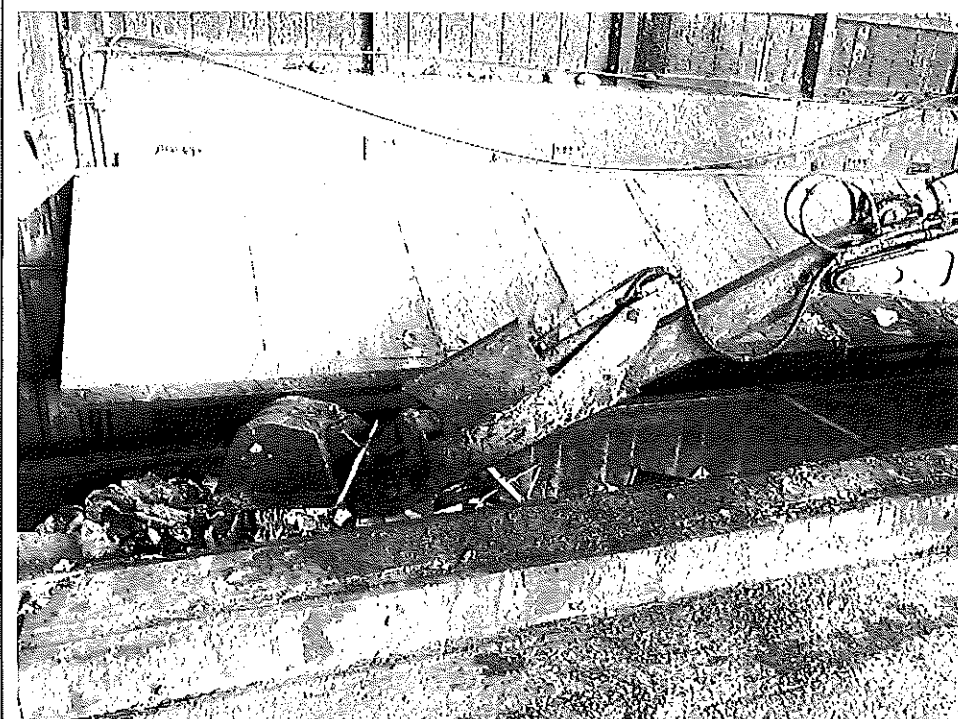
Photo Date: 8/26/2021

Photo Time: 10:37:05 AM

Direction: North

Taken By: Gene Figge

Tipping floor free of waste.



Bureau Id: 0730650023

Photo No.: 6

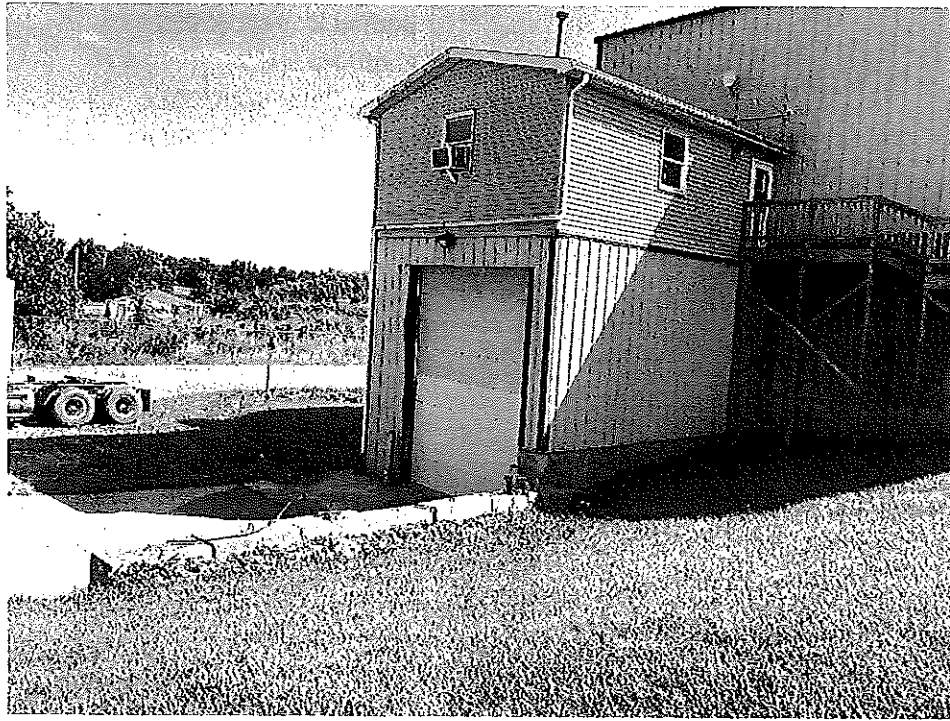
Photo Date: 8/26/2021

Photo Time: 10:37:46 AM

Direction: North

Taken By: Gene Figge

Waste being loaded into a trailer from the tipping floor.



Bureau Id: 0730650023

Photo No.: 7

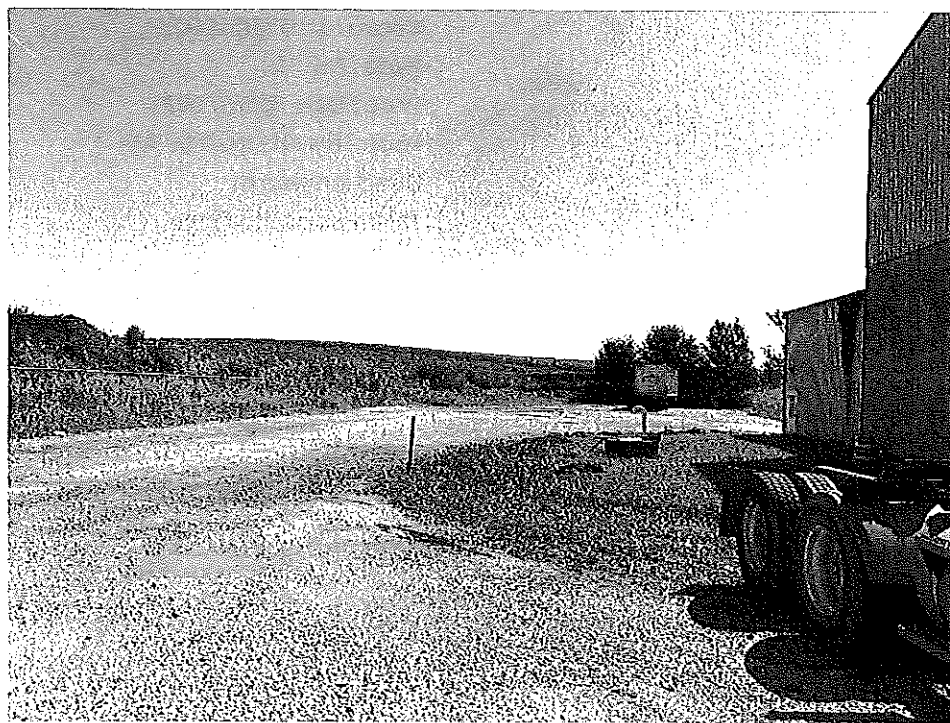
Photo Date: 8/26/2021

Photo Time: 10:38:39 AM

Direction: Northeast

Taken By: Gene Figge

Door to the lower level closed.



Bureau Id: 0730650023

Photo No.: 8

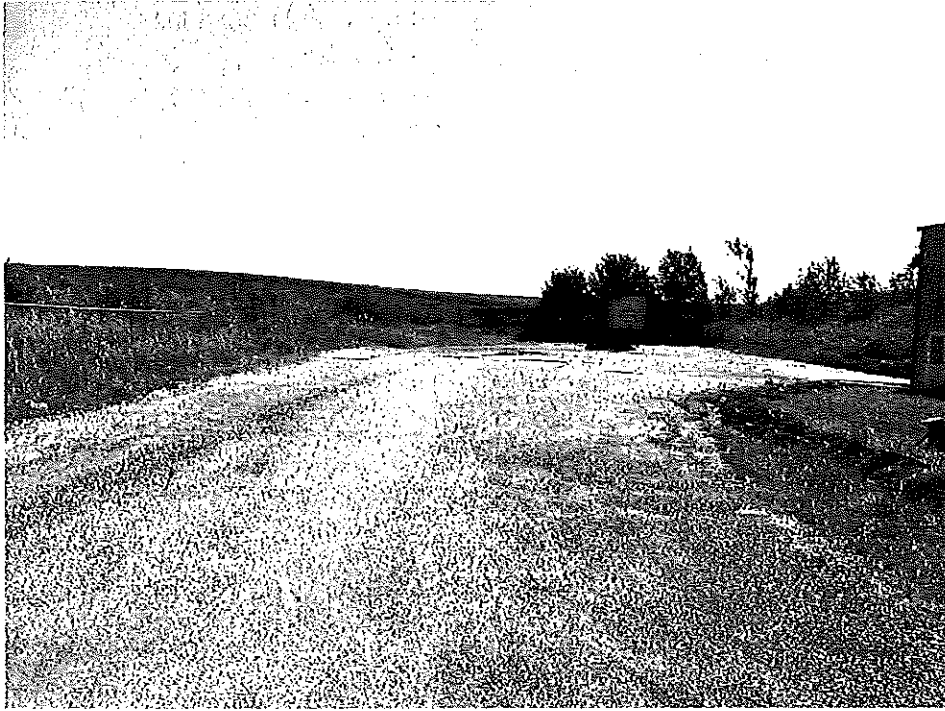
Photo Date: 8/26/2021

Photo Time: 10:40:05 AM

Direction: East

Taken By: Gene Figge

Lower lot with evidence of fresh excavation.



Bureau Id: 0730650023  
Photo No.: 9  
Photo Date: 8/26/2021  
Photo Time: 10:40:50 AM  
Direction: East  
Taken By: Gene Figge

Lower lot with evidence of fresh excavation.



Bureau Id: 0730650023  
Photo No.: 10  
Photo Date: 8/26/2021  
Photo Time: 11:02:56 AM  
Direction: North  
Taken By: Gene Figge

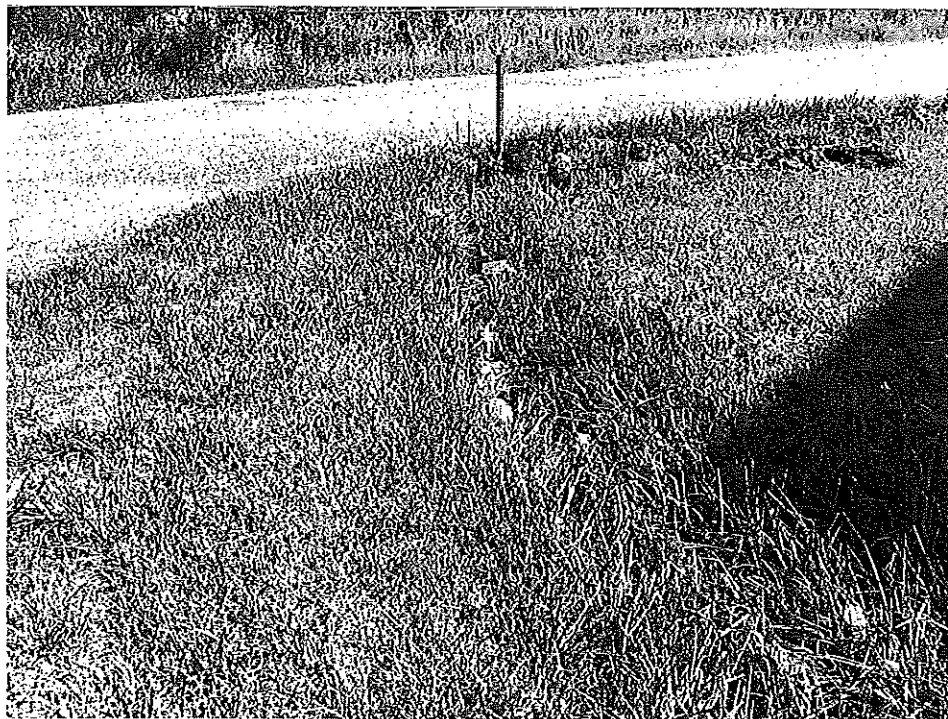
Litter that appears to have traveled with water flow.





Bureau Id: 0730650023  
Photo No.: 11  
Photo Date: 8/26/2021  
Photo Time: 11:03:07 AM  
Direction: East  
Taken By: Gene Figge

Litter along the side of the building.



Bureau Id: 0730650023  
Photo No.: 12  
Photo Date: 8/26/2021  
Photo Time: 11:04:00 AM  
Direction: North  
Taken By: Gene Figge

Litter that appears to have traveled along the manmade ditch. Fresh excavation in the upper right corner.



Bureau Id: 0730650023  
Photo No.: 13  
Photo Date: 8/26/2021  
Photo Time: 11:04:11 AM  
Direction: East  
Taken By: Gene Figge

Leachate in the manmade ditch with  
fresh excavation.



Bureau Id: 0730650023  
Photo No.: 14  
Photo Date: 8/26/2021  
Photo Time: 11:04:47 AM  
Direction: Northeast  
Taken By: Gene Figge

Fresh excavation.



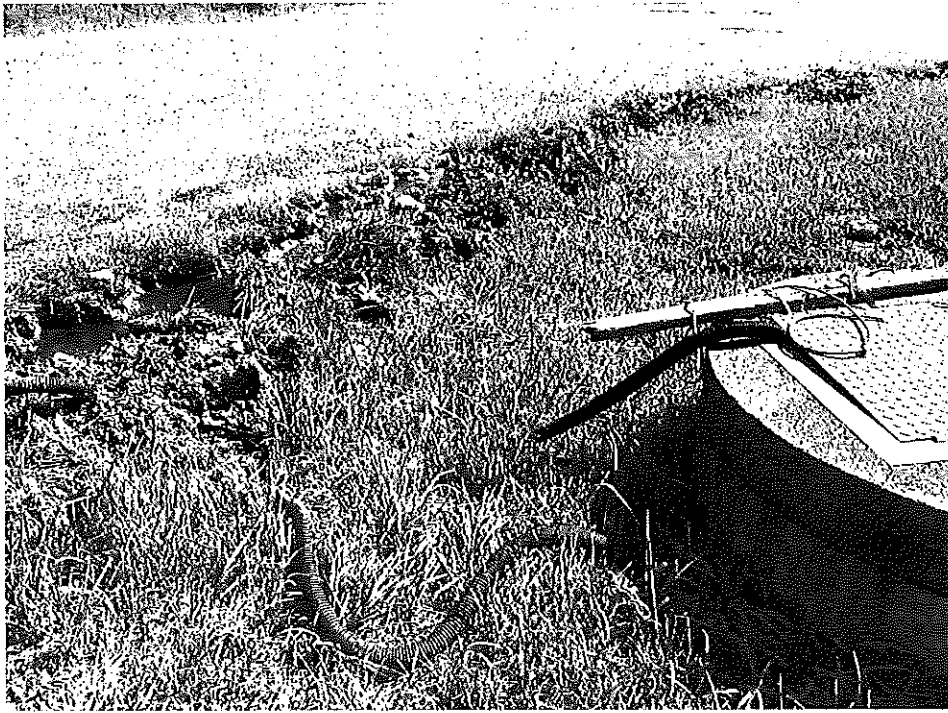
Bureau Id: 0730650023  
Photo No.: 15  
Photo Date: 8/26/2021  
Photo Time: 11:04:58 AM  
Direction: North  
Taken By: Gene Figge

Fresh excavation with standing leachate.



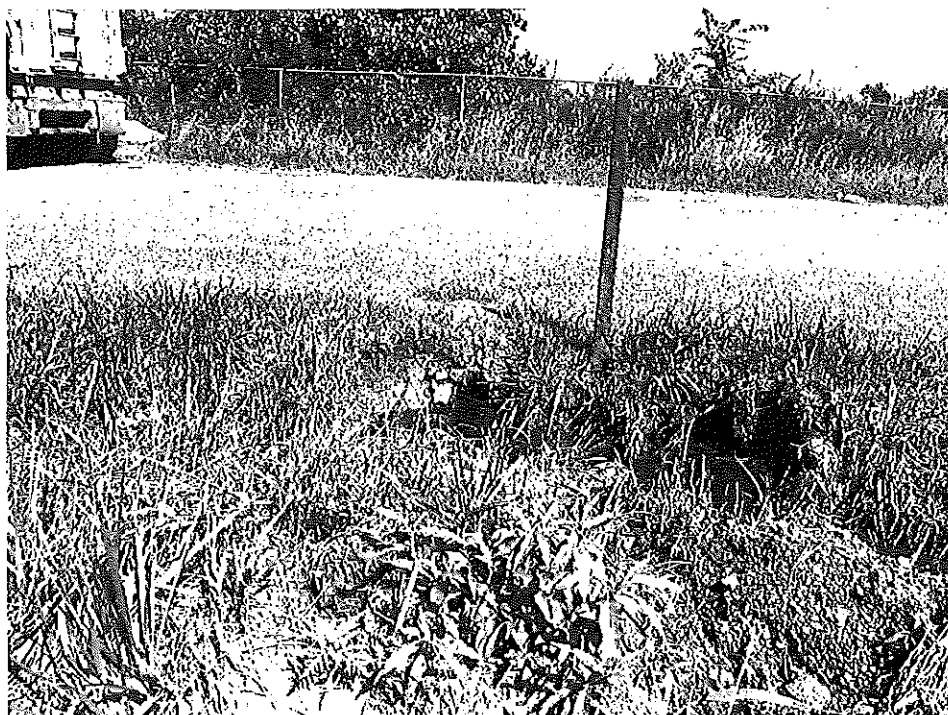
Bureau Id: 0730650023  
Photo No.: 16  
Photo Date: 8/26/2021  
Photo Time: 11:05:03 AM  
Direction: Northeast  
Taken By: Gene Figge

Fresh excavation with standing leachate  
and hoses from pump.



Bureau Id: 0730650023  
Photo No.: 17  
Photo Date: 8/26/2021  
Photo Time: 11:05:08 AM  
Direction: Northeast  
Taken By: Gene Figge

Fresh excavation with standing leachate and hoses from pump.



Bureau Id: 0730650023  
Photo No.: 18  
Photo Date: 8/26/2021  
Photo Time: 11:05:32 AM  
Direction: North  
Taken By: Gene Figge

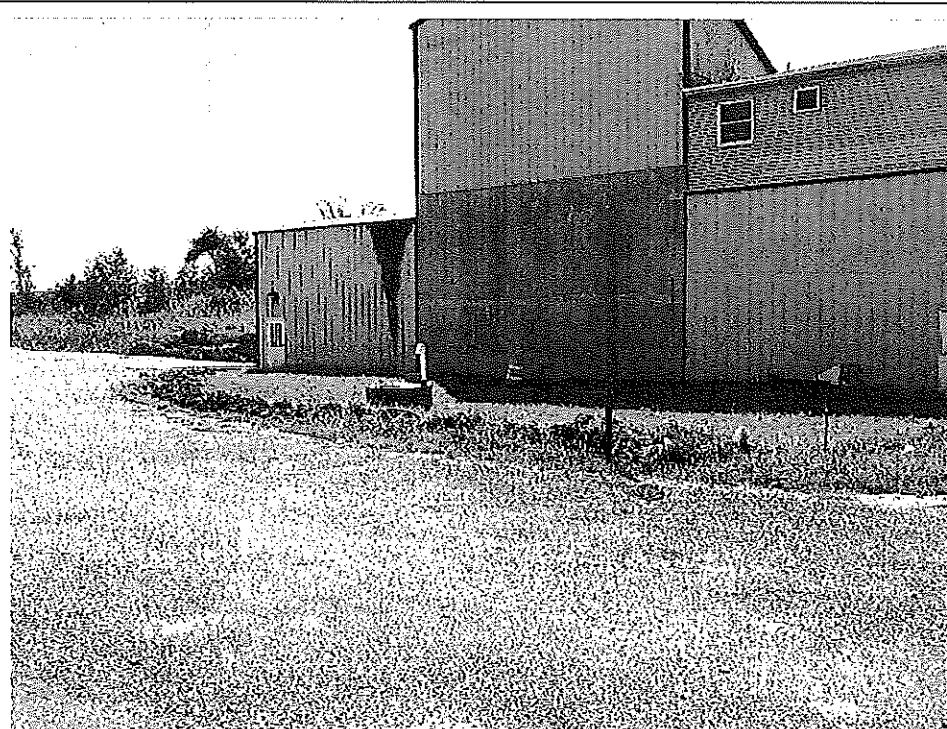
Leachate entering culvert.





Bureau Id: 0730650023  
Photo No.: 19  
Photo Date: 8/26/2021  
Photo Time: 11:06:06 AM  
Direction: North  
Taken By: Gene Figge

Leachate exiting culvert.



Bureau Id: 0730650023  
Photo No.: 20  
Photo Date: 8/26/2021  
Photo Time: 11:06:37 AM  
Direction: Southeast  
Taken By: Gene Figge

Fresh excavation along the length of  
manmade ditch.



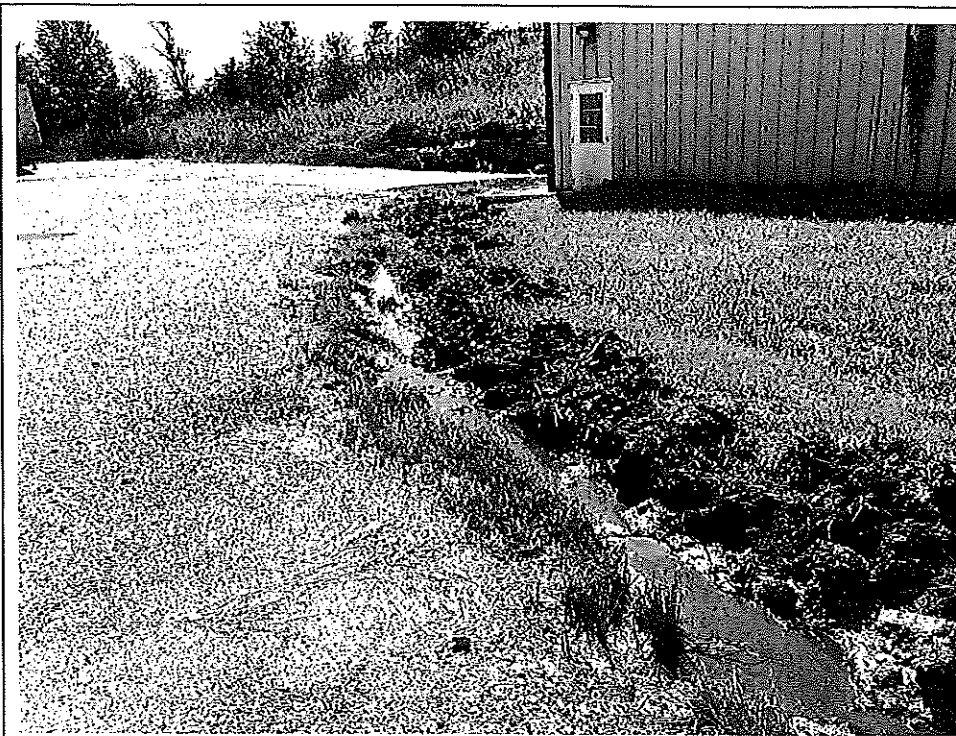
Bureau Id: 0730650023  
Photo No.: 21  
Photo Date: 8/26/2021  
Photo Time: 11:06:59 AM  
Direction: Southeast  
Taken By: Gene Figge

Leachate flow along the manmade ditch.



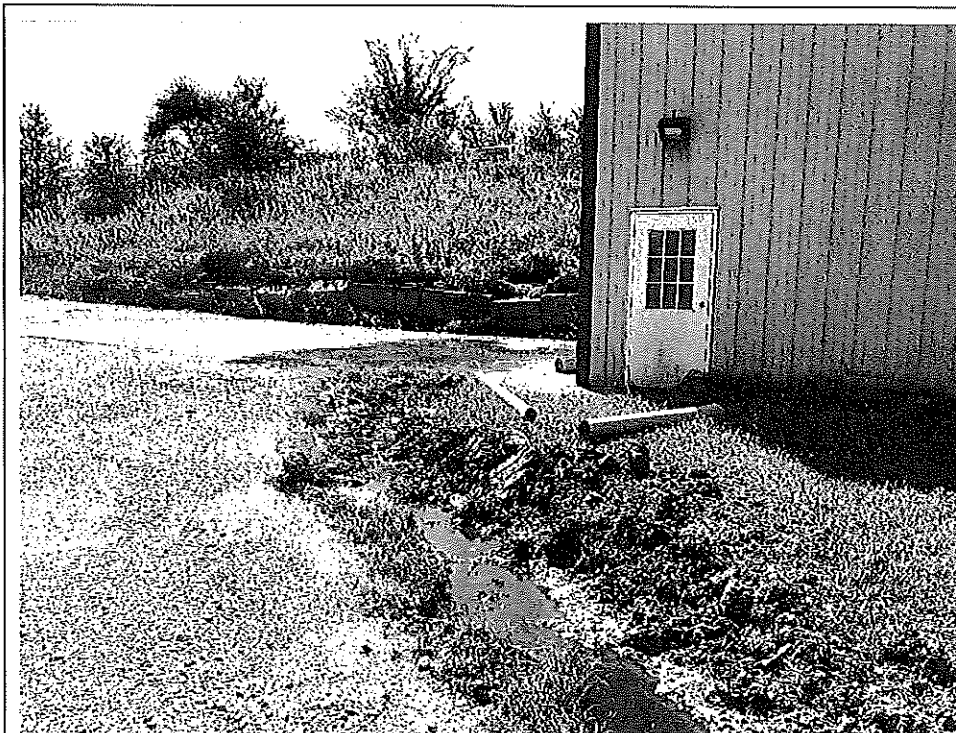
Bureau Id: 0730650023  
Photo No.: 22  
Photo Date: 8/26/2021  
Photo Time: 11:07:03 AM  
Direction: South  
Taken By: Gene Figge

Leachate and hose leading from a pump.



Bureau Id: 0730650023  
Photo No.: 23  
Photo Date: 8/26/2021  
Photo Time: 11:07:43 AM  
Direction: Southeast  
Taken By: Gene Figge

Leachate flow down manmade ditch  
from ponding on concrete pad.



Bureau Id: 0730650023  
Photo No.: 24  
Photo Date: 8/26/2021  
Photo Time: 11:08:10 AM  
Direction: Southeast  
Taken By: Gene Figge

Leachate flow down manmade ditch  
from ponding on concrete pad.



Bureau Id: 0730650023  
Photo No.: 25  
Photo Date: 8/26/2021  
Photo Time: 11:08:44 AM  
Direction: South  
Taken By: Gene Figge

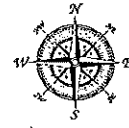
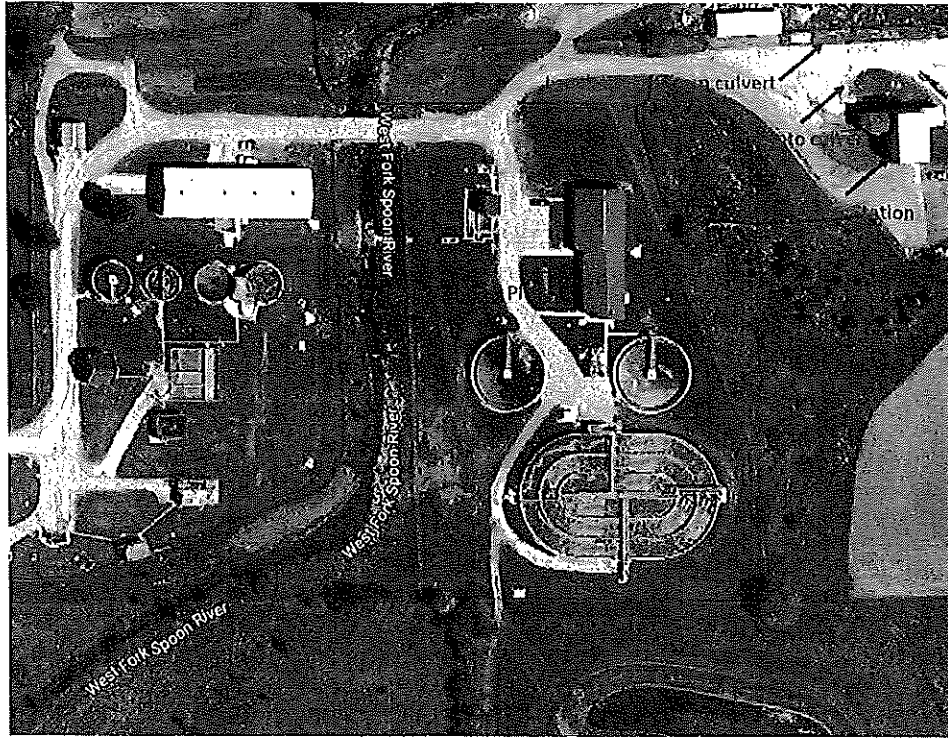
Ponding on concrete pad.



Bureau Id: 0730650023  
Photo No.: 26  
Photo Date: 8/26/2021  
Photo Time: 11:09:08 AM  
Direction: West  
Taken By: Gene Figge

Lower door closed and ponding of  
leachate on concrete pad.





Site Diagram 2

## **Kewanee Public Works Department Organization Adjustments**

One single public Works Foreman isn't viable. Too many problems. Unclear how that role is different from duties of public works operations manager. Union is opposed to this concept.

### **Union Outline for PW Adjustments**

#### **Water Division –**

Division Foreman  
Division Leadman  
Division Operator 1  
Division Operator 2  
Division Laborer 1  
Division Laborer 2  
Division Laborer 3  
Division Laborer 4\*\*\*\*\*  
Service Tech 8-5

#### **Street Division –**

Division Foreman  
Division Operator 1  
Division Operator 2  
Division Operator 3\*\*  
Division Laborer 1  
Division Laborer 2  
Division Laborer 3  
Division Laborer 4\*\*\*  
Division Laborer 5\*\*\*\*

#### **Cemetery & Parks**

Sexton  
Division Operator\*

#### **Sanitation (Current and Future Potential Moves)**

Division Operator\*  
Division Laborer 1 \*\*  
Division Laborer 2 \*\*\*  
Division Laborer 3 \*\*\*\*  
Division Laborer 4 \*\*\*\*\*

#### **Shared Goals/Aspirational Positions:**

The Public Works Operations Manager shall be permitted to assign Laborers from one division to another to support the operational needs of the Department. However, this practice shall not be the norm of operations and shall be utilized only when necessary. The Division Foremen shall be consulted prior to the decision in an attempt to garner consensus, however the Public Works Operations Manager shall be permitted to make the final decision. Division Operators and Division Foreman shall not be assigned to another division except during a bona fide emergency.

The Public Works Operations Manager shall seek cross training opportunities for skill and capacity improvements between the Divisions whenever it is feasible and safe to do so. The Public Works Operations Manager shall consult with the Division Foreman to plan out cross training opportunities throughout the year.

AFSCME Local 764 is a committed, long-term partner in working with the City of Kewanee to deliver on the intent of Council Resolution #4947 from 10/26/2015.

SYS DATE: 12/10/21

CITY OF KEWANEE  
VENDOR INVOICE REGISTER  
REGISTER # 593  
Friday December 10, 2021

SYS TIME: 14:55  
[NR1WIN]  
[G/L DATE: 12/10/21]  
PAGE 1

TERM DATE: 12/10/21

INVOICE #	VEND #	NAME	REFERENCE	TR CODE	TR DATE	DATE DUE	AMOUNT
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2015-100121	UMB00	UMB BANK, NA		BI	10/01/21	12/01/21	237758.75
MANUAL CHECK # WIRE1129 ON 11/29/21			PAID: 237758.75				

SEQ	G/L ACCT	DESCRIPTION	DEBIT	CREDIT	PROJECT #
2	47-84-720	2015 BOND INT	52758.75		
3	47-84-710	2015 BOND INT	185000.00		
M	47-00-114.00	MANUAL POSTING		237758.75	
			237758.75	237758.75	

TOTAL NUMBER OF TRANSACTIONS: 1

TOTAL AMOUNT DUE ..... 237758.75

TOTAL DEBITS ..... 237758.75

TOTAL CREDITS .... 237758.75

TOTAL OPEN INVOICE AMOUNT ... .00

TOTAL MANUAL CHECK AMOUNT ... 237758.75

TOTAL PRINTED CHECK AMOUNT .. .00

SYS DATE: 12/10/21

CITY OF KEWANEE  
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[NR1WIN]  
[G/L DATE: 12/10/21]  
PAGE 1

TERM DATE: 12/10/21

INVOICE #	VEND #	NAME	REFERENCE	TR CODE	TR DATE	DATE DUE	AMOUNT
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IN-800106372999 ACC04 ACCESS SYSTEMS

BI 12/06/21 12/13/21 2135.54

PRINTED CHECK # 60767 ON 12/09/21 PAID: 2135.54

SEQ	G/L ACCT	DESCRIPTION	DEBIT	CREDIT	PROJECT #
2	58-36-552	PHONES	33.00		
3	01-41-552	PHONES	121.39		
4	62-45-552	PHONES	31.50		
5	01-22-552	PHONES	577.94		
6	01-21-552	PHONES	728.26		
7	01-11-552	PHONES	643.45		
M	01-00-114.00	MANUAL POSTING		2135.54	
			-----	-----	
			2135.54	2135.54	

D3847401 ALT00 ALTORFER INC

BI 07/09/21 12/13/21 6764.00

PRINTED CHECK # 60742 ON 11/29/21 PAID: 6764.00

SEQ	G/L ACCT	DESCRIPTION	DEBIT	CREDIT	PROJECT #
2	52-43-850	TERRY AVE	6764.00		ARPA
M	01-00-114.00	MANUAL POSTING		6764.00	
			-----	-----	
			6764.00	6764.00	

D11242021 BLA13 BLACK, DOUG

BI 11/24/21 12/13/21 124.98

PRINTED CHECK # 60743 ON 11/29/21 PAID: 124.98

SEQ	G/L ACCT	DESCRIPTION	DEBIT	CREDIT	PROJECT #
2	01-41-473	CLOTHING	124.98		
M	01-00-114.00	MANUAL POSTING		124.98	
			-----	-----	
			124.98	124.98	

93 BOC00 BOCK INC

BI 11/22/21 11/29/21 58275.82

PRINTED CHECK # 60744 ON 11/30/21 PAID: 58275.82

SEQ	G/L ACCT	DESCRIPTION	DEBIT	CREDIT	PROJECT #
2	51-93-515	CONTRACT PAYMENT	15580.46		
3	52-93-515	CONTRACT PAYMENT	42695.36		
M	01-00-114.00	MANUAL POSTING		58275.82	
			-----	-----	
			58275.82	58275.82	

D120321 CAL07 CALHOUN, JACK

BI 12/03/21 12/13/21 200.00

PRINTED CHECK # 60747 ON 12/03/21 PAID: 200.00

SEQ	G/L ACCT	DESCRIPTION	DEBIT	CREDIT	PROJECT #
2	01-41-473	CLOTHING	200.00		
M	01-00-114.00	MANUAL POSTING		200.00	
			-----	-----	
			200.00	200.00	

SYS DATE: 12/10/21

CITY OF KEWANEE  
V E N D O R   I N V O I C E   R E G I S T E R  
REGISTER # 593  
Friday December 10, 2021

SYS TIME: 14:55

[NR1WIN]

[G/L DATE: 12/10/21]

PAGE 2

TERM DATE: 12/10/21

INVOICE #	VEND #	NAME	REFERENCE	TR CODE	TR DATE	DATE DUE	AMOUNT		
=====									
2021666	CHA13	CHAMLIN & ASSOCIATES INC							
				BI	10/15/21	12/13/21	483.00		
	PRINTED CHECK # 60741	ON 11/29/21	PAID:	483.00					
			SEQ	G/L ACCT	DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			2	44-84E-532	ENGINEER SERVICES	483.00			
			M	44-00-114.5	MANUAL POSTING		483.00		
						-----	-----		
						483.00	483.00		
D11302021	ILD03	ILL DEPARTMENT OF PUBLIC HEALTH							
				BI	11/30/21	12/13/21	60.00		
	PRINTED CHECK # 60745	ON 12/01/21	PAID:	60.00					
			SEQ	G/L ACCT	DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			2	01-22-561	A WELGAT PARAMEDI	60.00			
			M	01-00-114.00	MANUAL POSTING		60.00		
						-----	-----		
						60.00	60.00		
D112221	JOH33	JOHN DEERE FINANCIAL							
				BI	11/22/21	12/13/21	651.04		
	PRINTED CHECK # 60740	ON 11/29/21	PAID:	651.04					
			SEQ	G/L ACCT	DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			2	58-36-612	CEMETERY SUPPLIES	167.52			
			3	01-52-612	PARKS CHAINSAW	57.00			
			4	52-93-512	SEWER SUPPLIES	24.73			
			5	62-45-652	HARDWARE	19.08			
			6	62-45-830	TOOLS	79.99			
			7	01-52-652	PARKS SUPPLIES	285.82			
			8	01-52-652	PARKS SUPPLIES	16.90			
			M	01-00-114.00	MANUAL POSTING		651.04		
						-----	-----		
						651.04	651.04		
3-FINAL	LAV00	LAVERDIERE CONSTRUCTION INC							
				BI	12/06/21	12/13/21	6529.83		
	PRINTED CHECK # 60748	ON 12/06/21	PAID:	6529.83					
			SEQ	G/L ACCT	DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			2	44-84E-890	2021 SIDEWALF -PR	6529.83			
			M	44-00-114.5	MANUAL POSTING		6529.83		
						-----	-----		
						6529.83	6529.83		
D12012021	MUT03	MUTUAL OF OMAHA							
				BI	12/01/21	12/13/21	350.00		
	MANUAL CHECK # 1495.0	ON 12/06/21	PAID:	350.00					
			SEQ	G/L ACCT	DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			2	74-14-451	LIFE AND AD&D INS	350.00			
			M	74-00-114	MANUAL POSTING		350.00		
						-----	-----		
						350.00	350.00		

SYS DATE: 12/10/21

CITY OF KEWANEE  
V E N D O R   I N V O I C E   R E G I S T E R  
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SYS TIME: 14:55  
[NR1WIN]  
[G/L DATE: 12/10/21]  
PAGE   3

TERM DATE: 12/10/21

INVOICE #	VEND #	NAME	REFERENCE	TR CODE	TR DATE	DATE DUE	AMOUNT		
=====									
D11212021	NEW09	NEWTON, KEVIN							
				BI	11/21/21	12/13/21	102.96		
	PRINTED CHECK # 60746	ON 12/01/21	PAID:	102.96					
			SEQ	G/L ACCT	DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			2	01-41-473	CLOTHING	102.96			
			M	01-00-114.00	MANUAL POSTING		102.96		
						-----	-----		
						102.96	102.96		
PAY # 2	POR05	PORTER BROTHERS ASPHALT & SEALING INC							
				BI	12/06/21	12/13/21	83291.35		
	MANUAL CHECK # 1092	ON 12/06/21	PAID:	83291.35					
			SEQ	G/L ACCT	DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			2	15-41-514	MFT FUNDS	83291.35			
			M	15-00-114	MANUAL POSTING		83291.35		
						-----	-----		
						83291.35	83291.35		
NOV-2021	PRO16	PROFESSIONAL BILLING SERVICES OF IL INC							
				BI	12/09/21	12/13/21	2453.48		
	MANUAL CHECK # 222	ON 12/10/21	PAID:	2453.48					
			SEQ	G/L ACCT	DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			2	01-22-579	NOV 21 COMMISSION	2453.48			
			M	01-00-114.3	MANUAL POSTING		2453.48		
						-----	-----		
						2453.48	2453.48		
210799	SIS01	SISCO							
				BI	12/01/21	12/13/21	485.05		
	MANUAL CHECK # ACH 1215	ON 12/09/21	PAID:	485.05					
			SEQ	G/L ACCT	DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			2	74-14-451	DEANTL ADMIN	315.25			
			3	74-14-451	VISION ADMIN	145.50			
			4	74-14-451	ID CARDS	24.30			
			M	74-00-114	MANUAL POSTING		485.05		
						-----	-----		
						485.05	485.05		
D11192021	SIS01	SISCO							
				BI	11/19/21	12/13/21	1400.60		
	MANUAL CHECK # ACH 1126	ON 12/09/21	PAID:	1400.60					
			SEQ	G/L ACCT	DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			2	74-14-451	DENTAL/VISION CLA	1400.60			
			M	74-00-114	MANUAL POSTING		1400.60		
						-----	-----		
						1400.60	1400.60		

SYS DATE: 12/10/21

CITY OF KEWANEE  
V E N D O R   I N V O I C E   R E G I S T E R  
REGISTER # 593  
Friday December 10, 2021

SYS TIME: 14:55

[NR1WIN]

[G/L DATE: 12/10/21]

PAGE 4

TERM DATE: 12/10/21

INVOICE #	VEND #	NAME	REFERENCE	TR CODE	TR DATE	DATE DUE	AMOUNT			
D11242021	SIS01	SISCO								
				BI	11/24/21	12/13/21	2013.08			
		MANUAL CHECK # ACH 1201 ON 12/09/21	PAID:	2013.08						
			SEQ	G/L ACCT	DESCRIPTION	DEBIT	CREDIT	PROJECT #		
			2	74-14-451	DENTAL/ VISION CL	2013.08				
			M	74-00-114	MANUAL POSTING		2013.08			
						-----	-----			
						2013.08	2013.08			
D11012021	CITY	VIS05 STATE BANK OF TOULON - VISA								
				BI	11/25/21	12/13/21	467.97			
		MANUAL CHECK # ACH 1125 ON 12/09/21	PAID:	467.97						
			SEQ	G/L ACCT	DESCRIPTION	DEBIT	CREDIT	PROJECT #		
			2	01-22-655	GAS`	12.00				
			3	01-22-471	PANTHER	363.65				
			4	01-11-929	INTEREST/FEE	92.32				
			M	01-00-114.00	MANUAL POSTING		467.97			
						-----	-----			
						467.97	467.97			
D11012021	GB	VIS05 STATE BANK OF TOULON - VISA								
				BI	11/25/21	12/13/21	138.75			
		MANUAL CHECK # ACH 1125 ON 12/09/21	PAID:	138.75						
			SEQ	G/L ACCT	DESCRIPTION	DEBIT	CREDIT	PROJECT #		
			2	01-11-537	ABOBE	138.75				
			M	01-00-114.00	MANUAL POSTING		138.75			
						-----	-----			
						138.75	138.75			
D11012021	KE	VIS05 STATE BANK OF TOULON - VISA								
				BI	11/25/21	12/13/21	66.75			
		MANUAL CHECK # ACH 1125 ON 12/09/21	PAID:	66.75						
			SEQ	G/L ACCT	DESCRIPTION	DEBIT	CREDIT	PROJECT #		
			2	01-65-652	B&B	22.50				
			3	01-11-929	INTEREST/FEE	44.25				
			M	01-00-114.00	MANUAL POSTING		66.75			
						-----	-----			
						66.75	66.75			
D11012021	KN	VIS05 STATE BANK OF TOULON - VISA								
				BI	11/25/21	12/13/21	226.19			
		MANUAL CHECK # ACH 1125 ON 12/09/21	PAID:	226.19						
			SEQ	G/L ACCT	DESCRIPTION	DEBIT	CREDIT	PROJECT #		
			2	01-41-473	CLOTHING	226.19				
			M	01-00-114.00	MANUAL POSTING		226.19			
						-----	-----			
						226.19	226.19			

SYS DATE: 12/10/21

CITY OF KEWANEE  
V E N D O R   I N V O I C E   R E G I S T E R  
REGISTER # 593  
Friday December 10, 2021

SYS TIME: 14:55

[NR1WIN]

[G/L DATE: 12/10/21]

PAGE 5

TERM DATE: 12/10/21

INVOICE #	VEND #	NAME	REFERENCE	TR CODE	TR DATE	DATE DUE	AMOUNT		
=====									
D11012021	KS	VIS05	STATE BANK OF TOULON - VISA						
				BI	11/25/21	12/13/21			
			MANUAL CHECK # ACH 1125 ON 12/09/21	PAID:	78.57		78.57		
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			2 01-11-929		FEE/INTEREST	78.57			
			M 01-00-114.00		MANUAL POSTING		78.57		
						-----	-----		
						78.57	78.57		
D11012021	NW	VIS05	STATE BANK OF TOULON - VISA						
				BI	11/25/21	12/13/21			
			MANUAL CHECK # ACH 1125 ON 12/09/21	PAID:	1593.58		1593.58		
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			2 01-21-652		TECH FORENSICS	87.50			
			3 01-21-552		POSTAGE	14.75			
			4 01-11-929		FEE/INTEREST	82.40			
			5 01-21-830		TOUGHBOOK	1393.00			
			6 01-21-537		ADOBE	15.93			
			M 01-00-114.00		MANUAL POSTING		1593.58		
						-----	-----		
						1593.58	1593.58		
D11012021	PARKS	VIS05	STATE BANK OF TOULON - VISA						
				BI	11/25/21	12/13/21			
			MANUAL CHECK # ACH 1125 ON 12/09/21	PAID:	77.91		77.91		
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			2 01-52-652		SEASONAL LUNCH	77.91			
			M 01-00-114.00		MANUAL POSTING		77.91		
						-----	-----		
						77.91	77.91		
D11012021	RJ	VIS05	STATE BANK OF TOULON - VISA						
				BI	11/25/21	12/13/21			
			MANUAL CHECK # ACH 1125 ON 12/09/21	PAID:	1241.00		1241.00		
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			2 01-11-541		ILL FIRE COMM	375.00			
			3 01-11-929		FEE/INTEREST	62.46			
			4 02-61-913		DOC LUNCH	803.54			
			M 01-00-114.00		MANUAL POSTING		1241.00		
						-----	-----		
						1241.00	1241.00		
D11012021	SW	VIS05	STATE BANK OF TOULON - VISA						
				BI	11/01/21	11/01/21			
			MANUAL CHECK # ACH 1125 ON 12/09/21	PAID:	525.00		525.00		
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			2 01-22-563		ILL FIRE ASSN	225.00			



SYS DATE: 12/10/21

CITY OF KEWANEE  
V E N D O R   I N V O I C E   R E G I S T E R  
REGISTER # 593  
Friday December 10, 2021

SYS TIME: 14:55  
[NR1WIN]  
[G/L DATE: 12/10/21]  
PAGE 6

TERM DATE: 12/10/21

INVOICE #	VEND #	NAME	REFERENCE	TR CODE	TR DATE	DATE DUE	AMOUNT
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D11012021 SW VIS05 (CONTINUED)

SEQ	G/L ACCT	DESCRIPTION	DEBIT	CREDIT	PROJECT #
3	01-22-561	NREMT EXAM	300.00		
M	01-00-114.00	MANUAL POSTING		525.00	
			525.00	525.00	

D11012021 VBK VIS05 STATE BANK OF TOULON - VISA

MANUAL CHECK # ACH 1125 ON 12/09/21 PAID: BI 11/25/21 12/13/21 471.34 471.34

SEQ	G/L ACCT	DESCRIPTION	DEBIT	CREDIT	PROJECT #
2	62-45-613	ST33	429.33		
3	01-11-929	FEE/INTEREST	42.01		
M	01-00-114.00	MANUAL POSTING		471.34	
			471.34	471.34	

D11242021 WEL02 WELGAT, NICHOLAS

PRINTED CHECK # 60739 ON 11/29/21 PAID: BI 11/24/21 12/13/21 105.28 105.28

SEQ	G/L ACCT	DESCRIPTION	DEBIT	CREDIT	PROJECT #
2	01-21-562	MILEAGE REIMBURSE	105.28		
M	01-00-114.00	MANUAL POSTING		105.28	
			105.28	105.28	

TOTAL NUMBER OF TRANSACTIONS: 27

TOTAL AMOUNT DUE ..... 170313.07

TOTAL DEBITS ..... 170313.07

TOTAL CREDITS .... 170313.07

TOTAL OPEN INVOICE AMOUNT ... .00

TOTAL MANUAL CHECK AMOUNT ... 94880.62

TOTAL PRINTED CHECK AMOUNT .. 75432.45

SYS DATE: 12/10/21

CITY OF KEWANEE  
V E N D O R   I N V O I C E   R E G I S T E R  
REGISTER # 593  
Friday December 10, 2021

SYS TIME: 14:54  
[NR1WIN]

TERM DATE: 12/10/21

PAGE 1

INVOICE #	VEND #	NAME	REFERENCE	TR CODE	TR DATE	DATE DUE			AMOUNT
500186894	1-800	1-800-RADIATOR & A/C		BI	12/02/21	12/13/21			59.00
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			59.00	
			2 62-45-612		CAR 8		59.00		
							-----	-----	
							59.00	59.00	
53890525	1-800	1-800-RADIATOR & A/C		BI	11/29/21	12/13/21			202.00
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			202.00	
			2 62-45-613		CAR 2		202.00		
							-----	-----	
							202.00	202.00	
53891965	1-800	1-800-RADIATOR & A/C		BI	12/01/21	12/13/21			202.00
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			202.00	
			2 62-45-613		CAR 8		202.00		
							-----	-----	
							202.00	202.00	
D10242021	AEP00	AEP ENERGY		BI	10/24/21	12/13/21			63.35
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			63.35	
			2 01-52-571		PARK PEDASTALS		63.35		
							-----	-----	
							63.35	63.35	
D10252021	AEP00	AEP ENERGY		BI	10/25/21	12/13/21			21.92
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			21.92	
			2 01-21-539		ANIMAL FACILTY		21.92		
							-----	-----	
							21.92	21.92	
0071855-IN	ALE00	ALEXIS FIRE EQUIP CO		BI	11/17/21	12/13/21			160.00
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			160.00	
			2 01-22-830		R CLARK BOOTS		160.00		
							-----	-----	
							160.00	160.00	
EAG01	ALT00	ALTORFER INC		BI	12/01/21	12/13/21			1872.00
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			1872.00	
			2 57-44-583		RECYCLING		1872.00		
							-----	-----	
							1872.00	1872.00	

SYS DATE: 12/10/21

CITY OF KEWANEE  
V E N D O R   I N V O I C E   R E G I S T E R  
REGISTER # 593  
Friday December 10, 2021

SYS TIME: 14:54  
[NR1WIN]

TERM DATE: 12/10/21

PAGE 2

INVOICE #	VEND #	NAME	REFERENCE	TR CODE	TR DATE	DATE DUE	AMOUNT		
=====									
D11292021	AME29	AMEREN ILLINOIS		BI	11/29/21	12/13/21	109.47		
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			109.47	
			2 01-21-539		POUND		109.47		
							-----	-----	
							109.47	109.47	
2644748437	AUT03	AUTO ZONE		BI	11/22/21	12/13/21	92.33		
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			92.33	
			2 62-45-612		SCU 590		92.33		
							-----	-----	
							92.33	92.33	
2644748829	AUT03	AUTO ZONE		BI	11/23/21	12/13/21	5.69		
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			5.69	
			2 62-45-612		SCU 590		5.69		
							-----	-----	
							5.69	5.69	
39972	AUT01	AUTOMOTIVE ELECTRIC OF KEWANEE		BI	11/24/21	12/13/21	268.00		
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			268.00	
			2 62-45-612		CAT FORKLIFT		268.00		
							-----	-----	
							268.00	268.00	
293202	B&B01	B & B LAWN EQUIPMENT & CYCLERY		BI	11/29/21	12/13/21	33.31		
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			33.31	
			2 62-45-612		ST CONCRETE SAW		33.31		
							-----	-----	
							33.31	33.31	
CAR 12092021	BAK04	BAKER, TYRONE		BI	12/09/21	12/13/21	200.00		
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			200.00	
			2 01-11-472		CAR ALLOWANCE		200.00		
							-----	-----	
							200.00	200.00	
93	BAR06	BARASH & EVERETT, LLC		BI	10/06/21	12/13/21	7067.70		
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			7067.70	
			2 21-11-533		NOV RETAINER		6250.00		
			3 21-11-533		ADDITIONAL FEES		817.70		
							-----	-----	
							7067.70	7067.70	

SYS DATE: 12/10/21

CITY OF KEWANEE  
V E N D O R   I N V O I C E   R E G I S T E R  
REGISTER # 593  
Friday December 10, 2021

SYS TIME: 14:54  
[NR1WIN]

TERM DATE: 12/10/21

PAGE 3

INVOICE #	VEND #	NAME	REFERENCE	TR CODE	TR DATE	DATE DUE	AMOUNT		
1080	BRE00	BREEDLOVE'S SPORTING GOODS		BI	11/23/21	12/13/21	24.00		
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT		24.00		
			2 01-22-473		BRUNSON/CLARK	24.00			
						24.00	24.00		
42731	BRE00	BREEDLOVE'S SPORTING GOODS		BI	11/22/21	12/13/21	12.00		
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT		12.00		
			2 01-21-471		MOCK	12.00			
						12.00	12.00		
D12082021 CH	CAM07	CAMBRIDGE TELCOM SERVICES INC		BI	12/08/21	12/13/21	183.50		
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT		183.50		
			2 01-22-537		CITY HALL FIBER	183.50			
						183.50	183.50		
D12082021 PD	CAM07	CAMBRIDGE TELCOM SERVICES INC		BI	12/08/21	12/13/21	275.00		
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT		275.00		
			2 01-21-552		POLICE FIBER	275.00			
						275.00	275.00		
INVUS236486	CEL01	CELLEBRITE INC		BI	11/29/21	12/13/21	4300.00		
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT		4300.00		
			2 01-21-159.7		SOFTWARE LICENSE	2444.40			
			3 01-21-552		SOFTWARE LICENSE	1855.60			
						4300.00	4300.00		
D11302021	CIN00	CINTAS COPORATION #0342 0342		BI	11/30/21	12/13/21	180.08		
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT		180.08		
			2 62-45-471		UNIFORMS	180.08			
						180.08	180.08		
3077603	CLI02	CLIFTONLARSONALLEN LLP		BI	11/23/21	12/13/21	5250.00		
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT		5250.00		
			2 01-11-531		FY 21 AUDIT PROGR	5000.00			
			3 01-11-531		TECH SUPPORT	250.00			
						5250.00	5250.00		

SYS DATE: 12/10/21

CITY OF KEWANEE  
V E N D O R   I N V O I C E   R E G I S T E R  
REGISTER # 593  
Friday December 10, 2021

SYS TIME: 14:54  
[NR1WIN]

TERM DATE: 12/10/21

PAGE 4

INVOICE #	VEND #	NAME	REFERENCE	TR CODE	TR DATE	DATE DUE	AMOUNT
CAR 12092021	COL18	COLOMER, CHRIS		BI	12/09/21	12/13/21	200.00
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT PROJECT #
			1		INVOICE AMOUNT		200.00
			2 01-11-472		CAR ALLOWANCE	200.00	
						-----	
						200.00	200.00
263056	COL14	COLWELL, BRENT		BI	11/23/21	12/13/21	50.00
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT PROJECT #
			1		INVOICE AMOUNT		50.00
			2 02-61-549		ELECTRICAL INSPEC	50.00	
						-----	
						50.00	50.00
263057	COL14	COLWELL, BRENT		BI	11/22/21	12/13/21	50.00
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT PROJECT #
			1		INVOICE AMOUNT		50.00
			2 02-61-549		ELECTRICAL INSPEC	50.00	
						-----	
						50.00	50.00
263058	COL14	COLWELL, BRENT		BI	11/23/21	12/13/21	25.00
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT PROJECT #
			1		INVOICE AMOUNT		25.00
			2 02-61-549		ELECTRICAL INSPEC	25.00	
						-----	
						25.00	25.00
263059	COL14	COLWELL, BRENT		BI	11/24/21	12/13/21	50.00
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT PROJECT #
			1		INVOICE AMOUNT		50.00
			2 02-61-549		ELECTRICAL INSPEC	50.00	
						-----	
						50.00	50.00
263060	COL14	COLWELL, BRENT		BI	11/30/21	12/13/21	50.00
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT PROJECT #
			1		INVOICE AMOUNT		50.00
			2 02-61-549		ELECTRICAL INSPEC	50.00	
						-----	
						50.00	50.00
263061	COL14	COLWELL, BRENT		BI	12/02/21	12/13/21	50.00
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT PROJECT #
			1		INVOICE AMOUNT		50.00
			2 02-61-549		ELECTRICAL INSPEC	50.00	
						-----	
						50.00	50.00

SYS DATE: 12/10/21

CITY OF KEWANEE  
V E N D O R   I N V O I C E   R E G I S T E R  
REGISTER # 593  
Friday December 10, 2021

SYS TIME: 14:54  
[NR1WIN]

TERM DATE: 12/10/21

PAGE 5

INVOICE #	VEND #	NAME	REFERENCE	TR CODE	TR DATE	DATE DUE			AMOUNT
D11262021	COM10	COMCAST CABLE		BI	11/26/21	12/13/21			118.40
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT		118.40		
			2 51-42-537		PW BLDG INTERNET	59.20			
			3 62-45-537		PW BLD INTERNET	59.20			
						-----	-----		
						118.40	118.40		
NWP11152021	COM10	COMCAST CABLE		BI	11/15/21	12/13/21			108.35
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT		108.35		
			2 51-93-552		VPN-NWTP	108.35			
						-----	-----		
						108.35	108.35		
WP 11152021	COM10	COMCAST CABLE		BI	11/15/21	12/13/21			88.40
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT		88.40		
			2 51-93-552		SWTP VPN	88.40			
						-----	-----		
						88.40	88.40		
P684580.00	COR07	CORE & MAIN LP		BI	09/28/21	12/13/21			3600.00
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT		3600.00		
			2 52-43-615		SEWER STOCK	3600.00			
						-----	-----		
						3600.00	3600.00		
P926448	COR07	CORE & MAIN LP		BI	11/15/21	12/13/21			3835.06
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT		3835.06		
			2 51-42-850		WATER DIV STOCK	3835.06			
						-----	-----		
						3835.06	3835.06		
P9291874	COR07	CORE & MAIN LP		BI	11/15/21	12/13/21			410.64
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT		410.64		
			2 52-43-615		SEWER PARTS	410.64			
						-----	-----		
						410.64	410.64		
D11282021	CUL01	CULLIGAN OF KEWANEE		BI	11/28/21	12/13/21			150.21
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT		150.21		
			2 51-93-619		WWTP LAB	150.21			
						-----	-----		
						150.21	150.21		

SYS DATE: 12/10/21

CITY OF KEWANEE  
V E N D O R   I N V O I C E   R E G I S T E R  
REGISTER # 593  
Friday December 10, 2021

SYS TIME: 14:54  
[NR1WIN]

TERM DATE: 12/10/21

PAGE 6

INVOICE #	VEND #	NAME	REFERENCE	TR CODE	TR DATE	DATE DUE	AMOUNT
52828	CUM04	CUMBERLAND SERVICECENTER INC.		BI	11/17/21	12/13/21	1085.91
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT PROJECT #
			1		INVOICE AMOUNT		1085.91
			2 62-45-613		A13 PARTS	1085.91	
						-----	
						1085.91	1085.91
52834	CUM04	CUMBERLAND SERVICECENTER INC.		BI	11/17/21	12/13/21	2156.82
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT PROJECT #
			1		INVOICE AMOUNT		2156.82
			2 62-45-613		A14/A13	2156.82	
						-----	
						2156.82	2156.82
52836	CUM04	CUMBERLAND SERVICECENTER INC.		BI	11/17/21	12/13/21	177.47
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT PROJECT #
			1		INVOICE AMOUNT		177.47
			2 62-45-613		A14	177.47	
						-----	
						177.47	177.47
10062	CYL00	CYLINDERS PLUS LLC		BI	11/16/21	12/13/21	487.44
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT PROJECT #
			1		INVOICE AMOUNT		487.44
			2 62-45-512		WWTP AG GRESSOR	487.44	
						-----	
						487.44	487.44
D12072021	DAN05	DANA, KIRK		BI	12/07/21	12/13/21	4750.00
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT PROJECT #
			1		INVOICE AMOUNT		4750.00
			2 01-65-595		209 EUSTIS ST	4750.00	
						-----	
						4750.00	4750.00
77211	EAG01	EAGLE ENTERPRISES RECYCLING INC		BI	10/22/21	12/13/21	43.20
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT PROJECT #
			1		INVOICE AMOUNT		43.20
			2 57-44-583		E WASTE	43.20	
						-----	
						43.20	43.20
100116520	EAS07	EASTERN IOWA TIRE, INC		BI	12/10/21	12/13/21	72.00
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT PROJECT #
			1		INVOICE AMOUNT		72.00
			2 62-45-612		W3 TIRE DISPOSAL	72.00	
						-----	
						72.00	72.00

SYS DATE: 12/10/21

CITY OF KEWANEE  
V E N D O R   I N V O I C E   R E G I S T E R  
REGISTER # 593  
Friday December 10, 2021

SYS TIME: 14:54  
[NR1WIN]

TERM DATE: 12/10/21

PAGE 7

INVOICE #	VEND #	NAME	REFERENCE	TR CODE	TR DATE	DATE DUE				AMOUNT
=====										
CAR 12092021	FAB00	FABER, STEVE		BI	12/09/21	12/13/21			200.00	
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT			200.00		
			2 01-11-472		CAR ALLOWANCE		200.00			
							-----	-----		
							200.00	200.00		
11192021	FRO00	FRONTIER COMMUNICATIONS CORPORATION		BI	11/19/21	12/13/21			784.45	
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT			784.45		
			2 01-41-552		PW		173.26			
			3 54-54-552		PARKS		41.76			
			4 01-11-552		F&A		221.54			
			5 01-22-552		FIRE		49.17			
			6 52-93-552		WWTP		124.88			
			7 57-44-552		SANITATION		48.89			
			8 51-93-552		WTP		52.21			
			9 01-21-552		POLICE		72.74			
							-----	-----		
							784.45	784.45		
D11192021	FRO00	FRONTIER COMMUNICATIONS CORPORATION		BI	11/19/21	12/13/21			361.48	
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT			361.48		
			2 01-21-552		POLICE LOCAL PHON		361.48			
							-----	-----		
							361.48	361.48		
CAR 12092021	GAR01	GARY MOORE		BI	12/09/21	12/13/21			200.00	
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT			200.00		
			2 01-11-472		CAR ALLOWANCE		200.00			
							-----	-----		
							200.00	200.00		
9036	GUS02	GUSTAFSON FORD		BI	11/10/21	12/13/21			66.47	
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT			66.47		
			2 62-45-613		ECOD-PWD77		66.47			
							-----	-----		
							66.47	66.47		
9060	GUS02	GUSTAFSON FORD		BI	11/18/21	12/13/21			7.81	
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT			7.81		
			2 62-45-613		K9 UTILITY		7.81			
							-----	-----		
							7.81	7.81		



SYS DATE: 12/10/21

CITY OF KEWANEE  
V E N D O R   I N V O I C E   R E G I S T E R  
REGISTER # 593  
Friday December 10, 2021

SYS TIME: 14:54  
[NR1WIN]

TERM DATE: 12/10/21

PAGE 8

INVOICE #	VEND #	NAME	REFERENCE	TR CODE	TR DATE	DATE DUE	AMOUNT		
=====									
9086	GUS02	GUSTAFSON FORD		BI	11/24/21	12/13/21	161.25		
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			161.25	
			2 62-45-613		CAR 3		161.25		
							-----	-----	
							161.25	161.25	
9092	GUS02	GUSTAFSON FORD		BI	11/29/21	12/13/21	9.04		
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			9.04	
			2 62-45-613		CAR3		9.04		
							-----	-----	
							9.04	9.04	
9097	GUS02	GUSTAFSON FORD		BI	11/30/21	12/13/21	7.46		
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			7.46	
			2 62-45-613		CAR2		7.46		
							-----	-----	
							7.46	7.46	
9116	GUS02	GUSTAFSON FORD		BI	12/02/21	12/13/21	9.22		
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			9.22	
			2 62-45-613		CAR8		9.22		
							-----	-----	
							9.22	9.22	
9117	GUS02	GUSTAFSON FORD		CM	12/02/21	12/13/21	7.46-		
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT		7.46-		
			2 62-45-613		CREDIT			7.46-	
							-----	-----	
							7.46-	7.46-	
9118	GUS02	GUSTAFSON FORD		BI	12/03/21	12/13/21	13.75		
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			13.75	
			2 62-45-613		CAR 8		13.75		
							-----	-----	
							13.75	13.75	
9122	GUS02	GUSTAFSON FORD		BI	12/03/21	12/13/21	4.61		
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			4.61	
			2 62-45-613		CAR8		4.61		
							-----	-----	
							4.61	4.61	

SYS DATE: 12/10/21

CITY OF KEWANEE  
V E N D O R   I N V O I C E   R E G I S T E R  
REGISTER # 593  
Friday December 10, 2021

SYS TIME: 14:54  
[NR1WIN]

TERM DATE: 12/10/21

PAGE 9

INVOICE #	VEND #	NAME	REFERENCE	TR CODE	TR DATE	DATE DUE	AMOUNT		
=====									
K64470	GUS02	GUSTAFSON FORD		BI	11/22/21	12/13/21	19.40		
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			19.40	
			2 62-45-513		CAR1		19.40		
							-----	-----	
							19.40	19.40	
6101	HAY00	HAYES, RAY JR		BI	11/19/21	12/13/21	140.00		
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			140.00	
			2 52-43-515		PUSH SPOILS		140.00		
							-----	-----	
							140.00	140.00	
106	HEN02	HENRY COUNTY HUMANE SOCIETY		BI	12/07/21	12/13/21	2500.00		
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			2500.00	
			2 01-21-539		POUND CARE		2500.00		
							-----	-----	
							2500.00	2500.00	
59213	HOD00	HODGE'S 66 INC		BI	11/16/21	12/13/21	2757.32		
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			2757.32	
			2 62-45-513		ST9		2757.32		
							-----	-----	
							2757.32	2757.32	
59352	HOD00	HODGE'S 66 INC		BI	12/02/21	12/13/21	2307.01		
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			2307.01	
			2 62-45-513		ST 9		2307.01		
							-----	-----	
							2307.01	2307.01	
59367	HOD00	HODGE'S 66 INC		BI	11/19/21	12/13/21	45.90		
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			45.90	
			2 62-45-513		ST 9		45.90		
							-----	-----	
							45.90	45.90	
T22208652	COM06	IDOIT - COMMUNICATIONS REVOLVING FUND		BI	11/15/21	12/13/21	316.70		
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			316.70	
			2 01-21-552		LEADS LINE		316.70		
							-----	-----	
							316.70	316.70	

SYS DATE: 12/10/21

CITY OF KEWANEE  
V E N D O R   I N V O I C E   R E G I S T E R  
REGISTER # 593  
Friday December 10, 2021

SYS TIME: 14:54  
[NR1WIN]

TERM DATE: 12/10/21

PAGE 10

INVOICE #	VEND #	NAME	REFERENCE	TR CODE	TR DATE	DATE DUE	AMOUNT
9512	ILA00	IL ASSOC OF CHIEFS OF POLICE		BI	12/04/21	12/13/21	265.00
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT PROJECT #
			1		INVOICE AMOUNT		265.00
			2 01-21-561		MEMBERSHIP RENEWA	265.00	
						-----	
						265.00	265.00
D10012021	ILL57	ILLINOIS STATE POLICE		BI	10/01/21	12/13/21	56.50
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT PROJECT #
			1		INVOICE AMOUNT		56.50
			2 01-22-455		BRUNSON/CLARK	56.50	
						-----	
						56.50	56.50
D08232021	INT27	INTERIAL, SAUL		BI	08/23/21	12/13/21	2490.00
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT PROJECT #
			1		INVOICE AMOUNT		2490.00
			2 01-41-617		619 PLEASANT ST	2490.00	
						-----	
						2490.00	2490.00
C014071472:01	INT24	INTERSTATE POWER SYSTEMS, INC		BI	11/12/21	12/13/21	339.90
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT PROJECT #
			1		INVOICE AMOUNT		339.90
			2 62-45-613		ST 9 /STOCK	339.90	
						-----	
						339.90	339.90
R014080797:01	INT24	INTERSTATE POWER SYSTEMS, INC		BI	11/15/21	12/13/21	4278.09
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT PROJECT #
			1		INVOICE AMOUNT		4278.09
			2 62-45-512		ST 9	4278.09	
						-----	
						4278.09	4278.09
D11272021	KEL11	KELLEY, ELIZABETH		BI	11/27/21	12/13/21	27.90
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT PROJECT #
			1		INVOICE AMOUNT		27.90
			2 01-11-471		CLOTHING	27.90	
						-----	
						27.90	27.90
D121321	KEW11	KEWANEE COMMUNITY UNIT SCHOOLS		BI	12/01/21	12/13/21	12000.00
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT PROJECT #
			1		INVOICE AMOUNT		12000.00
			2 44-84D-929		IGA KUSD TIF	12000.00	
						-----	
						12000.00	12000.00

SYS DATE: 12/10/21

CITY OF KEWANEE  
V E N D O R   I N V O I C E   R E G I S T E R  
REGISTER # 593  
Friday December 10, 2021

SYS TIME: 14:54  
[NR1WIN]

TERM DATE: 12/10/21

PAGE 11

INVOICE #	VEND #	NAME	REFERENCE	TR CODE	TR DATE	DATE DUE	AMOUNT
FY21-22	KEW01	KEWANEE ECONOMIC DEVELOPMENT CORPORATION					
			BI	10/21/21	12/13/21		15000.00
			SEQ	G/L ACCT	DESCRIPTION	DEBIT	CREDIT PROJECT #
			1		INVOICE AMOUNT		15000.00
			2	02-61-913	1/2 ANNUAL CONTRI	15000.00	
						-----	
						15000.00	15000.00
19985	KEW65	KEWANEE GROUP					
			BI	11/30/21	12/13/21		1532.30
			SEQ	G/L ACCT	DESCRIPTION	DEBIT	CREDIT PROJECT #
			1		INVOICE AMOUNT		1532.30
			2	01-65-595	DEMO NOTICES	1532.30	
						-----	
						1532.30	1532.30
19985.0	KEW65	KEWANEE GROUP					
			BI	11/24/21	12/13/21		133.30
			SEQ	G/L ACCT	DESCRIPTION	DEBIT	CREDIT PROJECT #
			1		INVOICE AMOUNT		133.30
			2	01-65-595	DEMO BIDS	133.30	
						-----	
						133.30	133.30
2020-3	KEW59	KEWANEE POLICE PENSION FUND					
			BI	11/24/21	12/13/21		33189.91
			SEQ	G/L ACCT	DESCRIPTION	DEBIT	CREDIT PROJECT #
			1		INVOICE AMOUNT		33189.91
			2	72-14-462	3RD DIST PROP TAX	33189.91	
						-----	
						33189.91	33189.91
D11302021	KEW60	KEWANEE ROTARY CLUB FOUNDATION					
			BI	11/30/21	12/13/21		50.00
			SEQ	G/L ACCT	DESCRIPTION	DEBIT	CREDIT PROJECT #
			1		INVOICE AMOUNT		50.00
			2	01-11-562	MEALS	50.00	
						-----	
						50.00	50.00
CAR 12092021	KOM00	KOMNICK, JACQUE					
			BI	12/09/21	12/13/21		200.00
			SEQ	G/L ACCT	DESCRIPTION	DEBIT	CREDIT PROJECT #
			1		INVOICE AMOUNT		200.00
			2	01-11-472	CAR ALLOWANCE	200.00	
						-----	
						200.00	200.00
PPE071721	LIB00	LIBERTY NATIONAL LIFE INSURANCE COMPANY					
			BI	07/23/21	12/13/21		2.98
			SEQ	G/L ACCT	DESCRIPTION	DEBIT	CREDIT PROJECT #
			1		INVOICE AMOUNT		2.98
			2	01-00-219	A RUSHING PPE 071	2.98	
						-----	
						2.98	2.98

SYS DATE: 12/10/21

CITY OF KEWANEE  
V E N D O R   I N V O I C E   R E G I S T E R  
REGISTER # 593  
Friday December 10, 2021

SYS TIME: 14:54  
[NR1WIN]

TERM DATE: 12/10/21

PAGE 12

INVOICE #	VEND #	NAME	REFERENCE	TR CODE	TR DATE	DATE DUE			AMOUNT
D12132021	MCK00	MCKESSON MEDICAL SURGICAL		BI	12/13/21	12/13/21			2762.13
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT		2762.13		
			2 01-22-612		MED SUPPLIES	2739.57			
			3 01-22-929		FINANCE CHARGE	22.56			
						-----	-----		
						2762.13	2762.13		
132276	MED04	MED-TECH RESOURCE LLC		BI	11/15/21	12/13/21			416.31
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT		416.31		
			2 01-22-513		MED SUPPLIES	416.31			
						-----	-----		
						416.31	416.31		
132365	MED04	MED-TECH RESOURCE LLC		BI	11/19/21	12/13/21			130.37
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT		130.37		
			2 01-22-612		MED SUPPLIES	130.37			
						-----	-----		
						130.37	130.37		
70163963	MIC09	MICHLIG ENERGY LTD		BI	11/19/21	12/13/21			350.47
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT		350.47		
			2 58-36-655		CEMETERY GAS	350.47			
						-----	-----		
						350.47	350.47		
D121021	MIC09	MICHLIG ENERGY LTD		BI	12/10/21	12/13/21			10486.66
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT		10486.66		
			2 01-41-655		PW	731.48			
			3 51-42-655		WATER	904.82			
			4 52-43-655		SEWER	54.34			
			5 52-93-655		WWTP	45.28			
			6 01-22-655		FIRE	170.81			
			7 01-21-655		POLICE	2214.46			
			8 52-43-655		ENGINEERING	76.24			
			9 01-65-655		COMM DEV	105.94			
			10 01-41-655		PW	1038.38			
			11 51-42-655		WATER	192.10			
			12 57-44-655		SANITATION	3593.17			
			13 01-22-655		FIRE	1359.64			
						-----	-----		
						10486.66	10486.66		
2429733-00	MID20	MIDWEST WHEEL COMPANIES INC		BI	12/03/21	12/13/21			85.43
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT		85.43		

SYS DATE: 12/10/21

CITY OF KEWANEE  
V E N D O R   I N V O I C E   R E G I S T E R  
REGISTER # 593  
Friday December 10, 2021

SYS TIME: 14:54  
[NR1WIN]

TERM DATE: 12/10/21

PAGE 13

INVOICE #	VEND #	NAME	REFERENCE	TR CODE	TR DATE	DATE DUE			AMOUNT
2429733-00	MID20	(CONTINUED)							
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			2 62-45-613		KAUFMAN TRAILER	85.43			
						-----	-----		
						85.43	85.43		
2610847-00	MID20	MIDWEST WHEEL COMPANIES INC		BI	11/22/21	12/13/21			253.00
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT	253.00	253.00		
			2 62-45-613		STOCK	-----	-----		
						253.00	253.00		
2614638-00	MID20	MIDWEST WHEEL COMPANIES INC		CM	11/29/21	12/13/21			67.00-
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT	67.00-			
			2 62-45-613		CREDIT	-----	67.00-		
						67.00-	67.00-		
18497	MIR00	MIROCHA'S AUTO SERVICE INC		BI	11/22/21	12/13/21			75.00
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT	75.00	75.00		
			2 62-45-512		FIRE SUV	-----	-----		
						75.00	75.00		
18671	MIR00	MIROCHA'S AUTO SERVICE INC		BI	11/02/21	12/13/21			85.00
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT	85.00	85.00		
			2 62-45-513		W54	-----	-----		
						85.00	85.00		
18718	MIR00	MIROCHA'S AUTO SERVICE INC		BI	11/29/21	12/13/21			269.11
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT	269.11	269.11		
			2 62-45-513		CAR3	-----	-----		
						269.11	269.11		
18734	MIR00	MIROCHA'S AUTO SERVICE INC		BI	12/03/21	12/13/21			116.97
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT	116.97	116.97		
			2 62-45-513		CAR 8	-----	-----		
						116.97	116.97		

SYS DATE: 12/10/21

CITY OF KEWANEE  
V E N D O R   I N V O I C E   R E G I S T E R  
REGISTER # 593  
Friday December 10, 2021

SYS TIME: 14:54  
[NR1WIN]

TERM DATE: 12/10/21

PAGE 14

INVOICE #	VEND #	NAME	REFERENCE	TR CODE	TR DATE	DATE DUE	AMOUNT		
=====									
K63157	MO009	MOORE TIRES KEWANEE		BI	11/19/21	12/13/21			367.92
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			367.92	
			2 58-36-612		GATOR TIRES		367.92		
							-----	-----	
							367.92	367.92	
K63725	MO009	MOORE TIRES KEWANEE		BI	11/12/21	12/13/21			675.80
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			675.80	
			2 62-45-513		PWD 77		675.80		
							-----	-----	
							675.80	675.80	
K63753	MO009	MOORE TIRES KEWANEE		BI	11/10/21	12/13/21			49.96
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			49.96	
			2 62-45-512		ST 21		49.96		
							-----	-----	
							49.96	49.96	
K63754	MO009	MOORE TIRES KEWANEE		BI	11/22/21	12/13/21			485.72
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			485.72	
			2 62-45-513		SCU590		485.72		
							-----	-----	
							485.72	485.72	
K64227	MO009	MOORE TIRES KEWANEE		BI	11/17/21	12/13/21			26.21
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			26.21	
			2 62-45-513		K9 UNIT		26.21		
							-----	-----	
							26.21	26.21	
K64458	MO009	MOORE TIRES KEWANEE		BI	11/22/21	12/13/21			50.46
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			50.46	
			2 01-52-612		FERRIR TIRES		50.46		
							-----	-----	
							50.46	50.46	
K64520	MO009	MOORE TIRES KEWANEE		BI	11/23/21	12/13/21			41.78
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			41.78	
			2 62-45-513		ST 21		41.78		
							-----	-----	
							41.78	41.78	

SYS DATE: 12/10/21

CITY OF KEWANEE  
V E N D O R   I N V O I C E   R E G I S T E R  
REGISTER # 593  
Friday December 10, 2021

SYS TIME: 14:54  
[NR1WIN]

TERM DATE: 12/10/21

PAGE 15

INVOICE #	VEND #	NAME	REFERENCE	TR CODE	TR DATE	DATE DUE	AMOUNT		
=====									
K64699	MOO09	MOORE TIRES KEWANEE		BI	11/29/21	12/13/21	40.96		
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			40.96	
			2 62-45-513		CAR 8		40.96		
							-----	-----	
							40.96	40.96	
205632	MOT05	MOTOR CITY CHEVROLET-BUICK-GMC		BI	11/16/21	12/13/21	53.90		
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			53.90	
			2 62-45-613		1K-16C		53.90		
							-----	-----	
							53.90	53.90	
1143-483502	O'R00	O'REILLY AUTOMOTIVE STORES, INC		BI	11/23/21	12/13/21	6.59		
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			6.59	
			2 62-45-512		FORKLIFT		6.59		
							-----	-----	
							6.59	6.59	
1143-483519	O'R00	O'REILLY AUTOMOTIVE STORES, INC		BI	11/23/21	12/13/21	24.83		
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			24.83	
			2 62-45-612		CAR3		24.83		
							-----	-----	
							24.83	24.83	
1143-483550	O'R00	O'REILLY AUTOMOTIVE STORES, INC		BI	11/23/21	12/13/21	72.14		
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			72.14	
			2 62-45-612		ST 29		72.14		
							-----	-----	
							72.14	72.14	
IN240325	OFF01	OFFICE MACHINE CONSULTANTS INC		BI	12/02/21	12/13/21	9.21		
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			9.21	
			2 01-22-537		COPIER		9.21		
							-----	-----	
							9.21	9.21	
5300540 RI	S&S01	S&S INDUSTRIAL SUPPLY		BI	11/03/21	12/13/21	7.50		
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			7.50	
			2 62-45-652		SHOP SUPPLIES		7.50		
							-----	-----	
							7.50	7.50	



SYS DATE: 12/10/21

CITY OF KEWANEE  
V E N D O R   I N V O I C E   R E G I S T E R  
REGISTER # 593  
Friday December 10, 2021

SYS TIME: 14:54  
[NR1WIN]

TERM DATE: 12/10/21

PAGE 16

INVOICE #	VEND #	NAME	REFERENCE	TR CODE	TR DATE	DATE DUE	AMOUNT		
=====									
5301224	RI	S&S01 S&S INDUSTRIAL SUPPLY		BI	11/04/21	12/13/21	152.52		
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			152.52	
			2 62-45-652		SHOP SUPPLIES		152.52		
							-----	-----	
							152.52	152.52	
5306958	RI	S&S01 S&S INDUSTRIAL SUPPLY		BI	11/17/21	12/13/21	152.52		
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			152.52	
			2 62-45-652		SHOP SUPPLIES		152.52		
							-----	-----	
							152.52	152.52	
D11242021		SEC01 SECRETARY OF STATE		BI	11/24/21	12/13/21	10.00		
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			10.00	
			2 01-21-549		A SHRIVER NOTARY		10.00		
							-----	-----	
							10.00	10.00	
1010576316		STE17 STERICYCLE. INC		BI	12/01/21	12/13/21	19.00		
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			19.00	
			2 01-22-512		MEDICAL WASTE DIS		19.00		
							-----	-----	
							19.00	19.00	
10353		SUP08 SUPREME RADIO COMMUNICATIONS INC		BI	11/16/21	12/13/21	4796.25		
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			4796.25	
			2 01-21-556		MAINTENANCE		4796.25		
							-----	-----	
							4796.25	4796.25	
X203035104:01		HAW02 THOMPSON TRUCK & TRAILER, INC		BI	11/03/21	12/13/21	342.67		
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			342.67	
			2 62-45-613		W3		342.67		
							-----	-----	
							342.67	342.67	
X203035230:01		HAW02 THOMPSON TRUCK & TRAILER, INC		BI	11/18/21	12/13/21	150.95		
			SEQ G/L ACCT		DESCRIPTION		DEBIT	CREDIT	PROJECT #
			1		INVOICE AMOUNT			150.95	
			2 62-45-613		STOCK DEF		150.95		
							-----	-----	
							150.95	150.95	

SYS DATE: 12/10/21

CITY OF KEWANEE  
V E N D O R   I N V O I C E   R E G I S T E R  
REGISTER # 593  
Friday December 10, 2021

SYS TIME: 14:54  
[NR1WIN]

TERM DATE: 12/10/21

PAGE 17

INVOICE #	VEND #	NAME	REFERENCE	TR CODE	TR DATE	DATE DUE			AMOUNT
=====									
X2063035303:01	HAW02	THOMPSON TRUCK & TRAILER, INC		BI	11/30/21	12/13/21			729.60
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT		729.60		
			2 62-45-613		SANI 49	729.60			
						-----	-----		
						729.60	729.60		
0474734063	USC00	U.S. CELLULAR		BI	11/18/21	12/13/21			283.35
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT		283.35		
			2 58-36-552		CEMETERY	37.45			
			3 01-65-552		COMM DEV	56.51			
			4 58-36-552		FR WIFI	23.96			
			5 54-54-552		CEMETERY WIFI	23.96			
			6 57-44-552		SANITATION TABLET	13.96			
			7 62-45-552		FLEET	70.06			
			8 01-22-552		FIRE	57.45			
						-----	-----		
						283.35	283.35		
776383	USA01	USA BLUEBOOK		BI	10/29/21	12/13/21			284.39
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT		284.39		
			2 51-42-652		WATER DIV TESTS	284.39			
						-----	-----		
						284.39	284.39		
4338665	VAL01	VALLEY DISTRIBUTION CORP		BI	11/15/21	12/13/21			721.25
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT		721.25		
			2 62-45-613		CARS/TRUCK OIL	721.25			
						-----	-----		
						721.25	721.25		
9892775267	VER06	VERIZON WIRELESS		BI	11/13/21	12/13/21			503.86
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT		503.86		
			2 01-21-552		POLICE CELL	503.86			
						-----	-----		
						503.86	503.86		
5116	WES06	WESTRUM LEAK DETECTION INC		BI	11/03/21	12/13/21			5200.00
			SEQ G/L ACCT		DESCRIPTION	DEBIT	CREDIT	PROJECT #	
			1		INVOICE AMOUNT		5200.00		
			2 51-42-532		LEAK DETECTION	5200.00			
						-----	-----		
						5200.00	5200.00		
						-----	-----		
						.00	.00		

SYS DATE: 12/10/21

CITY OF KEWANEE  
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REGISTER # 593  
Friday December 10, 2021

SYS TIME: 14:54  
[NR1WIN]

TERM DATE: 12/10/21

PAGE 18

INVOICE #	VEND #	NAME	REFERENCE	TR CODE	TR DATE	DATE DUE	AMOUNT
=====							
TOTAL NUMBER OF TRANSACTIONS:			115				
TOTAL AMOUNT DUE .....			147833.33				
TOTAL DEBITS .....			147833.33				
TOTAL CREDITS ....			147833.33				
TOTAL OPEN INVOICE AMOUNT ...			147833.33				
TOTAL MANUAL CHECK AMOUNT ...			.00				
TOTAL PRINTED CHECK AMOUNT ..			.00				



197 Fisher Ave., Kewanee, IL. 61443

## **Animal Control Facility Census Report**

### **November 2021**

#### **DOGS**

Beginning Census November 1, 2021	0
Intake	8
Total	8
Return to Owner	6
Transfer to HCHS	1
Euthanized	0
Ending Census November 30, 2021	1

#### **CATS**

Beginning Census November 1, 2021	1
Intake Domestic	3
Intake Feral	1
Total	5
Return to Owner	0
Transfer to HCHS	5
Expired	0
Euthanized	0
Ending Census November 30, 2021	0

Submitted by: /s/ Mary Bergren

Henry County Humane Society- Kewanee Chapter

## Community Development EOM Violation Listing

From Date: 11/01/2021

To Date: 11/30/2021

File#	Owner Name	Street#	Pre-Direction	Street Name	Street Type	Phone#	Open Date	Violation Short Description	Violation Comments	How Received
21-000736	MCCLURE, PATRICIA J	416	EAST	MILL			11/01/2021	Littering	Sofa front yard. Get red sticker at city hall put by road for pick up thanks	Staff Initiated
21-000737	FRANTZEN, MICHAEL L EST	510	EAST	7TH	ST		11/01/2021	Littering	Trash pile in back yard and yard needs pick up. Thanks for your help in this matter.	Staff Initiated
21-000737	FRANTZEN, MICHAEL L EST	510	EAST	7TH	ST		11/01/2021	Storage and parking of vehicles and other personal property	Inop. No lic plates dodge truck.	Staff Initiated
21-000737	FRANTZEN, MICHAEL L EST	510	EAST	7TH	ST		11/01/2021	Littering	More trash around home	Staff Initiated
21-000738	LANE, NICHOLAS A	828		BEACH	ST		11/01/2021	Littering	Junk in trucks and by garage door	Staff Initiated
21-000741	JUOZUNAS, LAURA	624	NORTH	ELM			11/01/2021	Structure unfit for human occupancy		Staff Initiated
21-000741	JUOZUNAS, LAURA	624	NORTH	ELM			11/01/2021	Exterior Structure Property Areas, Sanitation		Staff Initiated
21-000741	JUOZUNAS, LAURA	624	NORTH	ELM			11/01/2021	Exterior Structure Property Areas, Weeds	Tall vegetation throughout the entire property	Staff Initiated
21-000741	JUOZUNAS, LAURA	624	NORTH	ELM			11/01/2021	Exterior Structure Property Areas, Accessory structures	Garage and fence in state of disrepair	Staff Initiated
21-	JUOZUNAS, LAURA	624	NORTH	ELM			11/01/2021	Exterior Structure,	Entire structure in dilapidated state.	Staff Initiated

000741								General		
21-000741	JUOZUNAS, LAURA	624	NORTH	ELM			11/01/2021	Exterior Structure, Unsafe Conditions	Structure not safe for entry	Staff Initiated
21-000741	JUOZUNAS, LAURA	624	NORTH	ELM			11/01/2021	Exterior Structure, Stairways, decks, porches and balconies	Porch roof failure	Staff Initiated
21-000741	JUOZUNAS, LAURA	624	NORTH	ELM			11/01/2021	Exterior Structure, Window, skylight and door frames	Missing and broken windows	Staff Initiated
21-000741	JUOZUNAS, LAURA	624	NORTH	ELM			11/01/2021	Exterior Structure, Glazing	Missing and broken windows	Staff Initiated
21-000741	JUOZUNAS, LAURA	624	NORTH	ELM			11/01/2021	Exterior Structure, Doors	Missing and broken entry doors	Staff Initiated
21-000741	JUOZUNAS, LAURA	624	NORTH	ELM			11/01/2021	Exterior Structure, Protective Treatment	Missing paint and/or siding	Staff Initiated
21-000741	JUOZUNAS, LAURA	624	NORTH	ELM			11/01/2021	Exterior Structure, Foundation Walls	Hole in North foundation wall. Unable to inspect entire foundation due to overgrowth.	Staff Initiated
21-000741	JUOZUNAS, LAURA	624	NORTH	ELM			11/01/2021	Exterior Structure, Roofs and drainage	Porch roof failure	Staff Initiated
21-000742	Peter Tanzillo	526		PLEASANT	ST		11/01/2021	Littering	Tire, computer monitor, television and other misc litter	Staff Initiated
21-000742	Peter Tanzillo	526		PLEASANT	ST		11/01/2021	Exterior Structure Property Areas, Weeds	Tall weeds and brush	Staff Initiated
21-	Peter Tanzillo	526		PLEASANT	ST		11/01/2021	Exterior	Open holes into building envelope at	Staff

000742								Structure, General	East side of house. Structure is lacking maintenance, becoming dilapidated and appears abandoned.	Initiated
21-000742	Peter Tanzillo	526		PLEASANT	ST		11/01/2021	Exterior Structure, Window, skylight and door frames	Window and door frames in poor condition	Staff Initiated
21-000742	Peter Tanzillo	526		PLEASANT	ST		11/01/2021	Exterior Structure, Glazing	Broken & missing windows	Staff Initiated
21-000742	Peter Tanzillo	526		PLEASANT	ST		11/01/2021	Exterior Structure, Protective Treatment	Areas of missing paint and/or siding.	Staff Initiated
21-000743	ADAMS, ANGEL V	1007		RAILROAD	AVE		11/02/2021	Storage and parking of vehicles and other personal property	Parking in front yard move to drive way.	Staff Initiated
21-000743	ADAMS, ANGEL V	1007		RAILROAD	AVE		11/02/2021	Littering	Yard needs a general pick up front and back. Thanks for your help in this matter.	Staff Initiated
21-000744	PIMENTEL, JORGE	227		EDWARDS	ST		11/04/2021	Littering	Chair needs red sticker for pickup from city hall.	Staff Initiated
21-000745	TAETS, PHYLLIS A	707	EAST	8TH	ST		11/04/2021	Littering	Chair needs red city sticker for pick up	Staff Initiated
21-000746	SMITH, THOMAS A	318	EAST	PROSPECT			11/04/2021	Littering	Total side porch and drive way clean up all the way to garage. Thanks for your help in cleaning this up.	Staff Initiated
21-000747	CURRENT OWNER	349	EAST	MILL	ST		11/04/2021	Littering	Chairs at road needs red sticker for pick up.	Staff Initiated
21-000748	HILL, JOHN M & CHERYL L	401		HOLLIS	ST		11/04/2021	Storage and parking of vehicles and	Parking in yard	Staff Initiated

								other personal property		
21- <a href="#">000749</a>	GARMS, LOUIS	624		COMMERCIAL			11/04/2021	Unsafe, Unsightly Structures	Missing windows, roofing, siding, etc.	Staff Initiated
21- <a href="#">000749</a>	GARMS, LOUIS	624		COMMERCIAL			11/04/2021	Structure unfit for human occupancy	House has been open and taking on water etc. Missing windows and roofing and overall maintenance is needed.	Staff Initiated
21- <a href="#">000749</a>	GARMS, LOUIS	624		COMMERCIAL			11/04/2021	Exterior Structure, General	House has been open and taking on water etc. Missing windows and roofing and overall maintenance is needed.	Staff Initiated
21- <a href="#">000749</a>	GARMS, LOUIS	624		COMMERCIAL			11/04/2021	Exterior Structure, Unsafe Conditions	House has been open and taking on water etc. Missing windows and roofing and overall maintenance is needed.	Staff Initiated
21- <a href="#">000749</a>	GARMS, LOUIS	624		COMMERCIAL			11/04/2021	Exterior Structure, Doors - Door Hardware	House has been open and taking on water etc. Missing windows and roofing and overall maintenance is needed.	Staff Initiated
21- <a href="#">000749</a>	GARMS, LOUIS	624		COMMERCIAL			11/04/2021	Exterior Structure, Windows	Missing windows	Staff Initiated
21- <a href="#">000749</a>	GARMS, LOUIS	624		COMMERCIAL			11/04/2021	Exterior Structure, Protective Treatment	Missing siding and/or paint	Staff Initiated
21- <a href="#">000749</a>	GARMS, LOUIS	624		COMMERCIAL			11/04/2021	Exterior Structure, Roofs and drainage	Structure has been without a water tight roof for many weeks.	Staff Initiated
21- <a href="#">000750</a>	HUMPHREY, NICHOLAS J & RANDI J	316	WEST	MCCLURE			11/04/2021	Certain Species Prohibited	Trim bush over side walk	Staff Initiated
21- <a href="#">000750</a>	HUMPHREY, NICHOLAS J & RANDI J	316	WEST	MCCLURE			11/04/2021	Prohibited Planting Areas	Trim bush over road	Staff Initiated



21-000750	HUMPHREY, NICHOLAS J & RANDI J	316	WEST	MCCLURE			11/04/2021	Restricted Planting Areas and Tree Spacing	Trim bush or cut down. Thanks for your help.	Staff Initiated
21-000751	MCDANIEL, DENISE M DOWNARD-	100	N	BURR	BLVD		11/05/2021	Littering	Remove trash bags at road.	Staff Initiated
21-000753	CURRENT OWNER	120	WEST	COLLEGE			11/05/2021	Littering	General yard clean up around home and back yard trash and junk on east side.	Staff Initiated
21-000754	HEB LLC,	214	EAST	2ND	ST		11/05/2021	Littering	Trash all over back yard	Staff Initiated
21-000755	SCHRANTZ, JOSEPH R	224		WILLARD	ST		11/12/2021	Storage and parking of vehicles and other personal property	Suv and boat needs to be parked in drive. Or hard surface. Thanks.	In Person
21-000756	FEUCHT, EARL	135		EDWARDS	ST		11/15/2021	Littering	Trash in front yard must be cleaned up .	Staff Initiated
21-000757	GRUSZECZKA, SHAUN P & AMBER M	410		ROSS	ST		11/15/2021	Littering	Trash and litter in yard. Let me know when done. Thanks	Staff Initiated
21-000758	WITTMAYER, CHRISTOPHER M	225	NORTH	BOSS			11/15/2021	Littering	Tv at street take to galva. Across from galva iron an metal.	Staff Initiated
21-000759	MORADO, IMELDA	1101		ROSEVIEW	AVE		11/17/2021	Littering	Bedding on fence	Staff Initiated
21-000760	LEWIS, JACQUELINE M	223		ELLIOTT	ST		11/17/2021	Littering	Junk on trailer and by garage.	Staff Initiated
21-000761	ROUNDS, LORI	213		ELLIOTT	ST		11/17/2021	Littering	Junk and litter by garage front porch and on north side of home. Needs a general clean up.	Staff Initiated
21-000762	PIANOWSKI, ALAN J & JUDITH A LTR	712	EAST	9TH	ST		11/18/2021	Littering	General back yard clean up. Thanks for your help.	Phone
21-	PETTY, CHAD M &	1105		ROSEVIEW	AVE		11/18/2021	Littering	Yard clean up needed.	Phone

[illegible]

21-000773	BISHOP, RICKELLE A	1224		ROSEVIEW	AVE		11/24/2021	Littering	Chair needs city sticker for pick up.	Staff Initiated
21-000774	KEWANEE PARTNERS LLC,	501		Cole			11/24/2021	Littering	Chair at street.	Staff Initiated
21-000775	STONE, DUSTIN K & AMETHYST A	125		LYLE			11/29/2021	Littering	2 piles of trash one in front and one in back.	Online
21-000776	BEN ENDRESS	1032		ZANG	AVE		11/29/2021	Littering	Trash at street and all over yard	Staff Initiated
21-000776	BEN ENDRESS	1032		ZANG	AVE		11/29/2021	Storage and parking of vehicles and other personal property	Parking in front yard. Must park on hard surface. Thanks.	Staff Initiated
21-000777	WHITCHER, ADAM R	918		ZANG	AVE		11/29/2021	Littering	Trash and litter in yard.	Staff Initiated
21-000778	Current Owner	349	EAST	MILL	ST		11/29/2021	Littering	Trash in back yard.	Staff Initiated





## Health - Building - Zoning

### Building Permits November 2021

Date	Bldg. Permit#	Permit Issued To	Job Address		
Job Descrip				Est Cost	Permit Fee
11/2/2021	B-21-188	Timothy Schaefer	105 Dodge		
Rebuilding new roof over existing roof and covering new front porch and existing back patio.				\$15,000.00	(\$104.00)
11/2/2021	B-21-189	Jose Lara Montes	334 Hollis		
Demolish existing garage, move existing shed to garage location, using 10 anchors (30" each),				\$5,000.00	(\$95.50)
11/3/2021	B-21-190	Shelli Sauer	621 Edwards		
Installing a 20' x 15' (300 sq ft total) shelter on a pre-existing cement slab next to shed behind				\$300.00	\$139.00
11/3/2021	B-21-191	James Peck	837 Page		
Construction of 16' x 16' (256 sq ft total) storage shed, typical wood construction on concrete				\$12,000.00	(\$69.50)
11/3/2021	B-21-192	Raymond Jacobs	241 Hillside		
Installing 12' x 19' (228 sq ft total) American Steel carport.				\$6,550.00	\$69.50
11/3/2021	B-21-193	Jim Themanson	123 W Division		
Construction of handicap ramp, less than 200 sq ft total (permit fees waived for Rebuilding T				\$2,500.00	(\$10.00)
11/9/2021	B-21-194	Ethan Peterson	1107 Holiday Ln		
Install 5' chain link fence on the SW side of the back yard.				\$1,000.00	\$20.00
11/9/2021	B-21-195	Jim Themanson	220 N Boss		
Construction of handicap ramp, less than 200 sq ft total (permit fees waived for Rebuilding T				\$1,000.00	
11/15/2021	B-21-196	Anthony Nyert	406 N East		
Construction of heavy timber garage, 42' x 60' x 18' (2520 sq ft total) on lot S of house w/ elec				\$45,000.00	\$417.20

<b>Date</b>	<b>Bldg. Permit#</b>	<b>Permit Issued To</b>	<b>Job Address</b>	<b>Est Cost</b>	<b>Permit Fee</b>
11/15/2021	B-21-197	Lisa Ingram	601 W Division		
Install 6' vinyl privacy fence in back yard, appx 106' of fencing w/ two gates.				\$4,000.00	\$20.00
11/15/2021	B-21-198	Thomas Greiner	1109 N Main		
Construction of 30' x 90' (2700 sq ft total) mini storage unit.				\$50,000.00	\$417.20
11/22/2021	B-21-199	Elizabeth Wolf	310 Beach St S		
Install 5ft chain link fence in back yard.				\$2,500.00	
11/22/2021	B-21-200	Zachary Lessard	303 Windmont Rd		
Install 6ft White vinyl privacy fence in back yard with a three foot walk through gate and six f				\$13,800.00	
11/29/2021	B-21-201	Micheal Kubinsky	123 N Union		
Construction of 40' x 30' x 18' (1200 sq ft total) pole barn style garage.				\$48,491.00	\$128.00
11/29/2021	B-21-202	Jim Themanson	233 W Division		
Construction of handicap ramp, less than 200 sq ft total (permit fees waived for Rebuilding T				\$1,200.00	(\$10.00)

<i>Value of improvements in Enterprise Zone</i>	<b>\$35,700.00</b>
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<i>Value of improvements outside the Enterprise Zone</i>	<b>\$155,341.00</b>
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<i>Total Value of Improvements</i>	<b>\$191,041.00</b>
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<i>Total Value of Permit Fees waived for Enterprise Zone</i>	<b>(\$289.00)</b>
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<i>Total Value of other Permit Fees</i>	<b>\$1,210.90</b>
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**Prepared by:** \_\_\_\_\_



## Health - Building - Zoning

### Plumbing Permits November 2021

Date	Plumb Permit	Permit Issued To	Job Address	Job Descrip	Est Cost	Permit Fee
11/5/2021	P-21-095	Ed's Htg, AC, Plmbg & Elec., Inc.	23 Edgewood	Install one new A.O. Smith 40 gallon natural gas water heater.	\$1,184.32	\$16.30
11/12/2021	P-21-096	Ed's Htg, AC, Plmbg & Elec., Inc.	406 W Central	Install one new A.O. Smith 6 gallon electric water heater.	\$830.10	(\$16.30)
11/15/2021	P-21-097	Element Plumbing LLC	722 Stoner	Replace tub/shower w/ new unit, shower valve, drain.	\$1,000.00	\$28.90
11/16/2021	P-21-098	Ed's Htg, AC, Plmbg & Elec., Inc.	127 East St S	Install one new A.O. Smith 40 gallon natural gas water heater.	\$1,349.77	\$16.30
11/16/2021	P-21-099	Ed's Htg, AC, Plmbg & Elec., Inc.	39 Edgewood	Install one new A.O. Smith 50 gallon natural gas water heater.	\$1,503.37	\$16.30
11/16/2021	P-21-100	Ed's Htg, AC, Plmbg & Elec., Inc.	510 W Prospect	Install one new A.O. Smith 40 gallon natural gas water heater.	\$1,132.13	\$16.30
11/16/2021	P-21-101	Ed's Htg, AC, Plmbg & Elec., Inc.	801 E 2nd	Install one new A.O. Smith 40 gallon natural gas water heater.	\$1,268.88	\$16.30

Date	Plumb Permit	Permit Issued To	Job Address	Est Cost	Permit Fee
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11/29/2021	P-21-102	Ed's Htg, AC, Plmbg & Elec., Inc.	601 Elliott		
Install one new A.O. Smith 40 gallon electric water heater.				\$1,600.00	\$16.30

11/29/2021	P-21-103	Ed's Htg, AC, Plmbg & Elec., Inc.	219 Regina		
Install one new A.O. Smith 40 gallon natural gas power vent water heater.				\$1,773.71	\$16.30

<i>Value of improvements in Enterprise Zone</i>	<b>\$830.10</b>
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<i>Value of improvements outside the Enterprise Zone</i>	<b>\$10,812.18</b>
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<i>Total Value of Improvements</i>	<b>\$11,642.28</b>
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<i>Total Value of Permit Fees waived for Enterprise Zone</i>	<b>(\$16.30)</b>
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<i>Total Value of other Permit Fees</i>	<b>\$143.00</b>
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**Prepared by:** \_\_\_\_\_



## Health - Building - Zoning

### Miscellaneous Permits October 2021

Date	Misc Permit#	Permit Issued To	Job Address		
Job Descrip				Est Cost	Permit Fee
11/2/2021	M-21-019	Jose Lara Montes	334 Hollis		
Demolish existing garage, move existing shed to garage location, using 10 anchors (30" each), s				\$5,000.00	(\$25.00)
11/9/2021	M-21-020	Shelli Sauer	520 Pine		
Demolition of garage.				\$150.00	\$25.00
11/29/2021	M-21-021	LamCo	1030 Pine		
Demolition of house and shed (City demo).				\$6,500.00	(\$100.00)
11/29/2021	M-21-022	LamCo	624 Willard		
Demolition of house and garage (City demo).				\$8,500.00	(\$100.00)
11/29/2021	M-21-023	Kirk Dana	209 Eustis		
Demolition of house and garage (City demo).				\$4,750.00	(\$100.00)



Date	Misc Permit#	Permit Issued To	Job Address	Est Cost	Permit Fee
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<i>Value of improvements in Enterprise Zone</i>	<b>\$24,750.00</b>
<i>Value of improvements outside the Enterprise Zone</i>	<b>\$150.00</b>
<i>Total Value of Improvements</i>	<b>\$24,900.00</b>
<i>Total Value of Permit Fees waived for Enterprise Zone</i>	<b><del>(\$325.00)</del></b>
<i>Total Value of other Permit Fees</i>	<b>\$25.00</b>

**Prepared by:** \_\_\_\_\_



## Health - Building - Zoning

### Electrical Permits November 2021

Date	Elec Permit#	Permit Issued To	Job Address		
Job Descrip			Est Cost	Permit Fee	
11/4/2021	E-21-085	Charles Lain	414 E McClure		
Install 5 outlets, 1 ceiling fan, 1 outside light for new sunroom.			\$200.00	\$50.00	
11/8/2021	E-21-086	Dennis Duytschaver	312 Hillside Dr		
Replce 100amp fuse panel with 100amp breaker panel.			\$600.00	\$50.00	
11/9/2021	E-21-087	Motley's Electric	1202 W Prospect		
Install 100A electrical service, upgrade from 60A.			\$1,500.00	(\$50.00)	
11/15/2021	E-21-088	Anthony Nyert	406 N East		
Construction of heavy timber garage, 42' x 60' x 18' (2520 sq ft total) on lot S of house w/ elec			\$1,000.00	\$50.00	
11/16/2021	E-21-089	Jerry Westefer	1124 Western		
Replace old electric meter socket to a new socket with bypass lever.			\$600.00	(\$50.00)	
11/19/2021	E-21-090	Gutschlag Electric	409 N Park		
Replace conduit, meter socket and wire in elec service on house and remaining fuse box in bas			\$800.00	(\$50.00)	
11/23/2021	E-21-191	Nextlink	415 N Main St		
Install Wire Communication Cabinet to Power			\$5,000.00	(\$100.00)	
11/29/2021	E-21-192	Motley's Electric	235 Mosher		
Wire new garage, outlets and lights w/ 30A subpanel.			\$1,500.00	\$50.00	

Date	Elec Permit#	Permit Issued To	Job Address	Est Cost	Permit Fee
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<i>Value of improvements in Enterprise Zone</i>	<b>\$7,900.00</b>
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<i>Value of improvements outside the Enterprise Zone</i>	<b>\$3,300.00</b>
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<i>Total Value of Improvements</i>	<b>\$11,200.00</b>
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<i>Total Value of Permit Fees waived for Enterprise Zone</i>	<b>(\$250.00)</b>
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<i>Total Value of other Permit Fees</i>	<b>\$200.00</b>
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**Prepared by:** \_\_\_\_\_

CITY OF KEWANEE CITY COUNCIL AGENDA ITEM		
MEETING DATE	December 13, 2021	
RESOLUTION OR ORDINANCE NUMBER	Resolution #5318	
AGENDA TITLE	A RESOLUTION TO SET THE DATES FOR COUNCIL MEETINGS FOR THE 2022 CALENDAR YEAR	
REQUESTING DEPARTMENT	Administration	
PRESENTER	Rabecka Jones, City Clerk	
FISCAL INFORMATION	Cost as recommended:	N/A
	Budget Line Item:	N/A
	Balance Available	N/A
	New Appropriation Required:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
PURPOSE	Sets the dates for the upcoming Calendar year for all Council Meetings as required by 5 ILCS 120/2.02	
BACKGROUND	N/A	
SPECIAL NOTES	N/A	
ANALYSIS	N/A	
PUBLIC INFORMATION PROCESS	N/A	
STAFF RECOMMENDATION	Staff recommends adoption	

RESOLUTION NO. 5318

A RESOLUTION TO SET THE DATES FOR COUNCIL MEETINGS FOR THE 2022 CALENDAR YEAR, AND DECLARING THAT THIS RESOLUTION SHALL BE IN FULL FORCE IMMEDIATELY.

**WHEREAS,** it is necessary for the City Council to set the time and dates for its meetings for 2021.

**BE IT RESOLVED BY THE COUNCIL OF THE CITY OF KEWANEE THAT:**

**Section 1** The following dates are when the City Council will regularly meet, with such public meetings to begin at 7:00 p.m. in the Council Chambers 401 E Third Street, Kewanee, IL.

DATE	DAY
January 10 <sup>th</sup> , 2022	Mon
January 24 <sup>th</sup> , 2022	Mon
February 14 <sup>th</sup> , 2022	Mon.
February 28 <sup>th</sup> , 2022	Mon
March 14 <sup>th</sup> , 2022	Mon
March 28 <sup>th</sup> , 2021	Mon
April 11 <sup>th</sup> , 2022	Mon
April 25 <sup>th</sup> , 2022	Mon
May 9 <sup>th</sup> , 2022	Mon
May 23 <sup>rd</sup> , 2022	Mon
June 13 <sup>th</sup> , 2022	Mon
June 27 <sup>th</sup> , 2022	Mon

DATE	DAY
July 11 <sup>th</sup> , 2022	Mon
July 25 <sup>th</sup> , 2022	Mon
August 8 <sup>th</sup> , 2022	Mon
August 22 <sup>nd</sup> , 2022	Mon
September 12 <sup>th</sup> , 2022	Mon
September 26 <sup>th</sup> , 2022	Mon
October 11 <sup>th</sup> , 2022	Tues
October 24 <sup>th</sup> , 2022	Mon
November 14 <sup>th</sup> , 2022	Mon
November 28 <sup>th</sup> , 2022	Mon
December 13 <sup>th</sup> , 2022	Mon
December 27 <sup>th</sup> , 2022	Tues

**Section 2** This resolution shall be in full force and effect immediately upon its passage and approval as provided by law.

Adopted by the Council of the City of Kewanee, Illinois this 13th day of December, 2021.

ATTEST:

Rabecka Jones, City Clerk

Gary Moore, Mayor

RECORD OF THE VOTE	Yes	No	Abstain	Absent
Mayor Gary Moore				
Council Member Steve Faber				
Council Member Chris Colomer				
Council Member Tyrone Baker				
Council Member Michael Komnick				

CITY OF KEWANEE CITY COUNCIL AGENDA ITEM		
<b>MEETING DATE</b>	December 13, 2021	
<b>RESOLUTION OR ORDINANCE NUMBER</b>	Ordinance #4082	
<b>AGENDA TITLE</b>	AN ORDINANCE abating the tax heretofore levied for the year 2021 to pay the principal of, and the interest on \$3,755,000 General obligation bonds (Alternate revenue source), Series 2012 of the City of Kewanee, Henry County, Illinois	
<b>REQUESTING DEPARTMENT</b>	Administration	
<b>PRESENTER</b>	Randi Haley, Director of Finance & Admin Services	
<b>FISCAL INFORMATION</b>	Cost as recommended:	N/A
	Budget Line Item:	N/A
	Balance Available	N/A
	New Appropriation Required:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>PURPOSE</b>	Abates the property tax levy for the 2012 Bond	
<b>BACKGROUND</b>	This bond is for capital improvements to water, sewer, and streets. The alternate revenue source pledged to repay the bond is the Non-Home Rule sales tax. There is sufficient Non-Home Rule sales tax available and budgeted to repay the bond. Therefore, the property tax levy is not needed.	
<b>SPECIAL NOTES</b>	N/A	
<b>ANALYSIS</b>	N/A	
<b>STAFF RECOMMENDATION</b>	Staff recommends adoption	

STATE OF ILLINOIS                     )  
  )    SS.  
THE COUNTY OF HENRY                )

**CERTIFICATE OF ABATEMENT AND REDUCTION OF TAXES  
HERETOFORE LEVIED FOR THE PAYMENT OF BONDS**

**TO THE COUNTY CLERK OF HENRY COUNTY, ILLINOIS**

We, the undersigned, being the duly qualified and acting City Manager and City Treasurer of the City of Kewanee, Henry County, Illinois (the “**Issuer**”), having been directed and authorized by Ordinance No. 3695 (passed January 9, 2012, the “**Bond Ordinance**”) of the City Council, and Ordinance No. **4082**, to prepare this Certificate, do hereby certify and notify you as follows:

1. There are now outstanding a part of the Issuer’s General Obligation Bonds (Alternate Revenue Source), **Series 2012**, dated February 1, 2012 (the “**Outstanding 2012 Bonds**”), which were scheduled to mature on December 15 of the years and to bear interest, as provided in the Bond Ordinance.
2. Pursuant to Section 10 (Levy and Extension of Taxes) of the Bond Ordinance, the Issuer has levied taxes in amounts sufficient to pay maturing principal of and interest on the Outstanding Bonds as set forth below, which pursuant to such Section 10 of the Bond Ordinance and Ordinance **4082**, you are hereby authorized and directed to abate, as follows:

Series 2012 Bonds

For the Year	Tax Levy (\$)	Amount Abated (\$)	Outstanding Bonds – Tax to Continue to Extend Leaving a Tax Sufficient to Produce the Sum of (\$):
2021 payable in 2022	\$341,500	\$341,500	Zero dollars (\$0.00) for interest and principal

You are hereby directed to ascertain the rate percent required to produce the aggregate Pledged Taxes for the Series 2012 Bonds provided to be levied in the year 2021 payable in 2022, as above set forth, and to extend the same for collection on the tax books in connection with other taxes levied in such year, in and by the Issuer for general corporate purposes of the Issuer, and in such year such taxes shall be levied, extended and collected in like manner as taxes for general corporate purposes for such year.

**IN WITNESS WHEREOF**, we have hereunto affixed our official signatures this 20<sup>th</sup> day of December, 2021.

(SEAL)

Attest:

\_\_\_\_\_  
City Manager

\_\_\_\_\_  
City Treasurer

\_\_\_\_\_  
City Clerk

## HENRY COUNTY CLERK'S RECEIPT

RECEIPT IS HEREBY ACKNOWLEDGED this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ of a duplicate original of the "**CERTIFICATE OF ABATEMENT AND REDUCTON OF TAXES HERETOFORE LEVIED FOR THE PAYMENT OF BONDS**" manually executed by the City Manager and City Treasurer of the City of Kewanee (the "**Issuer**"), Henry County, Illinois, and it is hereby certified that the same has been deposited in the official files and records of my office and that the taxes heretofore levied for the year 2021 payable in 2022, for the payment of the Issuer's General Obligation Bonds (Alternate Revenue Source), **Series 2012**, of the Issuer, as described in such Certificate, will be reduced and abated in whole as provided in such Certificate.

**IN WITNESS WHEREOF**, I hereunto affix my official signature and the seal of Henry County this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

---

County Clerk of the County of Henry, Illinois

(SEAL)



ORDINANCE NO. 4082

AN ORDINANCE ABATING THE TAX HERETOFORE LEVIED FOR THE YEAR 2021 TO PAY THE PRINCIPAL OF, AND THE INTEREST ON \$3,755,000 GENERAL OBLIGATION BONDS (ALTERNATE REVENUE SOURCE), SERIES 2012 OF THE CITY OF KEWANEE, HENRY COUNTY, ILLINOIS, AND DECLARING THAT THIS ORDINANCE SHALL BE IN FULL FORCE IMMEDIATELY IN ACCORDANCE WITH STATUTE.

WHEREAS, The Kewanee City Council (the "Corporate Authorities") of the City of Kewanee, Henry County, Illinois (the "City"), had previously, by Ordinance #3695 passed on the 9<sup>th</sup> day of January, 2012 (the "Ordinance"), provided for the issuance of \$3,755,000 General Obligation Bonds (Alternate Revenue Source), Series 2012 (the "Bonds"), and the levy of a direct annual tax sufficient to pay the principal of, and the interest on, said Bonds; and

WHEREAS, the City will have Pledged Revenues (as defined in the Ordinance) available for the purpose of paying the principal of, and interest on, the Bonds up to and including December 15, 2021; and

WHEREAS, it is necessary and in the best interests of the City that the tax heretofore authorized to levy for the year 2021 to pay the principal and interest on the Bonds be abated.

**THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF KEWANEE THAT:**

Section 1      Abatement of Tax. The tax heretofore authorized for levy for the year 2021 in the Ordinance is hereby abated in its entirety, which is scheduled to be in the amount of \$341,500.

Section 2      Filing of Ordinance. Forthwith upon the adoption of this ordinance, the City Clerk shall file a certified copy hereof along with Certificate of Abatement and Reduction of Taxes with the County Clerk of Henry County, Illinois, and it shall be the duty of said County Clerk to abate said authorized tax levy for the year 2021 in accordance with the provisions hereof.

Section 3      Effective Date. This Ordinance shall be in full force and effect immediately upon its passage by the Corporate Authorities as provided by law.

*Passed by the Council of the City of Kewanee, Illinois this 13<sup>th</sup> day of December, 2021.*

\_\_\_\_\_  
Gary Moore, Mayor

ATTEST: \_\_\_\_\_  
Rabecka Jones, City Clerk

RECORD OF THE VOTE	Yes	No	Abstain	Absent
Mayor Gary Moore				
Council Member Chris Colomer				
Council Member Mike Komnick				
Council Member Steve Faber				
Council Member Tyronne Baker				

CITY OF KEWANEE CITY COUNCIL AGENDA ITEM		
<b>MEETING DATE</b>	December 13, 2021	
<b>RESOLUTION OR ORDINANCE NUMBER</b>	Ordinance #4083	
<b>AGENDA TITLE</b>	AN ORDINANCE abating the tax heretofore levied for the year 2021 to pay the principal of, and the interest on \$5,935,000 General obligation WATERWORKS AND SEWERAGE REFUNDING bonds (Alternate revenue source), Series 2013 of the City of Kewanee, Henry County, Illinois	
<b>REQUESTING DEPARTMENT</b>	Administration	
<b>PRESENTER</b>	Randi Haley, Director of Finance & Admin Services	
<b>FISCAL INFORMATION</b>	Cost as recommended:	N/A
	Budget Line Item:	N/A
	Balance Available	N/A
	New Appropriation Required:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>PURPOSE</b>	Abates the property tax levy for the 2013 Bond	
<b>BACKGROUND</b>	This bond is the refinance of the IEPA Loans for water and sewer projects. The alternate revenue source pledged to repay the bond is Water and Sewer revenues. There are sufficient water and sewer revenues available and budgeted to repay the bond. Therefore, the property tax levy is not needed.	
<b>SPECIAL NOTES</b>	N/A	
<b>ANALYSIS</b>	N/A	
<b>STAFF RECOMMENDATION</b>	Staff recommends adoption	

STATE OF ILLINOIS                     )  
  )    SS.  
THE COUNTY OF HENRY                )

**CERTIFICATE OF ABATEMENT AND REDUCTION OF TAXES  
HERETOFORE LEVIED FOR THE PAYMENT OF BONDS**

**TO THE COUNTY CLERK OF HENRY COUNTY, ILLINOIS**

We, the undersigned, being the duly qualified and acting City Manager and City Treasurer of the City of Kewanee, Henry County, Illinois (the “**Issuer**”), having been directed and authorized by Ordinance No. 3725 (passed February 25, 2013, the “**Bond Ordinance**”) of the City Council, and Ordinance No. **4083**, to prepare this Certificate, do hereby certify and notify you as follows:

1. There are now outstanding a part of the Issuer’s General Obligation Waterworks and Sewerage Refunding Bonds (Alternate Revenue Source), **Series 2013**, dated March 21, 2013 (the “**Outstanding 2013 Bonds**”), which were scheduled to mature on December 1 of the years and to bear interest, as provided in the Bond Ordinance.

2. Pursuant to Section 10 (Levy and Extension of Taxes) of the Bond Ordinance, the Issuer has levied taxes in amounts sufficient to pay maturing principal of and interest on the Outstanding Bonds as set forth below, which pursuant to such Section 10 of the Bond Ordinance and Ordinance **4083**, you are hereby authorized and directed to abate, as follows:

Series 2013 Bonds

For the Year	Tax Levy (\$)	Amount Abated (\$)	Outstanding Bonds – Tax to Continue to Extend Leaving a Tax Sufficient to Produce the Sum of (\$):
2021 payable in 2022	\$542,465	\$542,465	Zero dollars (\$0.00) for interest and principal

You are hereby directed to ascertain the rate percent required to produce the aggregate Pledged Taxes for the Series 2013 Bonds provided to be levied in the year 2021 payable in 2022, as above set forth, and to extend the same for collection on the tax books in connection with other taxes levied in such year, in and by the Issuer for general corporate purposes of the Issuer, and in such year such taxes shall be levied, extended and collected in like manner as taxes for general corporate purposes for such year.

**IN WITNESS WHEREOF**, we have hereunto affixed our official signatures this 20<sup>th</sup> day of December, 2020.

(SEAL)

Attest:

\_\_\_\_\_  
City Manager

\_\_\_\_\_  
City Treasurer

\_\_\_\_\_  
City Clerk

### HENRY COUNTY CLERK'S RECEIPT

RECEIPT IS HEREBY ACKNOWLEDGED this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ of a duplicate original of the "**CERTIFICATE OF ABATEMENT AND REDUCTON OF TAXES HERETOFORE LEVIED FOR THE PAYMENT OF BONDS**" manually executed by the City Manager and City Treasurer of the City of Kewanee (the "**Issuer**"), Henry County, Illinois, and it is hereby certified that the same has been deposited in the official files and records of my office and that the taxes heretofore levied for the year 2021 payable in 2022, for the payment of the Issuer's General Obligation Bonds (Alternate Revenue Source), **Series 2013**, of the Issuer, as described in such Certificate, will be reduced and abated in whole as provided in such Certificate.

**IN WITNESS WHEREOF**, I hereunto affix my official signature and the seal of Henry County this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

(SEAL)

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County Clerk of the County of Henry, Illinois

ORDINANCE NO. 4083

AN ORDINANCE ABATING THE TAX HERETOFORE LEVIED FOR THE YEAR 2021 TO PAY THE PRINCIPAL OF, AND THE INTEREST ON \$5,935,000 GENERAL OBLIGATION WATERWORKS AND SEWERAGE REFUNDING BONDS (ALTERNATE REVENUE SOURCE), SERIES 2013 OF THE CITY OF KEWANEE, HENRY COUNTY, ILLINOIS, AND DECLARING THAT THIS ORDINANCE SHALL BE IN FULL FORCE IMMEDIATELY IN ACCORDANCE WITH STATUTE.

WHEREAS, The Kewanee City Council (the "Corporate Authorities") of the City of Kewanee, Henry County, Illinois (the "City"), had previously, by Ordinance #3725 passed on the 25<sup>th</sup> day of February, 2013 (the "Ordinance"), provided for the issuance of \$5,935,000 General Obligation Waterworks and Sewerage Refunding Bonds (Alternate Revenue Source), Series 2013 (the "Bonds"), and the levy of a direct annual tax sufficient to pay the principal of, and the interest on, said Bonds; and

WHEREAS, the City will have Pledged Revenues (as defined in the Ordinance) available for the purpose of paying the principal of, and interest on, the Bonds up to and including December 15, 2022; and

WHEREAS, it is necessary and in the best interests of the City that the tax heretofore authorized to levy for the year 2021 to pay the principal and interest on the Bonds be abated.

**THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF KEWANEE THAT:**

Section 1 Abatement of Tax. The tax heretofore authorized for levy for the year 2021 in the Ordinance is hereby abated in its entirety, which is scheduled to be in the amount of \$542,465.

Section 2 Filing of Ordinance. Forthwith upon the adoption of this ordinance, the City Clerk shall file a certified copy hereof along with Certificate of Abatement and Reduction of Taxes with the County Clerk of Henry County, Illinois, and it shall be the duty of said County Clerk to abate said authorized tax levy for the year 2021 in accordance with the provisions hereof.

Section 3 Effective Date. This Ordinance shall be in full force and effect immediately upon its passage by the Corporate Authorities as provided by law.

*Passed by the Council of the City of Kewanee, Illinois this 13<sup>th</sup> day of December, 2021.*

ATTEST:

\_\_\_\_\_  
Rabecka Jones, City Clerk

\_\_\_\_\_  
Gary Moore, Mayor

RECORD OF THE VOTE	Yes	No	Abstain	Absent
Mayor Gary Moore				
Council Member Chris Colomer				
Council Member Mike Komnick				
Council Member Steve Faber				
Council Member Tyrone Baker				

CITY OF KEWANEE CITY COUNCIL AGENDA ITEM		
<b>MEETING DATE</b>	December 13, 2021	
<b>RESOLUTION OR ORDINANCE NUMBER</b>	Ordinance # 4084	
<b>AGENDA TITLE</b>	AN ORDINANCE abating the tax heretofore levied for the year 2021 to pay the principal of, and the interest on, \$3,640,000 General obligation WATERWORKS AND SEWERAGE REFUNDING bonds (Alternate revenue source), Series 2015 of the City of Kewanee, Henry County, Illinois	
<b>REQUESTING DEPARTMENT</b>	Administration	
<b>PRESENTER</b>	Randi Haley, Director of Finance & Admin Services	
<b>FISCAL INFORMATION</b>	Cost as recommended:	N/A
	Budget Line Item:	N/A
	Balance Available	N/A
	New Appropriation Required:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>PURPOSE</b>	Abates the property tax levy for the 2015 Bond	
<b>BACKGROUND</b>	This bond was issued in 2015. We issued the rollover bond at the November 8 <sup>th</sup> meeting, Ordinance 4079. Therefore, the property tax levy is not needed.	
<b>SPECIAL NOTES</b>	N/A	
<b>ANALYSIS</b>	N/A	
<b>PUBLIC INFORMATION PROCESS</b>	N/A	
<b>STAFF RECOMMENDATION</b>	Staff recommends adoption	
<b>REFERENCE DOCUMENTS</b>	N/A	

STATE OF ILLINOIS                     )  
  )    SS.  
THE COUNTY OF HENRY                )

**CERTIFICATE OF ABATEMENT AND REDUCTION OF TAXES  
HERETOFORE LEVIED FOR THE PAYMENT OF BONDS**

**TO THE COUNTY CLERK OF HENRY COUNTY, ILLINOIS**

We, the undersigned, being the duly qualified and acting City Manager and City Treasurer of the City of Kewanee, Henry County, Illinois (the “**Issuer**”), having been directed and authorized by Ordinance No. 3797 (as adopted June 8, 2015, the “**Bond Ordinance**”) of the City Council and Ordinance No. **4084**, to prepare this Certificate, do hereby certify and notify you as follows:

1. There are now outstanding a part of the Issuer’ General Obligation Waterworks and Sewerage Refunding Bonds (Alternate Revenue Source), **Series 2015**, dated June 8, 2015 (the “**Outstanding 2015 Bonds**”), which were scheduled to mature on December 1 of the years and to bear interest, as provided in the Bond Ordinance.

2. Pursuant to Section 10 (Levy and Extension of Taxes) of the Bond Ordinance, the Issuer has levied taxes in amounts sufficient to pay maturing principal of and interest on the Outstanding Bonds as set forth below, which pursuant to such Section 10 of the Bond Ordinance and Ordinance **4084**, you are hereby authorized and directed to abate, as follows:

Series 2015 Bonds

For the Year	Tax Levy (\$)	Amount Abated (\$)	Outstanding Bonds – Tax to Continue to Extend Leaving a Tax Sufficient to Produce the Sum of (\$):
2021 payable in 2022	\$288,098	\$288,098	Zero dollars (\$0.00) for interest and principal

You are hereby directed to ascertain the rate percent required to produce the aggregate Pledged Taxes for the Series 2015 Bonds provided to be levied in the year 2021 payable in 2022, as above set forth, and to extend the same for collection on the tax books in connection with other taxes levied in such year, in and by the Issuer for general corporate purposes of the Issuer, and in such year such taxes shall be levied, extended and collected in like manner as taxes for general corporate purposes for such year.

**IN WITNESS WHEREOF**, we have hereunto affixed our official signatures this 20<sup>th</sup> day of December, 2020.

(SEAL)

Attest:

\_\_\_\_\_  
City Manager

\_\_\_\_\_  
City Treasurer

\_\_\_\_\_  
City Clerk

**HENRY COUNTY CLERK'S RECEIPT**

RECEIPT IS HEREBY ACKNOWLEDGED this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ of a duplicate original of the "**CERTIFICATE OF ABATEMENT AND REDUCTON OF TAXES HERETOFORE LEVIED FOR THE PAYMENT OF BONDS**" manually executed by the City Manager and City Treasurer of the City of Kewanee (the "**Issuer**"), Henry County, Illinois, and it is hereby certified that the same has been deposited in the official files and records of my office and that the taxes heretofore levied for the year 2021 payable in 2022, for the payment of the Issuer's General Obligation Waterworks and Sewerage Refunding Bonds (Alternate Revenue Source), **Series 2015**, of the Issuer, as described in such Certificate, will be reduced and abated in whole as provided in such Certificate.

**IN WITNESS WHEREOF**, I hereunto affix my official signature and the seal of Henry County this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

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County Clerk of the County of Henry, Illinois

(SEAL)



ORDINANCE NO. 4084

AN ORDINANCE ABATING THE TAX HERETOFORE LEVIED FOR THE YEAR 2021 TO PAY THE PRINCIPAL OF, AND THE INTEREST ON, \$3,640,000 GENERAL OBLIGATION WATERWORKS AND SEWERAGE REFUNDING BONDS (ALTERNATE REVENUE SOURCE), SERIES 2015 OF THE CITY OF KEWANEE, HENRY COUNTY, ILLINOIS, AND DECLARING THAT THIS ORDINANCE SHALL BE IN FULL FORCE IMMEDIATELY IN ACCORDANCE WITH STATUTE.

WHEREAS, The Kewanee City Council (the "Corporate Authorities") of the City of Kewanee, Henry County, Illinois (the "City"), had previously, by Ordinance #3797 passed on the 8<sup>th</sup> day of June, 2015 (the "Ordinance"), provided for the issuance of \$3,640,000 General Obligation Waterworks and Sewerage Refunding Bonds (Alternate Revenue Source), Series 2015 (the "Bonds"), and the levy of a direct annual tax sufficient to pay the principal of, and the interest on, said Bonds; and

WHEREAS, the City will have Pledged Revenues (as defined in the Ordinance) available for the purpose of paying the principal of, and interest on, the Bonds up to and including December 15, 2021; and

WHEREAS, it is necessary and in the best interests of the City that the tax heretofore authorized to levy for the year 2021 to pay the principal and interest on the Bonds be abated.

**THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF KEWANEE THAT:**

Section 1      Abatement of Tax. The tax heretofore authorized for levy for the year 2021 in the Ordinance is hereby abated in its entirety, which is scheduled to be in the amount of \$288,098.

Section 2      Filing of Ordinance. Forthwith upon the adoption of this ordinance, the City Clerk shall file a certified copy hereof along with Certificate of Abatement and Reduction of Taxes with the County Clerk of Henry County, Illinois, and it shall be the duty of said County Clerk to abate said authorized tax levy for the year 2021 in accordance with the provisions hereof.

Section 3      Effective Date. This Ordinance shall be in full force and effect immediately upon its passage by the Corporate Authorities as provided by law.

*Passed by the Council of the City of Kewanee, Illinois this 13<sup>th</sup> day of December, 2021.*

ATTEST:

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Rabecka Jones, City Clerk

---

Gary Moore, Mayor

RECORD OF THE VOTE	Yes	No	Abstain	Absent
Mayor Gary Moore				
Council Member Michael Komnick				
Council Member Chris Colomer				
Council Member Steve Faber				
Council Member Tyrone Baker				

CITY OF KEWANEE CITY COUNCIL AGENDA ITEM		
<b>MEETING DATE</b>	December 13, 2021	
<b>RESOLUTION OR ORDINANCE NUMBER</b>	Ordinance # 4085	
<b>AGENDA TITLE</b>	AN ORDINANCE ESTABLISHING THE ANNUAL TAX LEVY FOR 2021 PAYABLE IN 2022 FOR THE CITY OF KEWANEE, ILLINOIS	
<b>REQUESTING DEPARTMENT</b>	Administration	
<b>PRESENTER</b>	Randi Haley, Director of Finance & Admin Services	
<b>FISCAL INFORMATION</b>	Cost as recommended:	N/A
	Budget Line Item:	N/A
	Balance Available	N/A
	New Appropriation Required:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>PURPOSE</b>	Establishes the annual tax levy for 2021 payable in 2022.	
<b>BACKGROUND</b>	<p>The certified tax rate for tax year 2020 for collection in 2021 is 0.031200 and the rate setting EAV is \$85,684,681. The County estimates total EAV to increase 2.53% over tax year 2020, providing yet another year of growth in Kewanee. Over the past several years, significant increases had to be absorbed within the Police and Fire Pension tax levies, requiring cuts in others parts of the levy to offset the costs.</p> <p>You have the discretion, if you so choose, to raise the total amount levied by less than 5% and still remain in compliance with the Truth in Taxation Act or more than that amount by providing notice and holding a Truth in Taxation Public Hearing.</p>	

<b>SPECIAL NOTES</b>	N/A
<b>ANALYSIS</b>	<p>The proposed levy utilizes the recommended employer contribution from our actuary, Nyhart, for both Police and Fire Pension Funds versus the statutory minimum contribution or Illinois Department of Insurance (IDOI) recommended employer contribution. Copies of the Nyhart and IDOI reports, with the exception of the Fire Pension Fund IDOI report, are included for Council's consideration. The IDOI report for Fire Pension is not yet available for FY21. The proposed pension levies are a \$141,880 combined increase over last year's pension levies and account for 54.5% of the proposed 2021 levy.</p> <p>After consideration of FY21 fund balances and projected expenses, a slight decrease in IMRF, social security, and unemployment levies are proposed. The City received the final rate notice from IMRF and there will be a net decrease of 0.74% for CY22, even with the early retirement incentive of 0.99% added to the employer rate compared to CY21.</p> <p>FY22 audit costs will increase due to single audit requirements (due to receiving ARPA revenue) therefore a \$5k increase to the audit levy is proposed. \$10k and \$20k increases are proposed for the Public Benefit (Legal Services) and Liability Insurance levies, respectively, due to increased expenses in these areas. Expenses total above the proposed levy with the enterprise funds assuming an equitable share of each expense. The 10-year average liability expenses are approximately \$450k and the current annual retainer for legal services is \$75k.</p> <p>The net change of all levy areas as proposed results in approximately a 0.10% decrease in the tax rate.</p>
<b>PUBLIC INFORMATION PROCESS</b>	N/A
<b>BOARD OR COMMISSION RECOMMENDATION</b>	N/A

<b>STAFF RECOMMENDATION</b>	Staff once again recommends keeping any increase in taxes as low as possible, and holding the line on taxation if at all possible, given the economic climate and the impact that tax rates have in the ability to retain or attract businesses in or to Kewanee. We know that other taxing jurisdictions have continued to raise their levies and continue to believe that any effort made by the City to keep taxes low would be appreciated by our stakeholders.
<b>PROCUREMENT POLICY VERIFICATION</b>	N/A
<b>REFERENCE DOCUMENTS ATTACHED</b>	2021 Kewanee Firefighters Pension Funding Report 2021 Kewanee Police Pension Funding Report IDOI Actuarial Valuation Report Police 05.01.21 IMRF Final Rate Notice 11.22.21



# **City of Kewanee Firefighters' Pension Fund**

May 1, 2021  
Actuarial Valuation Report

<b>Actuarial Certification</b>	<b>3</b>
<b>Executive Summary</b>	<b>5</b>
Summary Results	5
Changes Since Prior Valuation and Key Notes	6
History of Valuation Results	7
Identification of Risks	8
Plan Maturity Measures	9
<b>Assets and Liabilities</b>	<b>10</b>
Present Value of Future Benefits	10
Funding Liabilities	11
Asset Information	12
Reconciliation of Gain/Loss	14
<b>Contribution Requirements</b>	<b>15</b>
Development of Recommended Contribution	15
<b>Demographic Information</b>	<b>16</b>
<b>Participant Reconciliation</b>	<b>18</b>
<b>Plan Provisions</b>	<b>20</b>
<b>Actuarial Assumptions</b>	<b>23</b>
<b>Other Measurements</b>	<b>25</b>
Minimum Contribution	26

At the request of the plan sponsor, this report summarizes the City of Kewanee Firefighters' Pension Fund as of May 1, 2021. The purpose of this report is to communicate the following results of the valuation:

- Funded Status;
- Recommended City Contribution;
- Statutory Minimum Contribution;

This report has been prepared in accordance with the applicable Federal and State laws. Consequently, it may not be appropriate for other purposes. Please contact Nyhart prior to disclosing this report to any other party or relying on its content for any purpose other than that explained above. Failure to do so may result in misrepresentation or misinterpretation of this report.

The results in this report were prepared using information provided to us by other parties. The census information has been provided to us by the employer. Asset information has been provided to us by the administrator. We have reviewed the provided data for reasonableness when compared to prior information provided, but have not audited the data. Where relevant data may be missing, we have made assumptions we believe to be reasonable. We are not aware of any significant issues with and have relied on the data provided. Any errors in the data provided may result in a different result than those provided in this report. A summary of the data used in the valuation is included in this report.

The actuarial assumptions and methods were chosen by the employer. In our opinion, all actuarial assumptions and methods are individually reasonable and in combination represent our best estimate of anticipated experience of the plan. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following:

- plan experience differing from that anticipated by the economic or demographic assumptions;
- changes in economic or demographic assumptions;
- increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period); and
- changes in plan provisions or applicable law.

We did not perform an analysis of the potential range of future measurements due to the limited scope of our engagement. This report has been prepared in accordance with generally accepted actuarial principles and practice.

Neither Nyhart nor any of its employees have any relationship with the plan or its sponsor which could impair or appear to impair the objectivity of this report. To the extent that this report or any attachment concerns tax matters, it is not intended to be used and cannot be used by a taxpayer for the purpose of avoiding penalties that may be imposed by law.

In preparing the results, Nyhart used Proval valuation software developed by Winklevoss Technologies, LLC. This software is widely used for the purpose of performing pension valuations. We coded the plan provisions, assumptions, methods, and participant data summarized in this report, and reviewed the liability and cost outputs for reasonableness. We are not aware of any material weaknesses or limitations in the software, and have determined it is appropriate for performing this valuation.



The undersigned are compliant with the continuing education requirements of the Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States and are available for any questions.

Nyhart



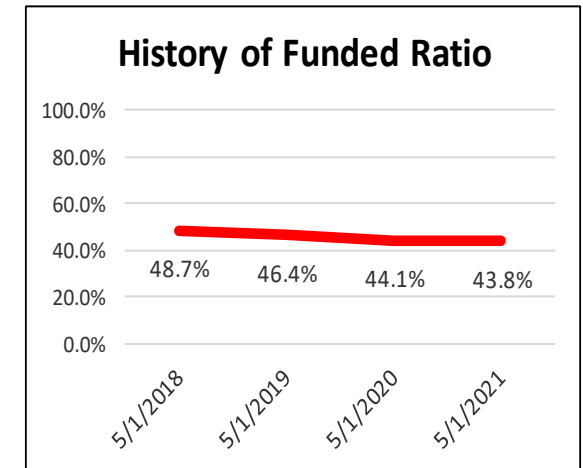
Nick H. Meggos, EA, FCA

December 10, 2021  
Date

## Summary Results

The actuarial valuation's primary purpose is to produce a scorecard measure displaying the funding progress of the plan toward the ultimate goal of paying benefits at retirement. The Accrued Liability is based on the Entry Age Normal actuarial cost method. The results for the prior year from the Illinois Department of Insurance were based on the Projected Unit Credit actuarial cost method.

	May 1, 2020	May 1, 2021
<b>Funded Status Measures</b>		
Accrued Liability	\$ 18,090,856	\$ 18,511,753
Actuarial Value of Assets	7,975,109	8,108,161
Unfunded Accrued Liability	\$ 10,115,747	\$ 10,403,592
Funded Percentage (AVA)	44.1%	43.8%
Funded percentage (MVA)	39.6%	45.6%
<b>Cost Measures</b>		
Recommended Total Pension Contribution	\$ 862,448	\$ 910,283
Expected Employee Contributions	(100,407)	(105,647)
Recommended Net City Contribution	\$ 762,041	\$ 804,636
- as a Percentage of Payroll	71.8%	72.0%
<b>Asset Measures</b>		
Market Value of Assets (MVA)	\$ 7,155,052	\$ 8,436,365
Actuarial Value of Assets (AVA)	\$ 7,975,109	\$ 8,108,161
Actuarial Value/Market Value	111.5%	96.1%
<b>Participant Information</b>		
Active Participants	19	19
Terminated Vested Participants	4	4
Retirees, Beneficiaries, and Disabled Participants	32	32
Total	55	55
Payroll	\$ 1,061,944	\$ 1,117,363



### Changes since Prior Valuation and Key Notes

The healthy mortality assumption was updated from the RP-2014 mortality table with blue collar adjustment projected generationally from 2013 using scale MP-2019, to the RP-2014 mortality table with blue collar adjustment projected generationally from 2013 using scale MP-2020. The disabled mortality table was changed to 115% of the healthy mortality table with blue collar adjustment projected generationally from 2013 using scale MP-2020. The change resulted in a decrease in benefit obligations and in the recommended contribution.

## History of Valuation Results

	5/1/2018	5/1/2019	5/1/2020	5/1/2021
<b>Plan Funding</b>				
Accrued Liability	\$ 17,207,386	\$ 17,716,154	\$ 18,090,856	\$ 18,511,753
Actuarial Value of Assets	8,374,797	8,227,577	7,975,109	8,108,161
Unfunded Accrued Liability	\$ 8,832,589	\$ 9,488,577	\$ 10,115,747	\$ 10,403,592
Funded Percentage	48.7%	46.4%	44.1%	43.8%
Normal Cost (NC)	\$ 302,165	\$ 272,999	\$ 277,664	\$ 281,036
NC as a Percent of Covered Payroll	28.9%	27.2%	26.1%	25.2%
Actual Contribution	\$ 499,399	\$ 589,448	\$ 706,183	To Be Determined
Recommended Contribution	\$ 662,332	\$ 709,627	\$ 762,041	\$ 804,636
Recommended Contribution (% of Pay)	63.5%	70.8%	71.8%	72.0%
Interest Rate	6.25%	6.25%	6.25%	6.25%
<b>Rate of Return</b>				
Actuarial Value of Assets	4.3%	3.2%	1.7%	6.0%
Market Value of Assets	5.6%	1.4%	-3.7%	23.2%
<b>Demographic Information</b>				
Active Participants	19	18	19	19
Retired Participants	23	24	24	25
Beneficiaries	4	4	6	5
Disabled Participants	2	2	2	2
Terminated Vested Participants	2	4	4	4
Total Participants	50	52	55	55
Covered Payroll	\$ 1,043,826	\$ 1,002,939	\$ 1,061,944	\$ 1,117,363
Average Covered Pay	\$ 54,938	\$ 55,719	\$ 55,892	\$ 58,809

## Identification of Risks

The results presented in this report are shown as single point values. However, these values are derived using assumptions about future markets and demographic behavior. If actual experience deviates from our assumptions, the actual results for the plan will consequently deviate from those presented in this report. Therefore, it is critical to understand the risks facing this pension plan. The following table shows the risks we believe are most relevant to the City of Kewanee Firefighters' Pension Fund. The risks are generally ordered with those we believe to have the most significance at the top. Also shown are possible methods by which a more detailed assessment of the risk can be performed.

### Type of Risk

### Method to Assess Risk

Investment Return	Scenario Testing; Asset Liability Study
Interest Rates	Scenario Testing; Asset Liability Study
Participant Longevity	Projections and Contribution Strategy
Salary Growth	Projections; Stress Testing

## Plan Maturity Measures - May 1, 2021

Each pension plan has a distinct life-cycle. New plans promise future benefits to active employees and then accumulate assets to pre-fund those benefits. As the plan matures, benefits are paid and the pre-funded assets begin to decumulate until ultimately, the plan pays out all benefits. A plan's maturity has a dramatic influence on how risks should be viewed. The following maturity measures illustrate where the City of Kewanee Firefighters' Pension Fund falls in its life-cycle.

### **Duration of Liabilities: 12.1**

Duration is the most common measure of plan maturity. It is defined as the sensitivity of the liabilities to a change in the interest rate assumption. The metric also approximates the weighted average length of time, in years, until benefits are expected to be paid. A plan with high duration is, by definition, more sensitive to changes in interest rates. A plan with low duration is more susceptible to risk if asset performance deviates from expectations as there would be less time to make up for market losses in adverse market environments while more favorable environments could result in trapped surplus from gains. Conversely, high duration plans can often take on more risk when investing, and low duration plans are less sensitive to interest rate fluctuations.

### **Demographic Distribution - Ratio of Actively Accruing Participants to All Participants: 34.5%**

A plan with a high ratio is more sensitive to fluctuations in salary (if a salary-based plan) and statutory changes. A plan with a low ratio is at higher risk from demographic experience. Such a plan should pay close attention to valuation assumptions as there will be less opportunity to realize future offsetting gains or losses when current experience deviates from assumptions. Plans with a low ratio also have limited opportunities to make alterations to plan design to affect future funded status.

### **Asset Leverage - Ratio of Payroll for Plan Participants to Market Value of Assets: 13.2%**

Younger plans typically have a large payroll base from which to draw in order to fund the plan while mature plans often have a large pool of assets dedicated to providing benefits to a population primarily consisting of members no longer on payroll. Plans with low asset leverage will find it more difficult to address underfunding, as the contributions needed to make up the deficit will represent a higher percentage of payroll than for a plan with high asset leverage.

### **Benefit Payment Percentage - Ratio of Annual Benefit Payments to Market Value of Assets: 14.4%**

As a plan enters its decumulation phase, a larger percentage of the pre-funded assets are paid out each year to retirees. A high percentage is not cause for alarm as long as the plan is nearly fully funded. However, such a plan is more sensitive to negative asset performance, especially if cash contributions are not an option to make up for losses.

## Present Value of Future Benefits

The Present Value of Future Benefits represents the future benefits payable to the existing participants.

May 1, 2021

## Present Value of Future Benefits

### Active Participants

Retirement	\$ 5,606,574
Disability	698,625
Death	227,244
Termination	290,070
Total Active	<u>\$ 6,822,513</u>

### Inactive participants

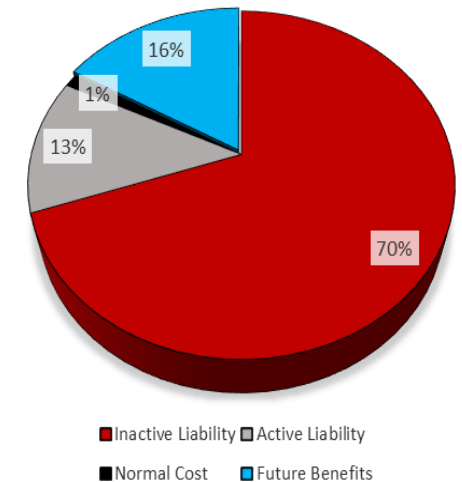
Retired Participants	\$ 14,218,288
Beneficiaries	890,022
Disabled Participants	511,183
Terminated Vested Participants	57,453
Total Inactive	<u>\$ 15,676,946</u>

Total \$ 22,499,459

Present Value of Future Payrolls \$ 17,072,201

Present Value of Future Employee Contributions \$ 1,614,177

Breakdown of Present Value of Future Benefits



## Accrued Liability

The Funding Liability measures the present value of benefits earned as of the valuation date, using the actuarial assumptions described in the assumption section of this report and the Entry Age Normal actuarial cost method.

May 1, 2021

### Funding Liabilities

#### Active Participants

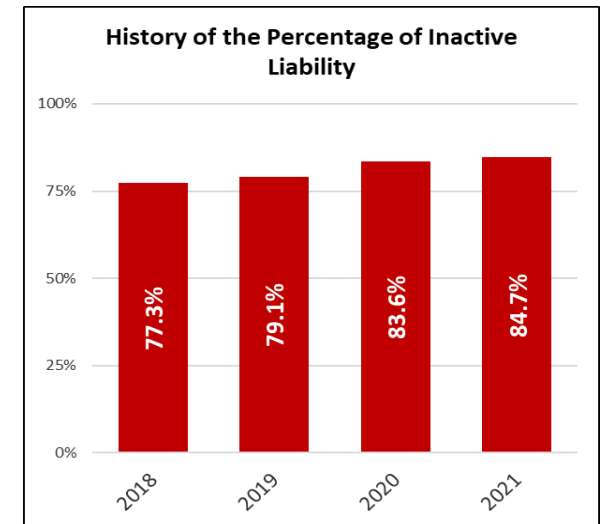
Retirement	\$ 2,554,972
Disability	194,324
Death	41,067
Termination	44,444
Total Active	\$ 2,834,807

#### Inactive Participants

Retired Participants	\$ 14,218,288
Beneficiaries	890,022
Disabled Participants	511,183
Terminated Vested Participants	57,453
Total Inactive	\$ 15,676,946

Total \$ 18,511,753

Normal Cost \$ 281,036

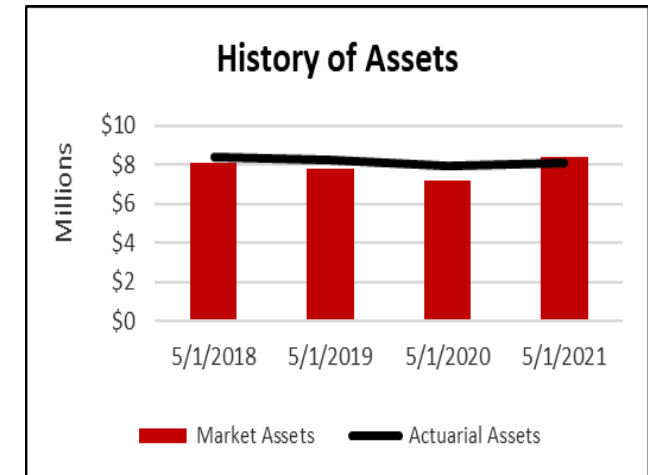




## Asset Information

The amount of assets backing the pension promise is the most significant driver of volatility and future costs within a pension plan. The investment performance of the assets directly offsets the ultimate cost.

	May 1, 2021
<b>Market Value Reconciliation</b>	
Market Value of Assets, Beginning of Prior Year	\$ 7,155,052
Contributions	
Employer Contributions	\$ 706,183
Member Contributions	115,256
Total	\$ 821,439
Investment Income	1,618,070
Benefit Payments	(1,140,389)
Administrative Expenses	(17,807)
Market Value of Assets, Beginning of Current Year	\$ 8,436,365
Return on Market Value	23.2%
<b>Actuarial value of assets</b>	
Value at Beginning of Current Year	\$ 8,108,161



**Asset Information (continued)**

Plan Assets are used to develop funded percentages and contribution requirements.

	<b>May 1, 2021</b>
1. Expected Market Value of Assets	
(a) Market Value of Assets, Beginning of Prior Year	\$ 7,155,052
(b) Contributions	821,439
(c) Benefit Payments	(1,140,389)
(d) Administrative Expenses	(17,807)
(e) Expected Return	436,667
(f) Expected Market Value of Assets, Beginning of Current Year	<u>\$ 7,254,962</u>
2. Market Value of Assets, Beginning of Current Year	\$ 8,436,365
3. Actual Return on Market Value	\$ 1,618,070
4. Amount Subject to Phase-in [(3)-(1e)]	\$ 1,181,403
5. Phase-in of Asset Gain/(Loss)	
(a) Current Year [80% x \$ 1,181,403 ]	\$ 945,122
(b) First Prior Year [60% x \$ (756,356)]	(453,814)
(c) Second Prior Year [40% x \$ (380,805) ]	(152,322)
(d) Third Prior Year [20% x \$ (53,910) ]	(10,782)
(e) Total Phase-in	<u>\$ 328,204</u>
6. Actuarial Value of Assets, Beginning of Current Year [(2)-(5e)]	\$ 8,108,161
7. Return on Actuarial Value of Assets	6.0%

**Reconciliation of Gain/Loss**

**May 1, 2021**

**Liability (Gain)/Loss**

Actuarial Liability, Beginning of Prior Year	\$ 18,090,856
Normal Cost	277,664
Benefit Payments	(1,140,389)
Expected Interest	<u>1,112,395</u>
Expected Actuarial Liability, Beginning of Current Year	\$ 18,340,526
Actual Actuarial Liability, Before Changes	\$ 18,626,320
Liability (Gain)/Loss	\$ 285,794

**Asset (Gain)/Loss**

Actuarial Value of Assets, Beginning of Prior Year	\$ 7,975,109
Contributions	821,439
Benefit Payments and Administrative Expenses	(1,158,196)
Expected Return	<u>487,921</u>
Expected Actuarial Value of Assets, Beginning of Current Year	\$ 8,126,273
Actual Actuarial Value of Assets, Beginning of Current Year	\$ 8,108,161
Asset (Gain)/Loss	\$ 18,112

**Total (Gain)/Loss**

\$ 303,906

### Development of Recommended Contribution

The recommended contribution is the annual amount needed to fund the plan to 90% by the end of the 2040 fiscal year as a level percentage of payroll, using the Entry Age Normal actuarial cost method. The recommended contribution is subject to the State statutory minimum, which is the annual amount needed to fund the plan to 90% by the end of the 2040 fiscal year as a level percentage of payroll, using the Projected Unit Credit actuarial cost method.

**May 1, 2021**

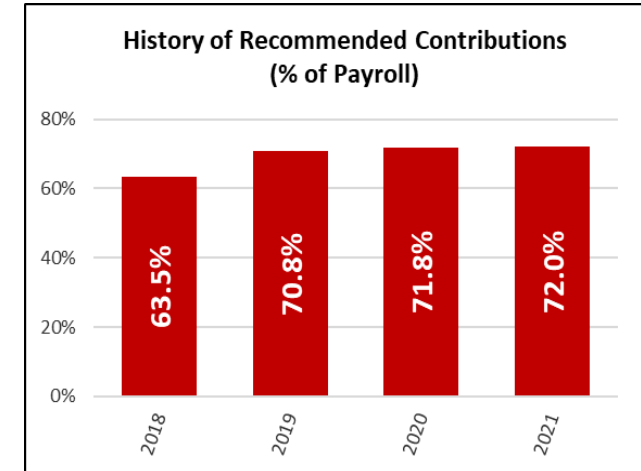
#### Funded Position

1. Entry Age Normal Accrued Liability	\$ 18,511,753
2. 90% of Entry Age Normal Accrued Liability	\$ 16,660,578
3. Actuarial Value of Assets	8,108,161
4. Unfunded Actuarial Accrued Liability (UAAL) (2 – 3)	\$ 8,552,417

#### Recommended Contribution

1. Normal Cost	\$ 281,036
2. Administrative Expenses	17,807
3. Amortization of UAAL	564,108
4. Applicable Interest	47,332
5. Total Recommended Contribution	\$ 910,283
6. Expected Employee Contributions	105,647
7. Net Recommended City Contribution (5 – 6)	\$ 804,636
8. Minimum Contribution (Public Act 096-1495 Tax Levy Requirement)	\$ 786,212
9. Final Recommended Contribution [max (7,8)]	\$ 804,636

As a Percentage of Expected Payroll 72.0%



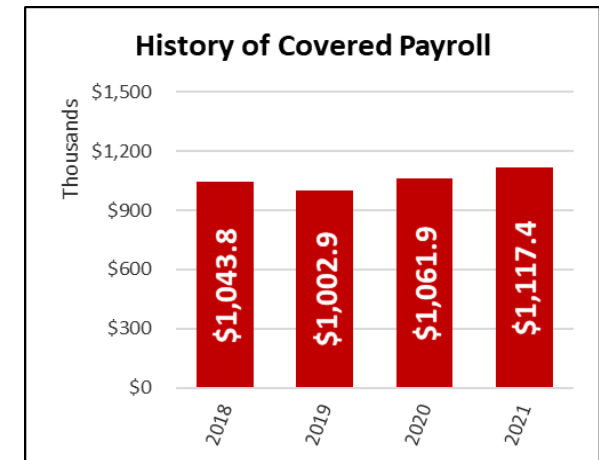
The Plan's Normal Cost plus interest on the Unfunded Actuarial Accrued Liability is \$836,576.

A contribution greater than the Normal Cost plus interest on the Unfunded Actuarial Accrued Liability will reduce the Unfunded Actuarial Accrued Liability, if all other assumptions are met. A contribution less than the Normal Cost plus interest on the Unfunded Actuarial Accrued Liability will increase the Unfunded Actuarial Accrued Liability, if all other assumptions are met. Consider making a contribution greater than the Normal Cost plus interest on the Unfunded Actuarial Accrued Liability in order to pay down the Plan's shortfall more rapidly if that amount is greater than your funding policy contribution.

## Demographic Information

The foundation of a reliable actuarial report is the participant information provided by the plan sponsor. Monitoring trends in demographic information is crucial for long-term pension planning.

	May 1, 2020	May 1, 2021
<b>Participant Counts</b>		
Active Participants	19	19
Retired Participants	24	25
Beneficiaries	6	5
Disabled Participants	2	2
Terminated Vested Participants	4	4
Total Participants	55	55
<b>Active Participant Demographics</b>		
Average Age	35.4	35.1
Average Service	7.4	7.3
Average Compensation	\$ 55,892	\$ 58,809
Covered Payroll	\$ 1,061,944	\$ 1,117,363



Demographic Information (continued)

	May 1, 2020	May 1, 2021
<b>Retiree Statistics</b>		
Average Age	66.2	66.6
Average Monthly Pension Benefit	\$ 3,088	\$ 3,153
<b>Beneficiary Statistics</b>		
Average Age	86.0	87.0
Average Monthly Pension Benefit	\$ 2,463	\$ 2,723
<b>Disabled Participants Statistics</b>		
Average Age	73.8	74.9
Average Monthly Pension Benefit	\$ 2,013	\$ 2,043
<b>Terminated Participants Statistics</b>		
Average Age	33.2	34.2
Average Monthly Pension Benefit*	N/A	NA

\* Average monthly pension benefit does not include participants eligible for a return of contributions only.

Participant Reconciliation

	Active	Terminated Vested	Disabled	Retired	Beneficiaries	Totals
<b>Prior Year</b>	19	4	2	24	6	55
<b>Active</b>						
To Retired	(1)	0	0	1	0	0
To Disabled	0	0	0	0	0	0
To Terminated Vested	0	0	0	0	0	0
Terminated Nonvested (return of employee contributions)	0	0	0	0	0	0
<b>Terminated Vested</b>						
To Retired	0	0	0	0	0	0
Return of employee contributions	0	0	0	0	0	0
<b>Retired</b>						
To Death with Beneficiary	0	0	0	0	0	0
To Death without Beneficiary	0	0	0	0	0	0
<b>Beneficiaries</b>						
To Death	0	0	0	0	(1)	(1)
Expired Child Coverage	0	0	0	0	0	0
<b>Additions</b>	1	0	0	0	0	1
<b>Departures</b>	0	0	0	0	0	0
<b>Current Year</b>	19	4	2	25	5	55

## Active Participant Schedule

Active participant information grouped based on age and service.

Age Group	Years of Service										Total	Average Pay
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & Up		
Under 25		1									1	55,246
25 to 29	1	3									4	52,853
30 to 34		4	4								8	58,272
35 to 39		1	1								2	58,903
40 to 44						1					1	63,827
45 to 49				1							1	59,055
50 to 54						1					1	80,856
55 to 59						1					1	62,987
60 to 64												
65 to 69												
70 & up												
Total	1	9	5	1	0	3	0	0	0	0	19	58,809



## Eligibility for Participation

Firefighters of the City of Kewanee

## Accrual of Benefits

For employees hired prior to January 1, 2011, the normal retirement benefit is equal to 50% of the final salary plus 2.5% of any service over 20 years (with a maximum of 30) times the final salary. There is a minimum benefit of \$1,159.27 per month. The benefit is paid as a 100% joint and survivor benefit with the spouse, children under 18, or dependent parents of the participants as the survivor.

For employees hired after or on January 1, 2011, the normal retirement benefit is equal to 2.5% of the final average salary times benefit service (maximum 30 years.) The benefit is paid as a 66.67% joint and survivor benefit with the spouse, children under 18, or dependent parents of the participants as the survivor.

## Benefits

### Normal Retirement

Eligibility	For employees hired prior to January 1, 2011, the normal retirement date is the first day of the month on or after completion of 20 years of service and attainment of age 50.
	For employees hired after or on January 1, 2011, the normal retirement date is the first day of the month on or after completion of 10 years of service and attainment of age 55.
Benefit	Unreduced Accrued Benefit payable immediately.

### Early Retirement

Eligibility	For employees hired prior to January 1, 2011 and terminating with less than 20 years of service For employees hired after or on January 1, 2011 who has attained age 50 and has 10 years of service.
Benefit	For those hired prior to January 1, 2011 a reduced Accrued Benefit shall be paid at age 60 based on the schedule below. For those hired after or on January 1, 2011 the Accrued Benefit is reduced by 0.5% for each month prior to age 55.

Benefit Service	Accrual Percentage	Benefit Service	Accrual Percentage
10	15.0%	15	30.0%
11	17.6%	16	33.6%
12	20.4%	17	37.4%
13	23.4%	18	41.4%
14	26.6%	19	45.6%

### **Termination**

Eligibility	For employees hired prior to January 1, 2011, age 60 with 8 years of service.  For employees hired after or on January 1, 2011, age 55 with 10 years of service.
Benefit	Accrued benefit. Refund of contributions for employees that do not meet the eligibility criteria above.

### **Disability In The Line of Duty**

Eligibility	For participants who become disabled in the line of duty.
Benefit	The greater of 65% of the final salary or the accrued benefit

### **Disability Not In The Line of Duty**

Eligibility	For participants who become disabled outside of the line of duty.
Benefit	50% of the final salary

### **Death In the Line of Duty**

Eligibility	For participants who die in the line of duty.
Benefit	The benefit is 100% of final salary paid to the survivor.

### **Death Not In the Line of Duty**

Eligibility	For participants who die outside of the line of duty.
Benefit	For those hired before 1/1/2011 with greater than 20 years of service, a benefit of 100% of the accrued benefit is paid to the survivor. For those with more than 10 years of service, but less than 20 years of service, a benefit of 54% of the final salary is paid to the survivor.  For those hired on or after January 1, 2011, a benefit equal to the greater of 54% of Final Salary and 66.67% of the accrued benefit is paid to the survivor.

### **Compensation**

Final Salary is the salary attached to the rank held on the last day of service, or one year prior to the last day, whichever is greater.

Final Average Salary is the average monthly salary obtained by dividing the total salary of the firefighter during the 48 consecutive months of service within the last 60 months of service in which the total salary was the highest by the number of months of service in that period. Salary will not exceed \$106,800 adjusted from January 1, 2011 with the lesser of 3% and 100% of the CPI on November 1.

### Credited Service

For Vesting and Benefit Accrual purposes, pension service credit is based on elapsed time from hire.

### Employee Contributions

9.455% of Compensation

### COLA

Eligibility All Participants

Benefit For employees hired prior to January 1, 2011 a compound COLA of 3% is granted each year after attainment of age 55 and 1 year of payments.

For employees hired after or on January 1, 2011 a simple COLA of the lesser of 3% and 50% of the CPI on November 1 is granted each year after attainment of age 60 and 1 year of payments.

For disabled employees, a simple COLA is available after attainment of age 60 and 1 year of payments. For employees hired prior to January 1, 2011 the COLA is 3%. For employees hired after January 1, 2011, the COLA is the lesser of 3% and 50% of the CPI on November 1.

### Plan Provisions Not Included

We are not aware of any plan provisions not included in the valuation

### Adjustments Made for Subsequent Events

We are not aware of any event following the measurement date and prior to the date of this report that would materially impact the results of this report.

Except where otherwise indicated, the following assumptions were selected by the plan sponsor with the concurrence of the actuary. Prescribed assumptions are based on the requirements of the relevant law and applicable regulations. The actuary was not able to evaluate the prescribed assumptions for reasonableness for the purpose of the measurement.

Valuation Date	May 1, 2021																				
Participant and Asset Information Collected as of	May 1, 2021																				
Actuarial Cost Method (CO)	Entry Age Normal Cost Method																				
Amortization Method – Recommended Contribution (CO)	Closed level percentage of payroll amortization of 90% of the Unfunded Actuarial Accrued Liability using a 3.50% payroll growth assumption over the period ending on April 30, 2040 (19-year amortization in 2021)																				
Asset Method	5-year smoothing of asset gains and losses																				
Interest Rates (CO)	6.25%, net of investment expenses																				
Inflation (FE)	2.50%																				
Annual Pay Increases (FE)	Recommended increases from the 2017 IDOI experience study. Sample rates include: <table><tr><td><u>Service</u></td><td><u>Rate</u></td><td><u>Service</u></td><td><u>Rate</u></td></tr><tr><td>0</td><td>12.50%</td><td>20</td><td>4.00%</td></tr><tr><td>5</td><td>7.50%</td><td>25</td><td>4.00%</td></tr><tr><td>10</td><td>4.00%</td><td>30</td><td>3.75%</td></tr><tr><td>15</td><td>4.00%</td><td>35</td><td>3.50%</td></tr></table>	<u>Service</u>	<u>Rate</u>	<u>Service</u>	<u>Rate</u>	0	12.50%	20	4.00%	5	7.50%	25	4.00%	10	4.00%	30	3.75%	15	4.00%	35	3.50%
<u>Service</u>	<u>Rate</u>	<u>Service</u>	<u>Rate</u>																		
0	12.50%	20	4.00%																		
5	7.50%	25	4.00%																		
10	4.00%	30	3.75%																		
15	4.00%	35	3.50%																		
Ad-hoc Cost-of-living Increases	3.0% (1.25% for those hired after 1/1/2011)																				
Mortality Rates (FE)																					
Healthy	RP-2014 Mortality Table with blue collar adjustment, projected generationally using improvement Scale MP-2020 from 2013																				
Disabled	115% of the Healthy Mortality Table, projected generationally using improvement Scale MP-2020 from 2013																				
	10% of deaths are assumed to be in the line of duty																				

**Retirement Rates (FE)**

Recommended rates from the 2017 IDOI experience study:

Tier I		Tier II	
<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>
50-51	10%	50-54	3%
52-53	12%	55	30%
54-55	15%	56-59	20%
56-59	20%	60-62	25%
60-62	25%	63-64	33%
63-64	33%	65-69	50%
65-69	50%	70+	100%
70+	100%		

**Disability Rates (FE)**

Recommended rates from the 2017 IDOI experience study. Sample rates include:

<u>Age</u>	<u>Rate</u>
20	0.010%
30	0.068%
40	0.420%
50	0.900%

80% of disabilities are assumed to be in the line of duty

**Termination Rates (FE)**

Recommended rates from the 2017 IDOI experience study. Sample rates include:

<u>Age</u>	<u>Rate</u>
20	5.80%
30	3.50%
40	1.10%
50	1.00%

**Marital Status and Ages (FE)**

80% of participants are assumed to be married with female spouses 3 years younger.

**Expense Load**

Equal to the administrative expenses paid in the prior year.

**Funding Policy**

Statutory minimum contribution, with additional funding at the discretion of the City.

FE indicates an assumption representing an estimate of future experience

MD indicates an assumption representing observations of estimates inherent in market data

CO indicates an assumption representing a combination of an estimate of future experience and observations of market data

The actuarial report also shows the necessary items required for plan reporting and any state requirements.

- ✓ Minimum contribution (Public Act 096-1495 Tax Levy Requirement)

**Minimum Contribution (Public Act 096-1495 Tax Levy Requirement)**

**May 1, 2021**

1. Accrued liability using projected unit credit cost method	\$ 18,475,425
2. 90% of Accrued liability	\$ 16,627,883
3. Actuarial value of assets	<u>8,108,161</u>
4. Unfunded liability to be amortized [(2)-(3)]	\$ 8,519,722
5. Total normal cost using projected unit credit cost method	\$ 265,853
6. Administrative expenses	17,807
7. 19-year level pay amortization of (4)	561,951
8. Applicable interest	<u>46,248</u>
9. Minimum contribution (5 + 6 + 7 + 8)	\$ 891,859
10. Expected employee contributions	<u>105,647</u>
11. Net employer minimum contribution (9 – 10)	\$ 786,212

**Actuarial Cost Method**

Projected Unit Credit

**Amortization Method**

Closed level percentage of payroll amortization of 90% of Unfunded Actuarial Accrued Liability using a 3.50% payroll growth assumption over the period ending on April 30, 2040 (19-year amortization in 2021)

**Asset Method**

5-year smoothing of asset gains and losses

**Interest Rate**

6.25%, net of investment expenses



# City of Kewanee Police Pension Fund

May 1, 2021  
Actuarial Valuation Report



<b>Actuarial Certification</b>	<b>3</b>
<b>Executive Summary</b>	<b>5</b>
Summary Results	5
Changes Since Prior Valuation and Key Notes	6
History of Valuation Results	7
Identification of Risks	8
Plan Maturity Measures	9
<b>Assets and Liabilities</b>	<b>10</b>
Present Value of Future Benefits	10
Funding Liabilities	11
Asset Information	12
Reconciliation of Gain/Loss	14
<b>Contribution Requirements</b>	<b>15</b>
Development of Recommended Contribution	15
<b>Demographic Information</b>	<b>16</b>
<b>Participant Reconciliation</b>	<b>18</b>
<b>Plan Provisions</b>	<b>20</b>
<b>Actuarial Assumptions</b>	<b>23</b>
<b>Other Measurements</b>	<b>25</b>
Minimum Contribution	26

At the request of the plan sponsor, this report summarizes the City of Kewanee Police Pension Fund as of May 1, 2021 . The purpose of this report is to communicate the following results of the valuation:

- Funded Status;
- Recommended City Contribution;
- Statutory Minimum Contribution;

This report has been prepared in accordance with the applicable Federal and State laws. Consequently, it may not be appropriate for other purposes. Please contact Nyhart prior to disclosing this report to any other party or relying on its content for any purpose other than that explained above. Failure to do so may result in misrepresentation or misinterpretation of this report.

The results in this report were prepared using information provided to us by other parties. The census information has been provided to us by the employer. Asset information has been provided to us by the administrator. We have reviewed the provided data for reasonableness when compared to prior information provided, but have not audited the data. Where relevant data may be missing, we have made assumptions we believe to be reasonable. We are not aware of any significant issues with and have relied on the data provided. Any errors in the data provided may result in a different result than those provided in this report. A summary of the data used in the valuation is included in this report.

The actuarial assumptions and methods were chosen by the employer. In our opinion, all actuarial assumptions and methods are individually reasonable and in combination represent our best estimate of anticipated experience of the plan. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following:

- plan experience differing from that anticipated by the economic or demographic assumptions;
- changes in economic or demographic assumptions;
- increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period); and
- changes in plan provisions or applicable law.

We did not perform an analysis of the potential range of future measurements due to the limited scope of our engagement. This report has been prepared in accordance with generally accepted actuarial principles and practice.

Neither Nyhart nor any of its employees have any relationship with the plan or its sponsor which could impair or appear to impair the objectivity of this report. To the extent that this report or any attachment concerns tax matters, it is not intended to be used and cannot be used by a taxpayer for the purpose of avoiding penalties that may be imposed by law.

In preparing the results, Nyhart used Proval valuation software developed by Winklevoss Technologies, LLC. This software is widely used for the purpose of performing pension valuations. We coded the plan provisions, assumptions, methods, and participant data summarized in this report, and reviewed the liability and cost outputs for reasonableness. We are not aware of any material weaknesses or limitations in the software, and have determined it is appropriate for performing this valuation

The undersigned is compliant with the continuing education requirements of the Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States and are available for any questions.

Nyhart



Nick H. Meggos, EA, FCA

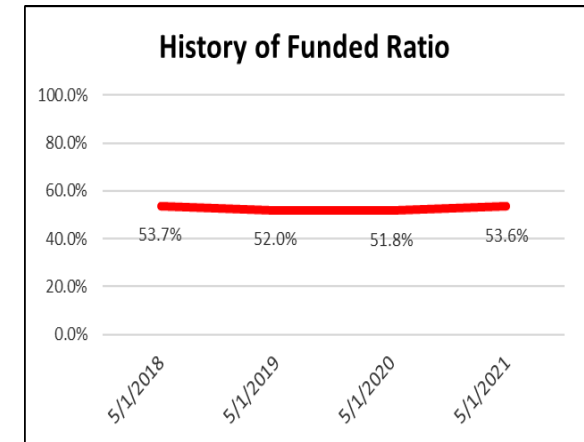
December 10, 2021

Date

## Summary Results

The actuarial valuation's primary purpose is to produce a scorecard measure displaying the funding progress of the plan toward the ultimate goal of paying benefits at retirement. The Accrued Liability is based on the Entry Age Normal actuarial cost method.

	May 1, 2020	May 1, 2021
<b>Funded Status Measures</b>		
Accrued Liability	\$ 19,812,359	\$ 20,712,459
Actuarial Value of Assets	10,258,186	11,104,675
Unfunded Accrued Liability	\$ 9,554,173	\$ 9,607,784
Funded Percentage (AVA)	51.8%	53.6%
Funded percentage (MVA)	49.8%	60.0%
<b>Cost Measures</b>		
Recommended Total Pension Contribution	\$ 893,566	\$ 920,180
Expected Employee Contributions	(127,889)	(140,314)
Recommended Net City Contribution	\$ 765,677	\$ 779,866
- as a Percentage of Payroll	59.3%	58.5%
<b>Asset Measures</b>		
Market Value of Assets (MVA)	\$ 9,868,558	\$ 12,430,128
Actuarial Value of Assets (AVA)	\$ 10,258,186	\$ 11,104,675
Actuarial Value/Market Value	103.9%	89.3%
<b>Participant Information</b>		
Active Participants	20	20
Terminated Vested Participants	1	1
Retirees, Beneficiaries, and Disabled Participants	25	26
Total	46	47
Payroll	\$ 1,290,506	\$ 1,332,596



### Changes since Prior Valuation and Key Notes

The healthy mortality assumption was updated from the RP-2014 mortality table with blue collar adjustment projected generationally from 2013 using scale MP-2019, to the RP-2014 mortality table with blue collar adjustment projected generationally from 2013 using scale MP-2020. The disabled mortality table was changed to 115% of the healthy mortality table with blue collar adjustment projected generationally from 2013 using scale MP-2020. The change resulted in a decrease in benefit obligations and in the recommended contribution.

## History of Valuation Results

	5/1/2018	5/1/2019	5/1/2020	5/1/2021
<b>Plan Funding</b>				
Accrued Liability	\$ 18,469,954	\$ 19,290,866	\$ 19,812,359	\$ 20,712,459
Actuarial Value of Assets	9,922,680	10,022,517	10,258,186	11,104,675
Unfunded Accrued Liability	\$ 8,547,274	\$ 9,268,349	\$ 9,554,173	\$ 9,607,784
Funded Percentage	53.7%	52.0%	51.8%	53.6%
Normal Cost (NC)	\$ 375,932	\$ 351,936	\$ 353,225	\$ 354,881
NC as a Percent of Covered Payroll	30.1%	28.1%	27.4%	26.6%
Actual Contribution	\$ 487,343	\$ 683,516	\$ 729,363	To Be Determined
Recommended Contribution	\$ 688,331	\$ 732,995	\$ 765,677	\$ 779,866
Recommended Contribution (% of Pay)	55.1%	58.5%	59.3%	58.5%
Interest Rate	6.25%	6.25%	6.25%	6.25%
<b>Rate of Return</b>				
Actuarial Value of Assets	5.4%	5.5%	4.2%	9.4%
Market Value of Assets	7.7%	5.6%	0.8%	27.2%
<b>Demographic Information</b>				
Active Participants	21	20	20	20
Retired Participants	14	14	15	16
Beneficiaries	8	8	8	8
Disabled Participants	4	3	2	2
Terminated Vested Participants	1	1	1	1
Total Participants	48	46	46	47
Covered Payroll	\$ 1,248,143	\$ 1,252,494	\$ 1,290,506	\$ 1,332,596
Average Covered Pay	\$ 59,435	\$ 62,625	\$ 64,525	\$ 66,630

## Identification of Risks

The results presented in this report are shown as single point values. However, these values are derived using assumptions about future markets and demographic behavior. If actual experience deviates from our assumptions, the actual results for the plan will consequently deviate from those presented in this report. Therefore, it is critical to understand the risks facing this pension plan. The following table shows the risks we believe are most relevant to the City of Kewanee Police Pension Fund. The risks are generally ordered with those we believe to have the most significance at the top. Also shown are possible methods by which a more detailed assessment of the risk can be performed.

### Type of Risk

### Method to Assess Risk

Investment Return	Scenario Testing; Asset Liability Study
Interest Rates	Scenario Testing; Asset Liability Study
Participant Longevity	Stress Testing; Scenario Testing
Salary Growth	Projections; Stress Testing

## Plan Maturity Measures - May 1, 2021

Each pension plan has a distinct life-cycle. New plans promise future benefits to active employees and then accumulate assets to pre-fund those benefits. As the plan matures, benefits are paid and the pre-funded assets begin to decumulate until ultimately, the plan pays out all benefits. A plan's maturity has a dramatic influence on how risks should be viewed. The following maturity measures illustrate where the City of Kewanee Police Pension Fund falls in its life-cycle.

### **Duration of Liabilities: 14.3**

Duration is the most common measure of plan maturity. It is defined as the sensitivity of the liabilities to a change in the interest rate assumption. The metric also approximates the weighted average length of time, in years, until benefits are expected to be paid. A plan with high duration is, by definition, more sensitive to changes in interest rates. A plan with low duration is more susceptible to risk if asset performance deviates from expectations as there would be less time to make up for market losses in adverse market environments while more favorable environments could result in trapped surplus from gains. Conversely, high duration plans can often take on more risk when investing, and low duration plans are less sensitive to interest rate fluctuations.

### **Demographic Distribution - Ratio of Actively Accruing Participants to All Participants: 42.6%**

A plan with a high ratio is more sensitive to fluctuations in salary (if a salary-based plan) and statutory changes. A plan with a low ratio is at higher risk from demographic experience. Such a plan should pay close attention to valuation assumptions as there will be less opportunity to realize future offsetting gains or losses when current experience deviates from assumptions. Plans with a low ratio also have limited opportunities to make alterations to plan design to affect future funded status.

### **Asset Leverage - Ratio of Payroll for Plan Participants to Market Value of Assets: 10.7%**

Younger plans typically have a large payroll base from which to draw in order to fund the plan while mature plans often have a large pool of assets dedicated to providing benefits to a population primarily consisting of members no longer on payroll. Plans with low asset leverage will find it more difficult to address underfunding, as the contributions needed to make up the deficit will represent a higher percentage of payroll than for a plan with high asset leverage.

### **Benefit Payment Percentage - Ratio of Annual Benefit Payments to Market Value of Assets: 8.6%**

As a plan enters its decumulation phase, a larger percentage of the pre-funded assets are paid out each year to retirees. A high percentage is not cause for alarm as long as the plan is nearly fully funded. However, such a plan is more sensitive to negative asset performance, especially if cash contributions are not an option to make up for losses.



## Present Value of Future Benefits

The Present Value of Future Benefits represents the future benefits payable to the existing participants.

May 1, 2021

## Present Value of Future Benefits

### Active Participants

Retirement	\$ 7,387,241
Disability	721,531
Death	191,248
Termination	625,900
Total Active	\$ 8,925,920

### Inactive participants

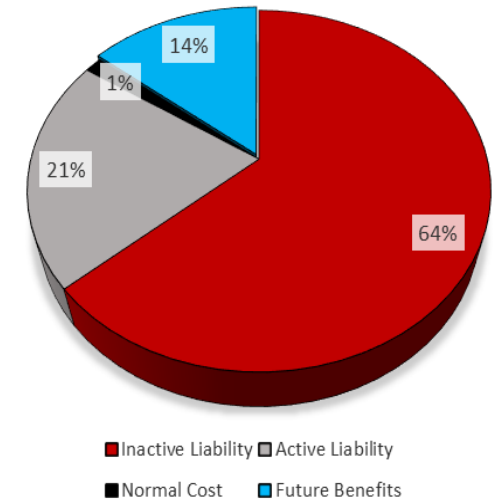
Retired Participants	\$ 12,643,490
Beneficiaries	1,558,624
Disabled Participants	1,301,104
Terminated Vested Participants	100,731
Total Inactive	\$ 15,603,949

Total \$ 24,529,869

Present Value of Future Payrolls \$ 15,242,803

Present Value of Future Employee Contributions \$ 1,510,562

Breakdown of Present Value of Future Benefits



## Accrued Liability

The Funding Liability measures the present value of benefits earned as of the valuation date, using the actuarial assumptions described in the assumption section of this report and the Entry Age Normal actuarial cost method.

May 1, 2021

### Funding Liabilities

#### Active Participants

Retirement	\$ 4,542,801
Disability	284,927
Death	64,552
Termination	216,230
Total Active	\$ 5,108,510

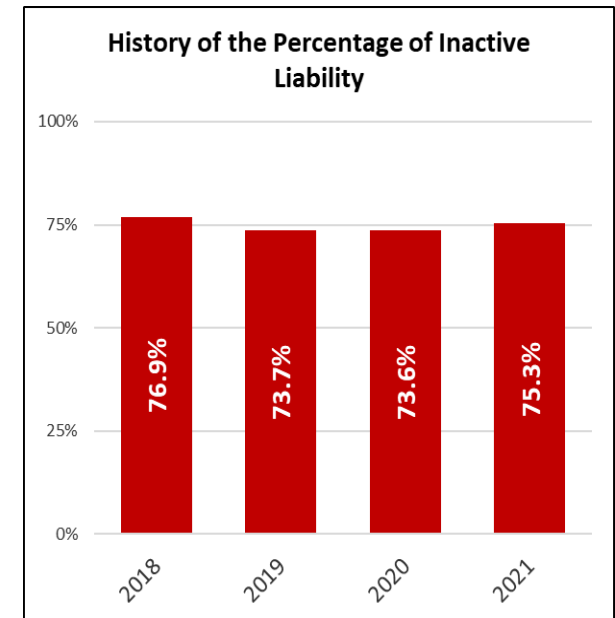
#### Inactive Participants

Retired Participants	\$ 12,643,490
Beneficiaries	1,558,624
Disabled Participants	1,301,104
Terminated Vested Participants	100,731

Total Inactive \$ 15,603,949

Total \$ 20,712,459

Normal Cost \$ 354,881



## Asset Information

The amount of assets backing the pension promise is the most significant driver of volatility and future costs within a pension plan. The investment performance of the assets directly offsets the ultimate cost.

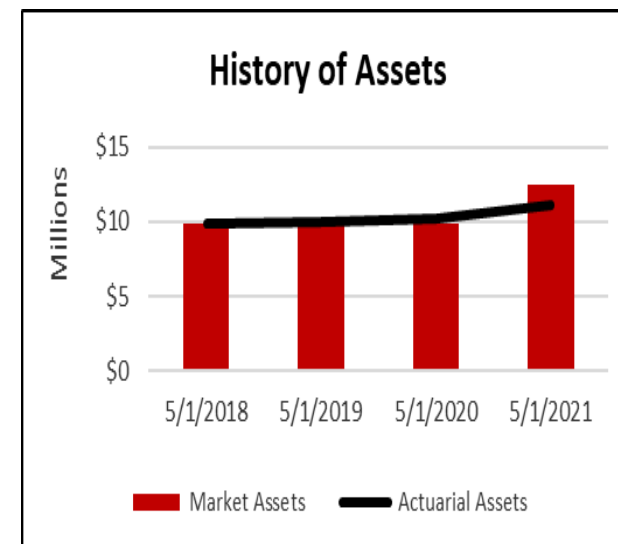
May 1, 2021

### Market Value Reconciliation

Market Value of Assets, Beginning of Prior Year	\$ 9,868,558
Contributions	
Employer Contributions	\$ 729,363
Member Contributions	203,555
Total	\$ 932,918
Investment Income	2,672,767
Benefit Payments	(1,030,046)
Administrative Expenses	(14,069)
Market Value of Assets, Beginning of Current Year	\$ 12,430,128
Return on Market Value	27.2%

### Actuarial value of assets

Value at Beginning of Current Year	\$ 11,104,675
------------------------------------	---------------



**Asset Information (continued)**

Plan Assets are used to develop funded percentages and contribution requirements.

	May 1, 2021
1. Expected Market Value of Assets	
(a) Market Value of Assets, Beginning of Prior Year	\$ 9,868,558
(b) Contributions	932,918
(c) Benefit Payments	(1,030,046)
(d) Administrative Expenses	(14,069)
(e) Expected Return	613,310
(f) Expected Market Value of Assets, Beginning of Current Year	<u>\$ 10,370,671</u>
2. Market Value of Assets, Beginning of Current Year	\$ 12,430,128
3. Actual Return on Market Value	\$ 2,672,767
4. Amount Subject to Phase-in [(3)-(1e)]	\$ 2,059,457
5. Phase-in of Asset Gain/(Loss)	
(a) Current Year [80% x \$ 2,059,457 ]	\$ 1,647,566
(b) First Prior Year [60% x \$ (539,167)]	(323,500)
(c) Second Prior Year [40% x \$ (63,553) ]	(25,421)
(d) Third Prior Year [20% x \$ 134,042 ]	26,808
(e) Total Phase-in	<u>\$ 1,325,453</u>
6. Actuarial Value of Assets, Beginning of Current Year [(2)-(5e)]	\$ 11,104,675
7. Return on Actuarial Value of Assets	9.4%

**Reconciliation of Gain/Loss**

**May 1, 2021**

**Liability (Gain)/Loss**

Actuarial Liability, Beginning of Prior Year	\$ 19,812,359
Normal Cost	353,225
Benefit Payments	(1,030,046)
Expected Interest	1,228,160
	<hr/>
Expected Actuarial Liability, Beginning of Current Year	\$ 20,363,698
Actual Actuarial Liability, Before Changes	\$ 20,819,557
Liability (Gain)/Loss	\$ 455,859

**Asset (Gain)/Loss**

Actuarial Value of Assets, Beginning of Prior Year	\$ 10,258,186
Contributions	932,918
Benefit Payments and Administrative Expenses	(1,044,115)
Expected Return	637,662
	<hr/>
Expected Actuarial Value of Assets, Beginning of Current Year	\$ 10,784,651
Actual Actuarial Value of Assets, Beginning of Current Year	\$ 11,104,675
Asset (Gain)/Loss	\$ (320,024)

**Total (Gain)/Loss**

\$ 135,835

### Development of Recommended Contribution

The recommended contribution is the annual amount needed to fund the plan to 90% by the end of the 2040 fiscal year as a level percentage of payroll, using the Entry Age Normal actuarial cost method. The recommended contribution is subject to the State statutory minimum, which is the annual amount needed to fund the plan to 90% by the end of the 2040 fiscal year as a level percentage of payroll, using the Projected Unit Credit actuarial cost method.

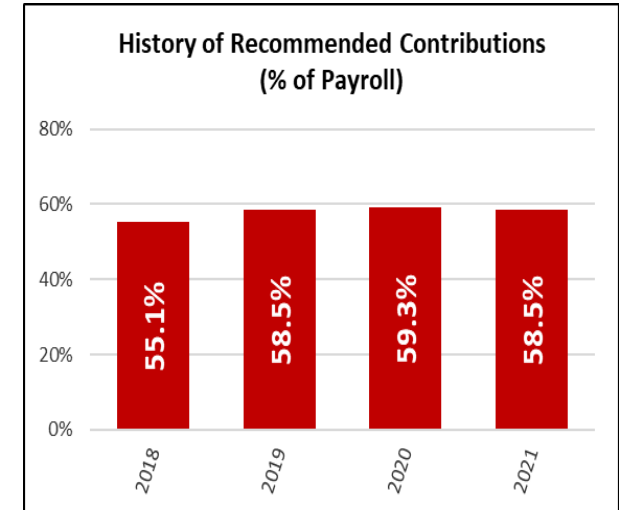
**May 1, 2021**

#### Funded Position

1. Entry Age Normal Accrued Liability	\$ 20,712,459
2. 90% of Entry Age Normal Accrued Liability	\$ 18,641,213
3. Actuarial Value of Assets	11,104,675
4. Unfunded Actuarial Accrued Liability (UAAL) (2 – 3)	\$ 7,536,538

#### Recommended Contribution

1. Normal Cost	\$ 354,881
2. Administrative Expenses	14,069
3. Amortization of UAAL	497,102
4. Applicable Interest	54,128
5. Total Recommended Contribution	\$ 920,180
6. Expected Employee Contributions	140,314
7. Net Recommended City Contribution (5 – 6)	\$ 779,866
8. Minimum Contribution (Public Act 096-1495 Tax Levy Requirement)	\$ 753,517
9. Final Recommended Contribution [max (7,8)]	\$ 779,866
As a Percentage of Expected Payroll	58.5%



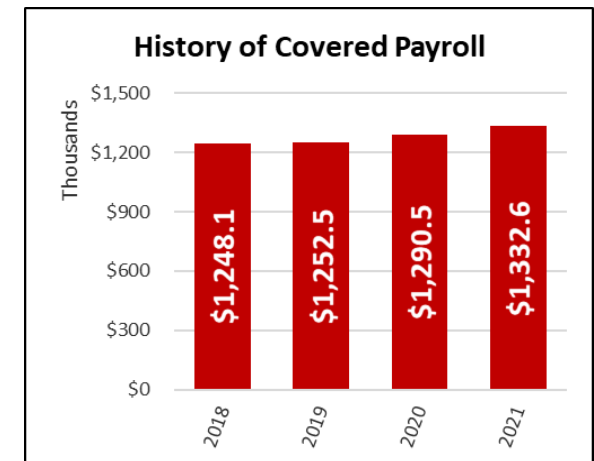
The Plan's Normal Cost plus interest on the Unfunded Actuarial Accrued Liability is \$837,234.

A contribution greater than the Normal Cost plus interest on the Unfunded Actuarial Accrued Liability will reduce the Unfunded Actuarial Accrued Liability, if all other assumptions are met. A contribution less than the Normal Cost plus interest on the Unfunded Actuarial Accrued Liability will increase the Unfunded Actuarial Accrued Liability, if all other assumptions are met. Consider making a contribution greater than the Normal Cost plus interest on the Unfunded Actuarial Accrued Liability in order to pay down the Plan's shortfall more rapidly if that amount is greater than your funding policy contribution.

## Demographic Information

The foundation of a reliable actuarial report is the participant information provided by the plan sponsor. Monitoring trends in demographic information is crucial for long-term pension planning.

	May 1, 2020	May 1, 2021
<b>Participant Counts</b>		
Active Participants	20	20
Retired Participants	15	16
Beneficiaries	8	8
Disabled Participants	2	2
Terminated Vested Participants	1	1
Total Participants	46	47
<b>Active Participant Demographics</b>		
Average Age	38.3	38.4
Average Service	10.7	10.8
Average Compensation	\$ 64,525	\$ 66,630
Covered Payroll	\$ 1,290,506	\$ 1,332,596



Demographic Information (continued)

	May 1, 2020	May 1, 2021
<b>Retiree Statistics</b>		
Average Age	64.7	64.8
Average Monthly Pension Benefit	\$ 3,922	\$ 4,034
<b>Beneficiary Statistics</b>		
Average Age	80.6	81.6
Average Monthly Pension Benefit	\$ 2,348	\$ 2,348
<b>Disabled Participants Statistics</b>		
Average Age	46.4	47.4
Average Monthly Pension Benefit	\$ 2,820	\$ 2,820
<b>Terminated Participants Statistics</b>		
Average Age	50.8	51.8
Average Monthly Pension Benefit*	\$ 756	\$ 756

\* Average monthly pension benefit does not include participants eligible for a return of contributions only.



Participant Reconciliation

	Active	Terminated Vested	Disabled	Retired	Beneficiaries	Totals
<b>Prior Year</b>	20	1	2	15	8	46
<b>Active</b>						
To Retired	(1)	0	0	1	0	0
To Disabled	0	0	0	0	0	0
To Terminated Vested	0	0	0	0	0	0
Terminated Nonvested (return of employee contributions)	0	0	0	0	0	0
<b>Terminated Vested</b>						
To Retired	0	0	0	0	0	0
Return of employee contributions	0	0	0	0	0	0
<b>Disabled</b>						
To Death	0	0	0	0	0	0
<b>Retired</b>						
To Death with Beneficiary	0	0	0	0	0	0
To Death without Beneficiary	0	0	0	0	0	0
<b>Beneficiaries</b>						
To Death	0	0	0	0	0	0
<b>Additions</b>	1	0	0	0	0	1
<b>Departures</b>	0	0	0	0	0	0
<b>Current Year</b>	20	1	2	16	8	47

## Active Participant Schedule

Active participant information grouped based on age and service.

Age Group	Years of Service										Total	Average Pay
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & Up		
Under 25		2									2	57,470
25 to 29		2									2	60,736
30 to 34			2	1							3	63,482
35 to 39			1	5							6	72,156
40 to 44			1	1							2	64,542
45 to 49				1							1	64,646
50 to 54					3	1					4	69,768
55 to 59												
60 to 64												
65 to 69												
70 & up												
Total	0	4	4	8	3	1	0	0	0	0	20	66,630

## Eligibility for Participation

Police Officers of the City of Kewanee

## Accrual of Benefits

For employees hired prior to January 1, 2011, the normal retirement benefit is equal to 50% of the final salary plus 2.5% of any service over 20 years (with a maximum of 30) times the final salary. There is a minimum benefit of \$1,000 per month. The benefit is paid as a 100% joint and survivor benefit with the spouse, children under 18, or dependent parents of the participants as the survivor.

For employees hired after or on January 1, 2011, the normal retirement benefit is equal to 2.5% of the final average salary times benefit service (maximum 30 years.) The benefit is paid as a 66.67% joint and survivor benefit with the spouse, children under 18, or dependent parents of the participants as the survivor.

## Benefits

### Normal Retirement

Eligibility	<p>For employees hired prior to January 1, 2011, the normal retirement date is the first day of the month on or after completion of 20 years of service and attainment of age 50.</p> <p>For employees hired after or on January 1, 2011, the normal retirement date is the first day of the month on or after completion of 10 years of service and attainment of age 55.</p>
Benefit	Unreduced Accrued Benefit payable immediately.

### Early Retirement

Eligibility	<p>For employees hired prior to January 1, 2011 and terminating with less than 20 years of service</p> <p>For employees hired after or on January 1, 2011 who has attained age 50 and has 10 years of service.</p>
Benefit	<p>For those hired prior to January 1, 2011 the Accrued Benefit of 2.5% of final salary times service shall be paid at age 60.</p> <p>For those hired after or on January 1, 2011 the Accrued Benefit is reduced by 0.5% for each month prior to age 55</p>

## Termination

Eligibility	<p>For employees hired prior to January 1, 2011, age 60 with 8 years of service.</p> <p>For employees hired after or on January 1, 2011, age 55 with 10 years of service.</p>
Benefit	Accrued benefit. Refund of contributions for employees that do not meet the eligibility criteria above.

### **Disability In The Line of Duty**

Eligibility	For participants who become disabled in the line of duty.
Benefit	The greater of 65% of the final salary or the accrued benefit

### **Disability Not In The Line of Duty**

Eligibility	For participants who become disabled outside of the line of duty.
Benefit	50% of the final salary

### **Death In the Line of Duty**

Eligibility	For participants who die in the line of duty.
Benefit	The benefit is 100% of final salary paid to the survivor.

### **Death Not In the Line of Duty**

Eligibility	For participants who die outside of the line of duty.
Benefit	For those hired before 1/1/2011 with greater than 20 years of service, a benefit of 100% of the accrued benefit is paid to the survivor. For those with more than 10 years of service, but less than 20 years of service, a benefit of 50% of the final salary is paid to the survivor.  For those hired after 1/1/2011, a benefit equal to the greater of 54% of Final Salary and 66-2/3% of the accrued benefit is paid to the survivor.

### **Compensation**

Final Salary is the salary attached to the rank held on the last day of service, or one year prior to the last day, whichever is greater.

Final Average Salary is the average monthly salary obtained by dividing the total salary of the police officer during the 48 consecutive months of service within the last 60 months of service in which the total salary was the highest by the number of months of service in that period. Salary will not exceed \$106,800 adjusted from January 1, 2011 with the lesser of 3% and 100% of the CPI on November 1.

### Credited Service

For Vesting and Benefit Accrual purposes, pension service credit is based on elapsed time from hire.

### Employee Contributions

9.91% of Compensation

### COLA

Eligibility All Participants

Benefit For employees hired prior to January 1, 2011 a compound COLA of 3% is granted each year after attainment of age 55 and 1 year of payments.

For employees hired after or on January 1, 2011 a simple COLA of the lesser of 3% and 50% of the CPI on November 1 is granted each year after attainment of age 60 and 1 year of payments.

For disabled employees, a simple COLA is available after attainment of age 60 and 1 year of payments. For employees hired prior to January 1, 2011 the COLA is 3%. For employees hired after January 1, 2011, the COLA is the lesser of 3% and 50% of the CPI on November 1.

### Plan Provisions Not Included

We are not aware of any plan provisions not included in the valuation

### Adjustments Made for Subsequent Events

We are not aware of any event following the measurement date and prior to the date of this report that would materially impact the results of this report.

Except where otherwise indicated, the following assumptions were selected by the plan sponsor with the concurrence of the actuary. Prescribed assumptions are based on the requirements of the relevant law and applicable regulations. The actuary was not able to evaluate the prescribed assumptions for reasonableness for the purpose of the measurement.

Valuation Date	May 1, 2021																				
Participant and Asset Information Collected as of	May 1, 2021																				
Actuarial Cost Method (CO)	Entry Age Normal Cost Method																				
Amortization Method – Recommended Contribution (CO)	Closed level percentage of payroll amortization of 90% of the Unfunded Actuarial Accrued Liability using a 3.50% payroll growth assumption over the period ending on April 30, 2040 (19-year amortization in 2021)																				
Asset Method	5-year smoothing of asset gains and losses																				
Interest Rates (CO)	6.25%, net of investment expenses																				
Inflation (FE)	2.50%																				
Annual Pay Increases (FE)	Recommended increases from the 2017 IDOI experience study. Sample rates include: <table><tr><td><u>Service</u></td><td><u>Rate</u></td><td><u>Service</u></td><td><u>Rate</u></td></tr><tr><td>0</td><td>11.00%</td><td>20</td><td>3.75%</td></tr><tr><td>5</td><td>7.00%</td><td>25</td><td>3.75%</td></tr><tr><td>10</td><td>4.00%</td><td>30</td><td>3.75%</td></tr><tr><td>15</td><td>4.00%</td><td>35</td><td>3.50%</td></tr></table>	<u>Service</u>	<u>Rate</u>	<u>Service</u>	<u>Rate</u>	0	11.00%	20	3.75%	5	7.00%	25	3.75%	10	4.00%	30	3.75%	15	4.00%	35	3.50%
<u>Service</u>	<u>Rate</u>	<u>Service</u>	<u>Rate</u>																		
0	11.00%	20	3.75%																		
5	7.00%	25	3.75%																		
10	4.00%	30	3.75%																		
15	4.00%	35	3.50%																		
Ad-hoc Cost-of-living Increases	3.0% (1.25% for those hired after 1/1/2011)																				
Mortality Rates (FE)																					
Healthy	RP-2014 Mortality Table with blue collar adjustment, projected generationally using improvement scale MP-2020 from 2013																				
Disabled	115% of the healthy mortality table with blue collar adjustment, projected generationally using improvement scale MP-2020 from 2013																				
	10% of deaths are assumed to be in the line of duty																				

**Retirement Rates (FE)**

Recommended rates from the 2017 IDOI experience study:

Tier I		Tier II	
<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>
50-51	15%	50-54	5%
52-54	20%	55	40%
55-64	25%	56-64	25%
65-69	40%	65-69	40%
70+	100%	70+	100%

**Disability Rates (FE)**

Recommended rates from the 2017 IDOI experience study. Sample rates include:

<u>Age</u>	<u>Rate</u>
20	0.000%
30	0.140%
40	0.420%
50	0.710%

60% of disabilities are assumed to be in the line of duty

**Termination Rates (FE)**

Recommended rates from the 2017 IDOI experience study. Sample rates include:

<u>Age</u>	<u>Rate</u>
20	10.40%
30	5.60%
40	1.90%
50	1.50%

**Marital Status and Ages (FE)**

80% of participants are assumed to be married with female spouses 3 years younger.

**Expense Load**

Equal to the administrative expenses paid in the prior year.

**Funding Policy**

Statutory minimum contribution, with additional funding at the discretion of the City.

FE indicates an assumption representing an estimate of future experience

MD indicates an assumption representing observations of estimates inherent in market data

CO indicates an assumption representing a combination of an estimate of future experience and observations of market data

The actuarial report also shows the necessary items required for plan reporting and any state requirements.

- ✓ Minimum contribution (Public Act 096-1495 Tax Levy Requirement)



**Minimum Contribution (Public Act 096-1495 Tax Levy Requirement)**

**May 1, 2021**

1. Accrued liability using projected unit credit cost method	\$ 20,134,248
2. 90% of Accrued liability	\$ 18,120,823
3. Actuarial value of assets	<u>11,104,675</u>
4. Unfunded liability to be amortized [(2)-(3)]	\$ 7,016,148
5. Total normal cost using projected unit credit cost method	\$ 364,407
6. Administrative expenses	14,069
7. 19-year level pay amortization of (4)	462,777
8. Applicable interest	<u>44,325</u>
9. Minimum contribution (5 + 6 + 7 + 8)	\$ 885,578
10. Expected employee contributions	<u>132,060</u>
11. Net employer minimum contribution (9 – 10)	\$ 753,518

**Actuarial Cost Method**

Projected Unit Credit

**Amortization Method**

Closed level percentage of payroll amortization of 90% of Unfunded Actuarial Accrued Liability using a 3.50% payroll growth assumption over the period ending on April 30, 2040 (19-year amortization in 2021)

**Asset Method**

5-year smoothing of asset gains and losses

**Interest Rate**

6.25%, net of investment expenses

# KEWANEE POLICE PENSION FUND

## Actuarial Valuation Report

Showing Assets and Liabilities of the Fund in  
Accordance with Actuarial Reserve Requirements  
as of May 1, 2021

### Summary

Accrued Liability	\$20,472,199
Actuarial Value of Assets	\$11,104,675
Unfunded Accrued Liability	\$9,367,524

Funded Ratio 54%

### Liabilities

#### Reserves for Annuities and Benefits in Force

	Head Count:	Present Value:	
Retirement Annuities	16	12,839,495	
Disability Annuities	2	1,213,652	
Surviving Spouse Annuities	8	1,548,597	
Minor Dependent Annuities	0	0	
Deferred Retirement Annuities	1	91,602	
Handicapped Dependent Annuities	0	0	
Dependent Parent Annuities	0	0	
Terminated Liabilities	0	0	
Total:	27		\$15,693,346

Accrued Liabilities for Active Members	20	\$4,778,853
Total Accrued Liabilities		\$20,472,199
Total Normal Cost for Active Members		\$384,003
Total Normal Cost as a Percentage of Payroll		29%

Total Annual Payroll \$1,332,596

#### Amortization of Unfunded Liabilities:

Total Accrued Liability	\$20,472,199
90% Funded Ratio Target	\$18,424,979
Actuarial Value of Assets	\$11,104,675
Liabilities Subject to Amortization	\$7,320,304
Amortization Period	19 years
Amortization Payment, Beginning of Year	\$492,213

This report is provided to the Board and Municipality as part of the Public Pension Division advisory services under Section 1A-106 of the Illinois Pension Code. This report should not be relied upon for purposes other than determining the current tax levy required under the Illinois Pension Code. The assumptions have been set based on expectations for all Article 3 funds in the State of Illinois. The actuarial methods are prescribed by the Illinois Pension Code and do not necessarily represent the approach recommended by either the actuary or the Department of Insurance. This report was prepared under the direct supervision of the undersigned:

Brad Lee Armstrong (Enrolled Actuary #17-5614)  
Lance Weiss (Enrolled Actuary #17-2468)  
GRS

Deputy Director  
Public Pension Division  
Illinois Department of Insurance

**KEWANEE POLICE PENSION FUND**  
**Actuarial Valuation Report**

**Assets**

Actuarial Value of Assets

Current Year Gain/(Loss):

Market value of assets as of April 30, 2020	\$9,868,558
Benefit payments during fiscal year 2021	(1,030,046)
Administrative expense during fiscal year 2021	(14,069)
Total contributions during fiscal year 2021	932,918
Expected return during fiscal year 2021	613,310
Expected market value of assets as of April 30, 2021	<u>\$10,370,671</u>

Actual market value of assets as of April 30, 2021	\$12,430,128
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Investment gain/(loss) during the fiscal year	\$2,059,457
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Development of Actuarial Value of Assets (market value less unrecognized amounts):

Market value of assets as of April 30, 2021	\$12,430,128
Unrecognized gain/(loss) from fiscal 2021	1,647,566
Unrecognized gain/(loss) from fiscal 2020	(323,500)
Unrecognized gain/(loss) from fiscal 2019	(25,421)
Unrecognized gain/(loss) from fiscal 2018	26,808
Actuarial value of assets as of April 30, 2021	<u>\$11,104,675</u>

**Actuarially Determined Employer Contributions**

Actuarially determined amount to provide the employer normal cost based on the annual payroll of active participants as of May 1, 2021.	\$251,943
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Amount necessary to amortize the unfunded accrued liability as determined by the State of Illinois Department of Insurance over the remaining 19 years as prescribed by Section 3-125 of the Illinois Pension Code.	\$492,213
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Interest to the end of the fiscal year.	\$48,370
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Total suggested amount of employer contributions to arrive at the annual requirements of the fund as prescribed by Section 3-125 of the Illinois Pension Code. *	\$792,526
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\*The above figure is the suggested amount which should be obtained by the fund from the municipality exclusive of any other items of income, such as interest on investments, contributions from participants, etc. These items have already been taken into consideration in arriving at this amount.

# KEWANEE POLICE PENSION FUND

## Actuarial Valuation Report

### Actuarial Information

The following methods have been prescribed in accordance with Section 3-125 of the Illinois Pension Code.

Funding method	Projected Unit Credit
Amortization method	Normal cost, plus an additional amount (determined as a level percentage of payroll) to bring the plan's funded ratio to 90% by the end of fiscal year 2040.
Asset valuation method	Investment gains and losses are recognized over a 5-year period.

### Actuarial Assumptions

Interest rate	6.50%
Interest rate, prior fiscal year	6.25%
Healthy mortality rates - Male	RP-2014 Healthy Annuitant with Blue Collar Adjustment, males
Healthy mortality rates - Female	RP-2014 Healthy Annuitant with Blue Collar Adjustment, females
Disability mortality rates - Male	115% of RP-2014 Healthy Annuitant with Blue Collar Adjustment, males
Disability mortality rates - Female	115% of RP-2014 Healthy Annuitant with Blue Collar Adjustment, females
Decrements other than mortality	Experience tables
Rate of service-related deaths	10%
Rate of service-related disabilities	60%
Salary increases	Service-related table with rates grading from 11.00% to 3.50% at 33 years of service
Payroll growth	3.50%
Tier 2 cost-of-living adjustment	1.25%
Marital assumptions for active members	80% of members are assumed to be married; male spouses are assumed to be 3 years older than female spouses.

The actuarial assumptions used for determining the above amounts are based on experience for all Article 3 funds for the State of Illinois in aggregate. The Department of Insurance has approved the above actuarial assumptions. Contact the Department of Insurance for complete experience tables.

### Data and Fund Information

The above valuation uses personnel data as reported to the Department of Insurance in the Schedule P. Specifically, the following data items have been determined as of the date of the Actuarial Valuation Report: attained age, annual salary or pension, completed years of service of each individual participant.

The fund specific information used in the production of this document was provided to the Department of Insurance by your pension fund board of trustees through the fund's annual statement filing.

Additional critical information regarding actuarial assumptions and methods, and important actuarial disclosures are provided in the Actuarial Valuation Report Disclosures Document located on the following Illinois DOI Website (<https://insurance.illinois.gov/Applications/Pension/FOIAReporting/FOIAPortal.aspx>)



Final Notice of Illinois Municipal Retirement Fund  
Contribution Rate for Calendar Year 2022

Date November 2021

Employer name CITY OF KEWANEE

Employer No. 03361

The contribution rates on earnings paid by your participating governmental unit to IMRF members are shown below. The Illinois Pension Code provides that the employer is responsible for remitting both employer and member contributions to IMRF along with the related deposit report according to prescribed due dates.

IMRF contributions must be paid on the earnings of all employees working in participating positions. Your employer contribution rate on member earnings is based upon actuarial costs for retirement, supplemental retirement, death, and disability benefits. The actuarial formula is specified in the Illinois Pension Code. Member contributions are specified in the Illinois Pension Code and help to meet the cost of future retirement benefits.

Participating governmental units with taxing powers are authorized by the Illinois Pension Code to levy a special IMRF tax for payment of employer IMRF contributions. However, this levy may be used only for employer payments. It may not be used for payment of IMRF member contributions. These must be paid out of the same fund from which the employee IMRF earnings are paid. Interest charges are assessed on any late payments. Refer to Section 4 of the IMRF Manual for Authorized Agents for interest charge procedures. If you have any questions, please contact the IMRF Employer Account Analyst at 1-800-ASK-IMRF.

Brian Collins, Executive Director

IMRF Contributions	
Regular	
Member Contributions (tax-deferred) .....	4.50%
Employer Contributions	
• Retirement Rate	
Normal Cost .....	5.34%
Funding Adjustment <over> under .....	3.35%
Net Retirement Rate .....	8.69%
• Other Program Benefits	
Death.....	0.14%
Disability .....	0.08%
Supplemental Benefit Payment.....	0.62%
Early Retirement Incentive .....	0.99%
• TOTAL EMPLOYER RATE .....	10.52%

CITY OF KEWANEE  
RANDI J. HALEY, DIR. OF FINANCE & ADMIN. SERV.  
401 E 3RD ST  
KEWANEE IL 61443-2365

**Ordinance No. 4085**

AN ORDINANCE ESTABLISHING THE ANNUAL TAX LEVY FOR 2021 PAYABLE IN 2022 FOR THE CITY OF KEWANEE, ILLINOIS, AND DECLARING THAT THIS ORDINANCE SHALL BE IN FULL FORCE IMMEDIATELY, AS PROVIDED BY LAW.

**WHEREAS**, it is necessary for the proper management and operation of the City of Kewanee to levy taxes on the property contained within the City; and

**WHEREAS**, the State of Illinois allows municipalities to levy for certain taxes; and,

**WHEREAS**, the aggregate levy for calendar year 2021 payable in 2022, as defined in the Illinois Truth in Taxation Law, is less than 5% greater than the aggregate levy in the preceding year.

**THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF KEWANEE THAT:**

Section 1      A tax for the following sums of money, or as much thereof as may be authorized by law to defray all expenses and liabilities of the City of Kewanee, and the same is hereby levied for the purposes specified against all taxable property in the City of Kewanee for the year 2021.

Section 2      The following summary of the total taxes to be levied is as follows:

<b>Levy Description &amp; Illinois Compiled Statute Reference</b>	<b>Amount</b>
Corporate Fund Property Tax (65 ILCS 5/8-3-1)	\$220,000
Pension (IMRF) (40 ILCS 5/7-171)	\$220,000
Fire Protection (65 ILCS 5/11-7-1 & 3)	\$0
Pension (Firefighters) (40 ILCS 5/4-118)	\$804,636
Police Protection (65 ILCS 5/11-1-3 & 5.1)	\$0
Pension (Police) (40 ILCS 5/3-125)	\$779,866
Refuse (65 ILCS 5/11-19-4)	\$0
Audit (65 ILCS 5/8-8-8)	\$15,000
Liability Insurance (745 ILCS 10/9-107)	\$230,000
Streets & Bridges (65 ILCS 5/11-81-1 & 2)	\$0
Street Lighting (65 ILCS 5/11-80-5)	\$40,000
Public Benefit (65 ILCS 5/9-2-39 & 49)	\$30,000
Emergency Service & Disaster (65 ILCS 5/8-3-16)	\$3,241
FICA & Medicare (40 ILCS 5/21-110)	\$210,000
Unemployment Insurance (745 ILCS 10/9-107)	\$26,000
Chlorinating of Sewage (65 ILCS 5/11-142-3)	\$0
<b>TOTAL</b>	<b>\$2,578,743</b>

- Section 3      The City Clerk shall make and file with the County Clerk of Henry County, Illinois, a duly certified copy of this Ordinance and that the amount levied by this Ordinance is the minimum required by the City of Kewanee for the proper management and operations of our municipal government. The amounts levied are reflective of the real cost associated with our previously recorded appropriation and debt service ordinances, and such levies should be extended upon the appropriate tax books for the calendar year beginning January 1, 2022 and ending December 31, 2022. Further, the County Clerk is hereby authorized to add an extra factor for the inevitable loss of some funds resulting from non-payment of taxes, as based on previous and historic tax collection in Kewanee, and in accordance with law.
- Section 4      The amounts contained herein have been found to be less than 105% of the amounts previously levied for calendar year 2021, and therefore are not subject to the requirements contained in the Truth in Taxation Act (35 ILCS 200/18-55, et seq.).
- Section 5      If any section, subsection, sentence, clause, or part of this Ordinance is for any reason held invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this Ordinance.
- Section 6      This Ordinance shall be in full force and effect immediately upon its passage and approval as provided by law.

*Passed by the Council of the City of Kewanee, Illinois this 13<sup>th</sup> day of December, 2021.*

\_\_\_\_\_  
Gary Moore, Mayor

ATTEST:

\_\_\_\_\_  
Rabecka Jones, City Clerk

RECORD OF THE VOTE	Yes	No	Abstain	Absent
Mayor Gary Moore				
Council Member Chris Colomer				
Council Member Mike Komnick				
Council Member Steve Faber				
Council Member Tyrone Baker				

**ORDINANCE NO. 4086**

**AN ORDINANCE AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$1,620,000 GENERAL OBLIGATION REFUNDING BONDS (ALTERNATE REVENUE SOURCE), SERIES 2022A, OF THE CITY OF KEWANEE, HENRY COUNTY, ILLINOIS, PROVIDING THE DETAILS OF SUCH BONDS AND FOR ALTERNATE REVENUE SOURCES AND THE LEVY OF DIRECT ANNUAL TAXES SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON SUCH BONDS, AND RELATED MATTERS**

**PREAMBLE**

**WHEREAS**, the City of Kewanee, Henry County, Illinois (the “**Issuer**”), operates in accordance with the provisions of the Illinois Municipal Code [Section 5/1-1-1 *et. seq.* of Chapter 65 of the Illinois Compiled Statutes, as supplemented and amended (the “**Municipal Code**”), including by the Local Government Debt Reform Act of the State of Illinois (the “**Debt Reform Act**” and, together with the Municipal Code, the “**Act**”)] and is entitled to receive receipts of a referendum-approved municipal  $\frac{1}{2}\%$  and retailer’s occupation taxes and service occupation taxes under Section 8-11-1.2 *et. seq.* of the Municipal Code (collectively, “**Public Infrastructure Sales Taxes**”), distributed pursuant to applicable law; and

**WHEREAS**, the Issuer has outstanding obligations designated as General Obligation Bonds (Alternate Revenue Source), Series 2012, dated January 15, 2012 (the “**Prior Bonds**”), originally issued to (i) finance the acquisition, construction and installation of various infrastructure, facilities, improvements and costs as contained in the 2011 Kewanee Capital Improvements Plan, which includes street repair, storm sewer, sanitary sewer and water main replacements, and repairs at both water treatment plants and the wastewater treatment plant, and related facilities, improvements and costs (collectively, the “**Prior Project**”), and (ii) issuance of the Prior Bonds, all for the benefit of the inhabitants of the Issuer; and

**WHEREAS**, pursuant to the Debt Reform Act, the Issuer may issue its refunding bonds to refund all or a portion of the Prior Bonds (the portion to be refunded by this issue to be known as the “**Refunded Bonds**”); and

**WHEREAS**, the term of the Bonds (as hereinafter defined) shall not be longer than the term of the Prior Bonds and the debt service payable in any year on the Bonds shall not exceed the aggregate debt service payable in such year on the Prior Bonds; and

**WHEREAS**, the City Council of the Issuer (the “**Corporate Authorities**”) has determined that it is advisable, necessary and in the best interests of the Issuer to issue its bonds to (i) refund the Refunded Bonds (the “**Refunding**”), and (ii) pay the cost of issuance of the Bonds; and



**WHEREAS**, the estimated cost of the Refunding, including legal, financial, bond discount, printing and publication costs, and other expenses (collectively, the **“Refunding Costs”**), is not more than \$1,620,000, and there are insufficient funds on hand and lawfully available to pay such costs; and

**WHEREAS**, the Prior Bonds are to be refunded by funding an escrow, deposit or other similar account (the **“Refunding Account”**) with investment securities (including a cash deposit, the **“Investment Securities”**) under an escrow, deposit or other similar agreement (the **“Refunding Agreement”**), as authorized by this ordinance; and with an escrow, deposit or other fiscal agent (the **“Fiscal Agent”**); and

**WHEREAS**, the issuance of the Bonds is exempt from the requirements of the Bond Issue Notification Act; and

**WHEREAS**, the Refunding constitutes a lawful corporate purpose within the meaning of the Act; and

**WHEREAS**, in accordance with the terms of the Prior Bonds, certain of the Prior Bonds may be called for redemption in advance of their maturity, and it is necessary and desirable to make such call for the redemption of such Prior Bonds on their earliest practicable call date, and provide for the giving of proper notice to the registered owners of such Prior Bonds; and

**WHEREAS**, the Bonds to be issued will be payable from Public Infrastructure Sales Taxes (the **“Pledged Revenues”**), and (ii) ad valorem taxes of the Issuer for which its full faith and credit have been irrevocably pledged, unlimited as to rate or amount (the **“Pledged Taxes”**); and

**WHEREAS**, pursuant to the offering of the Bonds 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 Issuer has determined to accept a proposed bond purchase agreement (which when executed and delivered shall constitute the **“Purchase Agreement”**) submitted by Bernardi Securities, Inc., of Northfield, Illinois (the **“Underwriter”**), with respect to which the Issuer will execute a Continuing Disclosure Undertaking (the **“Undertaking”**) under Rule 15c2-12 (**“Rule 15c2-12”**) of the Securities and Exchange Commission (**“SEC”**); 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:

	<u>Page</u>
Preambles	1
Section 1. Definitions .....	3
Section 2. Preambles, Authority and Useful Life .....	6
Section 3. Authorization and Terms of Bonds .....	6
Section 4. Execution and Authentication .....	10

Section 5.	Registration of Bonds and Book-Entry .....	10
Section 6.	Bond Registrar and Paying Agent .....	13
Section 7.	Alternate Bonds; General Obligations .....	14
Section 8.	Form of Bonds .....	15
Section 9.	Levy and Extension of Taxes.....	20
Section 10.	Related Agreements .....	22
Section 11.	Revenue Fund .....	22
Section 12.	Bond Proceeds Account.....	25
Section 13.	Issuance of Additional Bonds .....	26
Section 14.	Arbitrage Rebate .....	27
Section 15.	Investment Regulations .....	27
Section 16.	Non-Arbitrage and Tax-Exemption .....	27
Section 17.	Further Assurances and Actions .....	32
Section 18.	General Covenants .....	32
Section 19.	Ordinance to Constitute a Contract .....	34
Section 20.	Severability and No Contest .....	34
Section 21.	Bank Qualified Bonds.....	34
Section 22.	Conflict .....	34
Section 23.	Effective Date .....	35

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KEWANEE, HENRY COUNTY, 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 preambles 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”** means, collectively, the Debt Reform Act, the Municipal Code, 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 Debt Reform Act and includes expressly the Bonds.

**“Arbitrage Regulation Agreement”** means the Issuer’s Arbitrage Regulation Agreement in connection with, among other things, arbitrage rebate and yield reduction payments in connection with the Bonds.

**“Bona fide debt service fund”** means a fund or account that: **(1)** is used primarily to achieve a proper matching of revenues with principal and interest payments within each bond year; 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 Issuer’s General Obligation Bonds (Alternate Revenue Source), Series 2022A, authorized to be issued by this ordinance, in the aggregate principal amount of up to \$1,620,000.

**“Bond Order”** means a certificate signed by the Mayor, City Manager, or Finance Director, and attested by the City Clerk and under the seal of the Issuer, setting forth and specifying details for and in connection with the Bonds, including but not limited to, as the case may be, identification of a Policy and an Insurer, book-entry only registration, final interest rates, yields, issue prices, final maturity schedules, reoffering premium, original issue discount (**“OID”**), Prior Bonds to be refunded, Senior and/or Junior Bond status, Pledged Taxes, Pledged Revenues, optional and mandatory redemption provisions, and designation of a Bond Registrar, Paying Agent or other Fiscal Agent, subject to not exceeding \$1,505,000 aggregate principal amount for the Bonds.

**“Bond Registrar”** and **“Paying Agent”** each means the entity set forth in a Bond Order, and its successors.

**“Bond Year”** means, subject to such elections as the Issuer may make, each annual period of December 16 in a calendar year to and including December 1 in the next calendar year, but with the first Bond Year ending on first maturity set forth in a Bond Order.

**“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 Issuer’s City Council.

**“Debt Reform Act”** shall have the meaning set forth in the recitals in the preamble to this ordinance.

**“Fiscal Year”** means the twelve-month period constituting the Issuer’s fiscal year, not inconsistent with applicable law.

**“Fund”** means the Revenue Fund created and established in Section 11 of this ordinance.

**“Insurer”** shall have the meaning in Section 3(a).

**“Issuer”** means the City of Kewanee, Henry County, Illinois.

**“Junior Bond”** means any Outstanding bond or Outstanding bonds payable from the Junior Debt Service Account of the Bond and Interest Account of the Fund.

**“Official Statement”** means, as applicable, the Issuer’s Preliminary Official Statement and final Official Statement concerning the Bonds.

**“Outstanding”**, when used with reference to any bond, means any bond which is outstanding and unpaid; provided, however, such term shall not include bonds: **(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 Issuer by the deposit in an irrevocable trust or escrow of funds of direct, full faith and credit 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 Bonds, the sufficiency of which verified by a report of a certified public accountant, and will not result in the loss of the exclusion from gross income of the interest thereon under Section 103 of the Code for such bonds or obligations which are “tax-exempt”.

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

**“Pledged Revenues”** means the Revenues, which constitute **“revenue sources”** under the Local Government Debt Reform Act.

**“Pledged Taxes”** shall have the meaning in Sections 7 and 9 of this ordinance.

**“Policy”** shall have the meaning in Section 3(a).

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

**“Purchase Agreement”** means the purchase agreement for the Bonds, which upon acceptance and execution by the Issuer and the Underwriter constitutes the Purchase Agreement for the Bonds.

**“Qualified Investments”** means legal investments of the Issuer under applicable law.

**“Revenues”** means Public Infrastructure Sales Taxes.

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

**“Senior Bond”** means any Outstanding bond or Outstanding bonds payable from the Senior Debt Service Account of the Bond and Interest Account of the Fund under this ordinance and includes the Bonds.

**“Term Bonds”** means, if any, as set forth herein or in a Bond Order, one or more maturities of the Bonds specified as Term Bonds.

**“Undertaking”** means the Issuer’s Continuing Disclosure Undertaking under Rule 15c2-12 concerning the Bonds.

**“Underwriter”** means Bernardi Securities, Inc., Northfield, Illinois, the underwriter for the Bonds.

“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 limited to the yield on the Bonds.

**Section 2. Preambles, Authority and Useful Life.** The Corporate Authorities hereby find that all the recitals contained in the preambles 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 Refunding and including costs of issuance of the Bonds. The Corporate Authorities hereby determine the period of usefulness of the Prior Project to be not less than thirty-five (35) years from the later of the expected date of delivery of the Bonds or the date of having placed the Prior Project in service.

**Section 3. Authorization and Terms of Bonds.** To meet all or a part of the estimated cost of the Refunding, there is hereby to be applied to the Refunding the sum of up to \$1,620,000, to be derived from the proceeds of the Bonds. For the purpose of financing such appropriation, the Bonds of the Issuer shall be issued and sold in the aggregate principal amount set forth above, shall each be designated “**General Obligation Refunding Bond (Alternate Revenue Source), Series 2022A**” (the “**Bonds**”), and shall be issued in the denomination of \$5,000 each or any authorized integral multiple thereof.

(a) **General Terms.** The Bonds shall be numbered consecutively from 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 shall be determined in an order to authenticate the Bonds, the Bonds shall be dated as of or before the date or dates of the issuance and sale thereof as acceptable to the Underwriter. The Bonds are hereby authorized to bear interest at the rates percent per annum set forth below and shall mature (or come due pursuant to mandatory sinking fund redemption as Term Bonds, as specified in Section 8 and/or a Bond Order, and not otherwise) on December 1 over a period ending not later than December 1, 2026 and in an amount not exceeding \$350,000 per year, all as further detailed in the Bond Order (the “**Bond Order**”) executed by the Mayor, City Manager, or Finance Director (the “**Designated Representatives**”); provided, however, that no Bond shall bear interest at a rate per annum in excess of 4.00%. The Designated Representatives are hereby given full authority to execute and deliver a Bond Order for and on behalf of the Issuer as herein provided. The Bond Order shall be made a part of the transcript of the proceedings related to the issuance of the Bonds.

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 on the date specified in a Bond Order, at the rates

percent per annum herein provided. The Bonds shall bear interest at such rates and mature in the principal amount in each year, but not exceeding \$350,000 in the aggregate, if different than as set forth above, and have such other and further terms and provisions as set forth in a Bond Order, and not otherwise. For purposes of the foregoing and otherwise in this ordinance, the term **“Bond Order”** shall mean a certificate signed by the Mayor, and attested by the City Clerk and under the seal of the Issuer, setting forth and specifying terms and details of the Bonds, including, as the case may be, final interest rates, denominations, sale/purchase price, optional and mandatory call provisions, reoffering premium, original issue discount (**“OID”**), the final maturity schedule, denominations, payment dates, Pledged Taxes, specification of Pledged Revenues, Capitalized Interest, and identification of the issuer (the **“Insurer”**), if any, of a bond insurance policy or other credit facility (the **“Policy”**) securing payment of debt service on the Bonds, pursuant to this ordinance. The Bond form shall be conformed to any 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 trust office of the financial institution specified in a 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 specified in a Bond Order to act as the Bond Registrar on behalf of the Issuer for such purpose (including its successors, the **“Bond Registrar”**), at the principal corporate trust office of the Bond Registrar as of the close of business on the 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.

(b) **Redemption.** The Bonds shall be subject to redemption, as follows:

(i) **Optional Redemption.** If so provided in a Bond Order, the Bonds shall be subject to redemption prior to maturity at the option of the Issuer, from any available funds, in whole or in part, in integral multiples of \$5,000, in any order of their maturity as determined by the Issuer (less than all of the Bonds of a single maturity to be selected by the Registrar and within any maturity by lot), on the date of redemption provided in the Bond Order, and on any date thereafter, at the redemption price of par plus accrued interest to the redemption date.

(ii) **Sinking Fund Redemption.** This paragraph (ii) shall apply only to the extent Section 8 below or a Bond Order shall specify Term Bonds, and otherwise shall not apply. Bonds specified as Term Bonds (the **“Term Bonds”**), if any, are subject to mandatory sinking fund redemption in the principal amount on December 1 of each of the years so specified, but corresponding to the principal maturities specified above in Section 3(a) or a Bond Order.

At its option before the 45th day (or such lesser time acceptable to the Bond Registrar) next preceding any mandatory sinking fund redemption date in connection with Term Bonds the Issuer by furnishing the Bond Registrar and the Paying Agent an appropriate certificate of direction and authorization executed by the Mayor or City Manager or City Treasurer may: (i) deliver to the Bond Registrar for cancellation Term Bonds in any authorized aggregate principal amount desired; or (ii) furnish the Paying Agent funds for the purpose of purchasing

any of such Term Bonds as arranged by the Issuer; or **(iii)** receive a credit (not previously given) with respect to the mandatory sinking fund redemption obligation for such Term Bonds which prior to such date have been redeemed and cancelled. Each such Bond so delivered, previously purchased or redeemed shall be credited at 100% of the principal amount thereof, and any excess shall be credited with regard to future mandatory sinking fund redemption obligations for such Bonds as specified by the Issuer (but in chronological order if there is no such specification), and the principal amount of Bonds to be so redeemed as provided shall be accordingly reduced. In the event Bonds being so redeemed are in a denomination greater than \$5,000, a portion of such Bonds may be so redeemed, but such portion shall be in the principal amount of \$5,000 or any authorized integral multiple thereof.

**(iii) Procedure.** In the event of the redemption of less than all the Bonds of like maturity, the aggregate principal amount thereof to be redeemed shall be \$5,000 or an integral multiple thereof and the Bond Registrar shall assign to each Bond of such maturity a distinctive number for each \$5,000 principal amount of such Bond and shall select by lot from the numbers so assigned as many numbers as, at \$5,000 for each number, shall equal the principal amount of such Bonds to be redeemed. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided that only so much of the principal amount of each Bond shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected.

The Issuer 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 the redemption date, together with interest to such redemption date, prior to giving any notice of redemption. With notice at least forty-five (45) days before the redemption date (or lesser notice acceptable to the Bond Registrar, and with no such notice being required under (ii) above) to the Bond Registrar by the Issuer, notice of the redemption of Bonds shall be given by first class mail not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for such redemption to the registered owners of Bonds to be redeemed at their last addresses appearing on such registration books. The Bonds or portions thereof specified in such notice shall become due and payable at the applicable redemption price on the redemption date therein designated, together with interest to the redemption date. If there shall be drawn for redemption less than all of a Bond, the Issuer shall execute and the Bond Registrar shall authenticate and deliver, upon the surrender of such Bond, without charge to the registered owner thereof, for the unredeemed balance of the Bond so surrendered, Bonds of like maturity and of the denomination of \$5,000 or any authorized integral multiple thereof.

All notices of redemption shall include at least the information as follows: **(1)** the redemption date; **(2)** the redemption price; **(3)** if less than all of the Bonds of a given maturity are to be redeemed, the identification and, in the case of partial redemption of the Bonds, the respective principal amounts of the Bonds to be redeemed; **(4)** 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 such date; and **(5)** the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the designated principal office of the Paying Agent.

Notice of redemption having been so given, 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, and from and after such date 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 other registered owners. 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, if at all, 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 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 the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall identify the Bond or Bonds, or portion thereof, being redeemed with the proceeds of such check or other transfer.

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 such Bond so called for redemption. All Bonds which have been redeemed shall be cancelled and destroyed by the Bond Registrar and shall not be reissued.

The notice below shall apply only in the event Section 5(b) applies, and not otherwise:

In addition to the foregoing notice set forth above, further notice shall be given by the Bond Registrar on behalf of the Issuer as set out below, but no defect in such further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed. Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus **(a)** the CUSIP number of all Bonds being redeemed; **(b)** the date of issue of the Bonds as originally issued; **(c)** the rate of interest borne by each Bond being redeemed; **(d)** the maturity date of each Bond being redeemed; and **(e)** any other descriptive information needed to identify accurately the Bonds being redeemed. Each further notice of redemption shall be sent before the redemption date to registered securities depositories then holding Bonds.

**Section 4. Execution and Authentication.** Each Bond shall be executed in the name of the Issuer by the manual or authorized facsimile signature of its Mayor and the corporate seal of the Issuer, 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 City Clerk. Temporary Bonds, preliminary to the availability of Bonds in definitive form, shall be and are hereby authorized and approved.



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 Issuer 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 the Mayor or any member of the City Council, the City Manager or any other officer or employee of the Issuer (past, present or future) who executes the Bonds, or on any other basis.

Each Bond shall bear thereon a certificate of authentication executed manually by the Bond Registrar. No Bond shall be entitled to any right or benefit under this ordinance or shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Bond Registrar. Such certificate of authentication shall have been duly executed by the Bond Registrar by manual signature, and such certificate of authentication upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this ordinance. The certificate of authentication on any Bond shall be deemed to have been executed by the Bond Registrar if signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

**Section 5. 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 Issuer shall cause books (the “**Bond Register**”) for the registration and for the transfer of the Bonds as provided in this ordinance to be kept at the designated corporate trust office of the Bond Registrar, which is hereby constituted and appointed the Bond Registrar of the Issuer. The Issuer is authorized to prepare, and the Bond Registrar shall keep custody of, multiple Bond blanks executed by the Issuer 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 designated corporate trust 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 owner’s attorney duly authorized in writing, the Issuer 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 Issuer 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 person in whose name any Bond shall be registered 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 owner's 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 Issuer 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.

The Mayor or City Manager or City 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 Mayor or City Manager or City 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.** Only as set forth in a Bond Order, and not otherwise, 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 may be registered in the Bond Register therefor in a street name (initially "**Cede & Co.**") of a securities depository (the "**Depository**"), initially The Depository Trust Company, New York, New York ("**DTC**"), or any successor thereto, as nominee of the Depository. The outstanding Bonds from time to time may be registered in the Bond Register in a street name, as nominee of the Depository. The Mayor or City Manager or City Treasurer each is authorized to execute and deliver on behalf of the Issuer 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 Mayor or City Manager or City 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 Issuer 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 holds an interest in the Bonds, i.e., an "**indirect participant**" or a "**beneficial owner**". Without limiting the meaning of the foregoing, the Issuer and the Bond Registrar shall have no responsibility or obligation with respect to (a) the accuracy of the records

of the Depository, the nominee, or any Depository Participant 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 (15th) 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 Issuer determines that the Depository is incapable of discharging its responsibilities described herein and in the Representation Letter, **(b)** the agreement among the Issuer, the Bond Registrar, the Paying Agent and the Depository evidenced by the Representation Letter shall be terminated for any reason or **(c)** the Issuer determines that it is in the best interests of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the Issuer 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 Issuer 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 Issuer, or such depository's agent or designee, and if the Issuer 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.

**(c)     Limit.** The Bond Registrar shall not be required to exchange or transfer any Bond during the period from the 15th day of the calendar month next preceding any interest payment date to such interest payment date or during the period of fifteen (15) days next preceding the mailing of a notice of redemption which could designate all or a part of any Bonds for redemption, or after such mailing.

**Section 6. Bond Registrar and Paying Agent.** With respect to this ordinance and the Bonds the Bond Registrar and Paying Agent shall be the entity specified in a Bond Order, through its designated corporate trust or payment office as specified in a Bond Order. The Issuer covenants that it shall at all times retain a Bond Registrar and Paying Agent with respect to the Bonds and shall cause to be maintained at the office of such Bond Registrar a place where Bonds

may be presented for registration of transfer or exchange, that it will maintain at the designated office of the Paying Agent a place where Bonds may be presented for payment, that it shall require that the Bond Registrar maintain proper registration books and that it shall require the Bond Registrar and Paying Agent to perform the other duties and obligations imposed upon each of them by this ordinance in a manner consistent with the standards, customs and practices concerning municipal securities. The Issuer may enter into appropriate agreements with any Bond Registrar and any Paying Agent in connection with the foregoing, including as follows:

- (a) to act as Bond Registrar, authenticating agent, Paying Agent and transfer agent as provided herein;
- (b) to maintain a list of the registered owners of the Bonds as set forth herein and to furnish such list to the Issuer upon request, but otherwise to keep such list confidential;
- (c) to cancel and/or destroy Bonds which have been paid at maturity or submitted for exchange or transfer;
- (d) to give notices of redemption of Bonds to be redeemed;
- (e) to furnish the Issuer at least annually a certificate with respect to Bonds cancelled and/or destroyed; and
- (f) to furnish the Issuer at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds.

In any event, the Bond Registrar and Paying Agent shall comply with (a) - (f) above.

The Bond Registrar and Paying Agent shall signify their acceptances of the duties and obligations imposed upon them by this ordinance. The Bond Registrar by executing the certificate of authentication on any Bond shall be deemed to have certified to the Issuer that it has all requisite power to accept, and has accepted, such duties and obligations, not only with respect to the Bond so authenticated but with respect to all of the Bonds. The Bond Registrar and Paying Agent are the agents of the Issuer for such purposes and shall not be liable in connection with the performance of their respective duties except for their own negligence or default. The Bond Registrar shall, however, be responsible for any representation in its certificate of authentication on the Bonds.

The Issuer may remove the Bond Registrar or Paying Agent at any time. In case at any time the Bond Registrar or Paying Agent shall resign (such resignation to not be effective until a successor has accepted such role) or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Bond Registrar or Paying Agent, or of its property, shall be appointed, or if any public officer shall take charge or control of the Bond Registrar or Paying Agent or of their respective properties or affairs, the Issuer covenants and agrees that it will thereupon appoint a successor Bond Registrar or Paying Agent, as the case may be. The Issuer shall mail or cause to be mailed notice of any such appointment made by it to each registered owner of Bonds within twenty (20) days after such

appointment. Any Bond Registrar or any Paying Agent appointed under the provisions of this Section 7 shall be an Issuer officer or shall be a bank, trust company or other qualified professional with respect to such matters, authorized to exercise such functions in the State of Illinois.

**Section 7. Alternate Bonds; General Obligations.** The Bonds are and constitute Alternate Bonds under the Debt Reform Act, anticipated to be payable from Pledged Revenues as Junior Bonds and from Pledged Taxes. Under and pursuant to Section 15 of the Debt Reform Act, the full faith and credit of the Issuer are hereby irrevocably pledged to the punctual payment of the principal of, premium, if any, and interest on the Bonds; the Bonds shall be direct and general obligations of the Issuer; and the Issuer shall be obligated to levy ad valorem taxes upon all the taxable property within the Issuer's corporate limits, for the payment of the Bonds and the interest thereon, without limitation as to rate or amount (such ad valorem taxes being the "**Pledged Taxes**").

Pledged Revenues are hereby determined by the Corporate Authorities to be sufficient to provide for or pay in each year to final maturity of the Bonds all of the following: **(1)** the debt service on all Outstanding revenue bonds payable from Pledged Revenues, **(2)** all amounts required to meet any fund or account requirements with respect to such Outstanding revenue bonds, **(3)** other contractual or tort liability obligations, if any, payable from such Pledged Revenues, and **(4)** in each year, an amount not less than 1.25 times debt service of all **(i)** Alternate Bonds payable from such Pledged Revenues previously issued and outstanding, and **(ii)** Alternate Bonds payable from such Pledged Revenues proposed to be issued, including the Bonds. The Pledged Revenues shall be and are hereby determined by the Corporate Authorities to provide in each year an amount not less than 1.25 times debt service (as defined in Section 3 of the Debt Reform Act) of Alternate Bonds payable from such enterprise sources previously issued and outstanding, of which there are none, and Alternate Bonds proposed to be issued. The determination of the sufficiency of the Pledged Revenues is supported by reference to the most recent audit of the Issuer, which is for a Fiscal Year ending not earlier than 18 months previous to the time of issuance of the Bonds or otherwise as demonstrated in an applicable report. If for any reason such qualification is later not shown by such audit, a "**report**" under Section 15 of the Debt Reform Act is authorized. Such conditions enumerated need not be met for that amount of debt service (as defined in Section 3 of the Debt Reform Act) provided for by the setting aside of proceeds of bonds or other moneys at the time of the delivery of such bonds. The Pledged Revenues are hereby determined by the Corporate Authorities to provide in each year all amounts required to meet any fund or account requirements with respect to this ordinance, any contractual or tort liability obligations, if any, payable from Pledged Revenues, and an amount not less than 1.25 times debt service (as defined in Section 3 of the Debt Reform Act) of all of the Outstanding Bonds, payable from such Pledged Revenues.

The determination of the sufficiency of the Pledged Revenues is expected to be supported by reference to the most recent audit of the Issuer, which is for a Fiscal Year ending not earlier than 18 months previous to the time of issuance of the Alternate Bonds. If such Pledged Revenues are otherwise shown to be insufficient, the determination of sufficiency, if applicable law so requires, and not otherwise, shall be supported by the "**report**" of an independent accountant or feasibility analyst, the latter having a national reputation for expertise in such

matters, demonstrating the sufficiency of such revenues and explaining, if appropriate, by what means the Pledged Revenues will be greater than as shown in the audit, but only as required by Applicable Law, and not otherwise. Whenever the sufficiency of Pledged Revenues is demonstrated by reference to higher rates or charges and fees for enterprise revenues (with respect to the use of the Waterworks and Sewerage System constituting the Pledged Revenues), such higher rates or charges and fees with respect to the use of the services of the Waterworks and Sewerage System shall have been properly imposed by an ordinance adopted prior to the time of delivery of the Bonds.

**Section 8. Form of Bonds.** Unless Bonds in typewritten form are accepted or in any contract for the sale of the Bonds the Underwriter of the Bonds shall agree to accept typewritten or other temporary Bonds preliminary to the availability of, or in lieu of, Bonds in printed form, the Bonds shall be prepared in compliance with the National Standard Specifications for Fully Registered Municipal Securities prepared by the American National Standards Institute, and in any event shall be in substantially the following form [provided, however, that reordering of paragraphs and appropriate insertions, deletions and modifications in the form of the Bonds may be made, including as to the custom of printing Bonds in part on the front and back of certificates, in an appropriate form prepared by Bond counsel, not inconsistent herewith (CUSIPs optional)]:

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REGISTERED  
NO R-\_\_

REGISTERED  
\$ \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
COUNTY OF HENRY

CITY OF KEWANEE  
GENERAL OBLIGATION REFUNDING BOND  
(ALTERNATE REVENUE SOURCE), SERIES 2022A

INTEREST RATE:                      MATURITY DATE:                      DATED DATE:                      CUSIP:

Registered Owner: Cede & Co.

Principal Amount:

**KNOW ALL BY THESE PRESENTS** that the City of Kewanee, a municipality situated in The County of Henry, in the State of Illinois (the “**Issuer**”), acknowledges itself indebted and for value received hereby promises to pay to the Registered Owner identified above, or registered assigns, the Principal Amount set forth above on the Maturity Date specified above, and to pay interest on such Principal Amount from the later of the Dated Date hereof or the most recent interest payment date to which interest has been paid, at the Interest Rate per annum set forth above, 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 the first (1st) days of June and December in each year, commencing \_\_\_\_\_, 20\_\_, until the Principal Amount hereof shall have been paid, by check or draft mailed to the Registered Owner of record hereof as of the 15th day (whether or not a business day) of the calendar month next preceding such interest payment date, at the address of such Registered Owner appearing on the registration books maintained for such purpose at the designated corporate trust office of \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, as Bond Registrar (including its successors, the “**Bond Registrar**”). This Bond, as to principal and premium, if any, when due, will be payable in lawful money of the United States of America upon presentation and surrender of this Bond at the designated payment office of \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, as Paying Agent (including its successors, the “**Paying Agent**”). The Bonds are payable from the receipts of Pledged Revenues, constituting Public Infrastructure Sales Taxes, as such term is defined in the hereinafter defined Bond Ordinance; and although it is expected, and has been certified, that the Bonds are to be paid from such Pledged Revenues, which Pledged Revenues are pledged to the payment thereof second, junior and subordinate to any bonds or other obligations having and to have a prior lien thereon, the full faith and credit of the Issuer, including the power to levy taxes without limit as to rate or amount are irrevocably pledged for the punctual payment of the principal of and interest on this Bond and each Bond of the series of which it is a part, according to the terms thereof.

This Bond is one of a series of Bonds issued in the aggregate principal amount of \$ \_\_\_\_\_, which are all of like tenor, except as to maturity, interest rate and right of redemption, and which are authorized and issued under and pursuant to the Constitution and laws of the State

of Illinois, the Illinois Municipal Code (Section 5/1-1-1 *et seq.* of Chapter 65 of the Illinois Compiled Statutes) and Section 15 of the Local Government Debt Reform Act of the State of Illinois (Section 350/15 of Chapter 30 of the Illinois Compiled Statutes, in connection with “**alternate bonds**”, as supplemented and amended), including by the Registered Bond Act, the Illinois Bond Replacement Act, the Bond Authorization Act, and pursuant to and in accordance with Ordinance No. \_\_\_\_\_, adopted by the City Council of the Issuer on December 13, 2021, and entitled: “AN ORDINANCE AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$1,620,000 GENERAL OBLIGATION REFUNDING BONDS (ALTERNATE REVENUE SOURCE), SERIES 2022A, OF THE CITY OF KEWANEE, HENRY COUNTY, ILLINOIS, PROVIDING THE DETAILS OF SUCH BONDS AND FOR ALTERNATE REVENUE SOURCES AND THE LEVY OF DIRECT ANNUAL TAXES SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON SUCH BONDS, AND RELATED MATTERS” (with respect to which undefined terms herein shall have the meanings therein, the “**Bond Ordinance**”). The Bonds are issued to pay the costs of the refunding certain outstanding obligations of the Issuer.

[Insert, and adapt, as applicable: Bonds maturing December 1 of 20\_\_ and 20\_\_ are Term Bonds (the “**Term Bonds**”), which are subject to mandatory sinking fund redemption in the principal amount on December 1 of each of the years, as follows:

<u>December 1, 20</u> <b>Term Bonds</b>		<u>December 1, 20</u> <b>Term Bonds</b>	
<b>Year</b>	<b>Principal Amount(\$)</b>	<b>Year</b>	<b>Principal Amount(\$)</b>
20__		20__	
20__		20__	
20__		20__	
*To be paid at maturity unless previously retired.]			

Bonds maturing on and after December 1, 20\_\_, are subject to call for redemption prior to maturity at the option of the Issuer as a whole on any date or in part on any interest payment date on and after December 1, 20\_\_, and if in part in integral multiples of \$5,000 in such principal amounts and from such maturities or in such order of maturity as specified by the Issuer (but in inverse order if there is no such specification), less than all Bonds of a maturity to be selected by the Bond Registrar, on the applicable redemption date and at a redemption price equal to the principal amount to be so redeemed, plus accrued interest to the date fixed for redemption.

In the event of the redemption of less than all the Bonds of like maturity, the aggregate principal amount thereof to be redeemed shall be \$5,000 or an authorized integral multiple thereof, and the Bond Registrar shall assign to each Bond of such maturity a distinctive number for each \$5,000 principal amount of such Bond and shall select by lot from the numbers so assigned as many numbers as, at \$5,000 for each number, shall equal the principal amount of such Bonds to be redeemed. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided that only so much of the principal amount of each Bond shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected.

The Issuer 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 the



redemption date, together with interest to such redemption date, prior to giving any notice of redemption. Notice of the redemption of Bonds shall be given by first class mail not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for such redemption to the registered owners of Bonds to be redeemed at their last addresses appearing on the registration books therefor. The Bonds or portions thereof specified in such notice shall become due and payable at the redemption price on the redemption date therein designated, and if, on the redemption date, moneys for payment of the redemption price of all the Bonds or portions thereof to be redeemed, together with interest to the redemption date, remain on deposit with the Paying Agent, and if notice of redemption shall have been mailed as aforesaid (and notwithstanding any defect therein or the lack of actual receipt thereof by any registered owner), then from and after the redemption date interest on such Bonds or portions thereof shall cease to accrue and become payable. If there shall be drawn for redemption less than all of a Bond, the Issuer shall execute and the Bond Registrar shall authenticate and deliver, upon the surrender of such Bond, without charge to the registered owner thereof, for the unredeemed balance of the Bond so surrendered, Bonds of like maturity and of the denomination of \$5,000 or any authorized integral multiple thereof.

All notices of redemption shall include at least the information as follows: **(1)** the redemption date; **(2)** the redemption price; **(3)** if less than all of the Bonds of a given maturity are to be redeemed, the identification and, in the case of partial redemption of the Bonds, the respective principal amounts of the Bonds to be redeemed; **(4)** 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 such date; and **(5)** the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal corporate trust office of the Paying Agent.

This Bond is transferable only upon the registration books therefor by the Registered Owner hereof in person, or by such Registered Owner's attorney duly authorized in writing, upon surrender hereof at the principal corporate trust office of the Bond Registrar together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the Registered Owner or by such Registered Owner's duly authorized attorney, and thereupon a new registered Bond or Bonds, in the denominations of \$5,000 or any authorized integral multiple thereof and of the same aggregate principal amount as this Bond shall be issued to the transferee in exchange therefor. In like manner, this Bond may be exchanged for an equal aggregate principal amount of Bonds of any authorized denomination.

The Bond Registrar shall not be required to exchange or transfer any Bond during the period from the fifteenth (15th) day of the calendar month next preceding any interest payment date to such interest payment date or during a period of fifteen (15) days next preceding the mailing of a notice of redemption which could designate all or a part of such Bond for redemption, or after such mailing. The Issuer or the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to the transfer or exchange of this Bond. No other charge shall be made for the privilege of making such transfer or exchange. The Issuer, the Paying Agent and the Bond Registrar may treat and consider the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal, premium, if any, and interest due hereon and for all

other purposes whatsoever, and all such payments so made to such Registered Owner or upon such Registered Owner's order shall be valid and effectual to satisfy and discharge the liability upon this Bond to the extent of the sum or sums so paid, and neither the Issuer nor the Paying Agent or the Bond Registrar shall be affected by any notice to the contrary.

No recourse shall be had for the payment of any Bonds against the Mayor or any member of the Board of Trustees or any other officer or employee of the Issuer (past, present or future) who executes any Bonds, or on any other basis. The Issuer may remove the Bond Registrar or Paying Agent at any time and for any reason and appoint a successor.

This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been duly executed by the Bond Registrar.

The Issuer has designated the Bonds as **“qualified tax-exempt obligations”** under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

It is hereby certified, recited and declared that all acts, conditions and things required to be done, exist and be performed precedent to and in the issuance of this Bond in order to make it a legal, valid and binding general obligation of the Issuer have been done, exist and have been performed in regular and due time, form and manner as required by law, and that the series of Bonds of which this Bond is one, together with all other indebtedness of the Issuer is within every debt or other limit prescribed by law.

**IN WITNESS WHEREOF**, the City of Kewanee, Henry County, Illinois, has caused this Bond to be executed in its name and on its behalf by the manual or duly authorized facsimile signature of its Mayor, and its corporate seal, or a facsimile thereof, to be hereunto affixed or otherwise reproduced hereon and attested by the manual or duly authorized facsimile signature of its City Clerk, all as of the Dated Date set forth above.

**(SEAL)**

**CITY OF KEWANEE,  
Henry County, Illinois**

Attest:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor

**CERTIFICATE OF AUTHENTICATION**

**Dated:**

This is one of the General Obligation Refunding Bonds (Alternate Revenue Source), Series 2022A, described in the within mentioned Bond Ordinance.

\_\_\_\_\_,  
\_\_\_\_\_, \_\_\_\_\_, as Bond Registrar

By: \_\_\_\_\_  
Authorized Signer

**Bond Registrar  
and Paying Agent:**

\_\_\_\_\_  
\_\_\_\_\_, \_\_\_\_\_

**ASSIGNMENT**

For value received the undersigned sells, assigns and transfers unto

[Name, Address and Tax Identification Number of Assignee]

the within Bond and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated

Signature

Signature Guarantee:

**NOTICE:**

The signature on this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

**Section 9. Authorization for Preparation and Sale of the Bonds; Purchase**

**Agreement.** (a) The Treasurer is hereby authorized and directed to have the Bonds prepared, and the Mayor and the City Clerk are hereby authorized and directed to execute and attest the Bonds in the form and manner provided herein. The Treasurer is hereby authorized and directed to deliver the Bonds to the Underwriter, upon receipt of the purchase price of not less than 97% of the par amount of the Bonds plus accrued interest to date of delivery, as further detailed in the Bond Order. The Mayor and the City Clerk are authorized and directed to execute a Purchase Agreement in connection with the sale of the Bonds, in the name of and on behalf of the Issuer, provided that the Bonds shall be sold at such price and bear interest at such rates that neither the true interest cost (yield) nor the net interest rate received upon the sale of the Bonds does not exceed the maximum rate otherwise authorized by applicable law. The Purchase Agreement shall be substantially in the form of purchase contracts commonly used in transactions similar to that described in the ordinance, with such changes as necessary to reflect the terms and provisions of the Bonds, this ordinance and such other changes as the Mayor or Treasurer shall determine are necessary or desirable in connection with the sale of the Bonds. No person holding any office of the Issuer, either by election or appointment, is in any manner financially interested directly in his own name or indirectly in the name of any other person, association, trust or corporation, in the Purchase Agreement. Before being issued, the Bonds shall be registered and numbered, such registration being made in a book provided for that purpose, in which shall be entered a description of the Bonds issued, including the number, date, to whom issued, amount, rate of interest and when due. The Bonds shall be executed as in this ordinance provided as soon after the execution of the Purchase Agreement as may be done, and thereupon the Bonds shall be deposited with the Treasurer who receives the taxes of the Issuer, and be by said Treasurer delivered to the Underwriter upon receipt of the purchase price therefor.

(b) The Bonds when fully paid for and delivered to the Underwriter, shall be the binding general obligations of the Issuer. The proper officers of the Issuer are hereby directed to sell the Bonds to the Underwriter and to do whatever acts and things which may be necessary to carry out the provisions of this ordinance.

**Section 10. Official Statement.** The use by the Underwriter of the Preliminary Official Statement and any final Official Statement relating to the Bonds, on behalf of the Issuer, is hereby ratified, approved and authorized, and the Mayor and the Treasurer are authorized and directed to execute the Preliminary Official Statement and the final Official Statement on behalf of the Issuer in a form consistent with this ordinance. The Preliminary Official Statement is hereby deemed nearly final. The officers of the Issuer are hereby authorized to take any action as may be required on the part of the Issuer to consummate the transactions contemplated by the Purchase Agreement, this ordinance, the Preliminary Official Statement, the final Official Statement and the Bonds.

**Section 11. Bond Insurance.** In the event the Underwriter certifies to the Issuer that it would be economically advantageous for the Issuer to acquire a municipal bond insurance policy for the Bonds, the Issuer hereby authorizes and directs the Treasurer to obtain such an insurance policy. The acquisition of a municipal bond insurance policy is hereby deemed economically advantageous if the difference between the present value cost of (a) the total debt service on the Bonds if issued without municipal bond insurance and (b) the total debt service on

the Bonds if issued with municipal bond insurance, is greater than the cost of the premium on the municipal bond insurance policy.

**Section 12. Levy and Extension of Taxes; Call of Prior Bonds.** For the purpose providing the money required to pay and secure the interest on the Bonds when and as the same falls due and to pay and discharge the principal thereof as the same shall mature, there shall be levied upon all the taxable property within the Issuer's corporate limits in each year while any of the Bonds shall be Outstanding, a direct annual tax sufficient for that purpose and there is hereby levied upon all of the taxable property in the Issuer, in each of the years 2021 (collectible in 2022) through 2025 (collectible in 2026), inclusive, a maximum direct annual tax in an amount not to exceed \$355,000, such amount to be finalized in the Bond Order.

To the extent lawful, interest or principal coming due at any time when there shall be insufficient funds on hand to pay the same shall be paid promptly when due from current funds on hand in advance of the collection of the taxes herein levied; and when such taxes shall have been collected, reimbursement shall be made to such fund or funds from which such advance was made in the amounts thus advanced.

As soon as this ordinance becomes effective, a copy thereof, certified by the City Clerk of the Issuer, which certificate shall recite that this ordinance has been duly adopted, shall be filed with the County Clerk of Henry County, Illinois (the "**County Clerk**"), who is hereby directed to ascertain the rate percent required to produce the aggregate tax provided to be levied in the years 2021 through 2025, inclusive, and to extend the same for collection on the tax books in connection with other taxes levied in each of such years, in and by the Issuer for general corporate purposes of the Issuer, and in each of such years such annual tax shall be levied and collected in like manner as taxes for general corporate purposes for each of such years are levied and collected and, when collected, such taxes shall be used solely for the purpose of paying the principal of and interest on the Bonds herein authorized as the same become due and payable.

The Issuer covenants and agrees with the registered owners of the Bonds that so long as any of the Bonds remain Outstanding, the Issuer will not cause the abatement of the foregoing taxes and otherwise will take no action or fail to take any action which in any way would adversely affect the ability of the Issuer to levy and collect the foregoing taxes unless and to the extent there then shall be moneys irrevocably and timely on deposit therefor in the Pledged Subaccount or in the Senior Debt Service Account established under Section 16. The Issuer and its officers will comply with all present and future applicable laws in order to assure that the foregoing taxes will be levied, extended and collected as provided herein and deposited in the Senior Debt Service Account established in Section 16 below to pay the principal of and interest on the Bonds. Whenever the conditions for abatement above in this paragraph have been satisfied, the Corporate Authorities shall duly direct the abatement of the Pledged Taxes for the year with respect to which such taxes have been levied, to the extent so satisfied, and appropriate certification of such abatement shall be timely filed with the County Clerk in connection with such abatement. If for any reason there is abatement of such levy of taxes and the failure thereafter to pay debt service in respect of such abatement, the additional amount, together with additional interest accruing, to the extent lawful, shall be added to the tax levy in the year of, or the next year following, such failure.

If the Issuer deposits funds from any lawful source into the Bond Fund, the Issuer Clerk shall file written direction with the County Clerk to abate the taxes by the amount so deposited, and such deposits shall be made prior to any such abatement being filed with the County Clerk. No Pledged Taxes may be abated unless and until the proper amount of such abatement has been deposited irrevocably into the Bond Fund and dedicated to the payment of the Bonds.

In accordance with the redemption provisions of the ordinance authorizing the issuance of the Prior Bonds, the Issuer by the Corporate Authorities does hereby make provision for the payment of and does hereby call (subject only to the delivery of the Bonds) the Refunded Bonds, as provided in the Bond Order.

**Section 13. Filing of Ordinance; Certificate of Reduction of Taxes; Use of Taxes Heretofore Levied.** Forthwith upon this ordinance becoming effective, the City Clerk is hereby directed to file a certified copy of this ordinance, which certificate shall recite that this ordinance has been passed by the Corporate Authorities and published, with the County Clerk, and it shall be the duty of said County Clerk in and for the years 2021 to 2025 while the Bonds or any of them are outstanding (as set forth in the Bond Order), inclusive, to annually ascertain the rate necessary to produce the tax herein and therein levied, and extend the same for collection on the tax books against all of the taxable property within the Issuer in connection with other taxes levied in said years, in order to raise the respective amounts aforesaid and in said years such annual tax shall be computed, extended and collected in the same manner as now or hereafter provided by law for the computation, extension and collection of taxes for general corporate purposes of the Issuer, and when collected, the taxes hereby levied shall be used only for the purpose of paying the principal of and interest on the Bonds.

The Mayor, City Clerk and Treasurer be and the same are hereby directed to prepare and file with the County Clerk, a Certificate of Reduction of Taxes Heretofore Levied for the Payment of Bonds showing the Prior Bonds being refunded and directing the abatement of the taxes heretofore levied for the years 2021 to 2025, inclusive, to pay the Refunded Bonds, all as provided by the Act.

All proceeds received or to be received from any taxes heretofore levied to pay principal and interest on the Refunded Bonds, including the proceeds received or to be received from the taxes levied for the year 2020 for such purposes, shall be used to pay the principal of and interest on the Refunded Bonds and, to the extent that such proceeds are not needed for such purpose because of the establishment of a Refunding Agreement, the same shall be deposited into the Bond Fund (as defined herein) and used to pay principal and interest on the Bonds in accordance with all of the provisions of this ordinance.

**Section 14. Abatement of Pledged Taxes.** Whenever funds in an amount not less than the debt service requirement for the subsequent calendar year are on deposit in the Bond Fund, the Corporate Authorities shall by adoption of an appropriate ordinance direct the abatement of the Pledged Taxes by such amount, and proper notification of such abatement shall be filed with the County Clerk in a timely manner to effect such abatement.

**Section 15. Related Agreements.** The Official Statement, Undertaking, Purchase Agreement and Arbitration Regulation Agreement, in substantially the forms thereof presented

before the meeting of the Corporate Authorities at which this ordinance is adopted, shall be and are hereby approved. The purchase price for the Bonds shall be as set forth in the Purchase Agreement, plus accrued interest. The Underwriter is authorized to receive a credit against the purchase price for the Bonds for the underwriting discount and for costs of issuance directly paid by the Underwriter for the Bonds.

All things done with respect to the Official Statement, Undertaking, Purchase Agreement and Arbitrage Regulation Agreement by the Issuer's Mayor, City Manager, City Clerk, City Treasurer, and City Attorney, in connection with the issuance and sale of the Bonds, shall be and are hereby in all respects ratified, confirmed and approved. The Mayor, City Clerk, City Treasurer, City Attorney and other officials of the Issuer are hereby authorized and directed to do and perform, or cause to be done or performed for or on behalf of the Issuer, each and every thing necessary for the issuance of the Bonds, including the proper execution, delivery and performance of the Official Statement, Undertaking, Purchase Agreement, Arbitrage Regulation Agreement, and related instruments and certificates, by the Issuer and the purchase by and delivery of the Bonds to or at the direction of the Underwriter.

No elected or appointed officer of the Issuer is in any manner interested, directly or indirectly, in his or her own name or in the name of any other person, association, trust or corporation in the Purchase Agreement or the Refunding.

**Section 16. Revenue Fund.** Upon the issuance of any of the Bonds, the Issuer shall continue to be operated as a municipality on a Fiscal Year basis. All of the Revenues when received by the City Treasurer or other financial officer of the Issuer receiving Revenues, subject to any prior lien or pledge, shall be set aside as and when received and shall be deposited in a separate fund and in an account in a bank to be designated or continued, as the case may be, by the Corporate Authorities, which fund is hereby continued as created and established or, as applicable, continued, as the Issuer's "**Revenue Fund**" (the "**Fund**"), which shall constitute a trust fund for the sole purpose of carrying out the covenants, terms, and conditions of this ordinance, including, without limitation, the establishment therein of the "**Bond and Interest Account**" (within which there shall be a Senior Debt Service Account with respect to Senior Bonds (including the Bonds) and may be a Junior Debt Service Account with respect to Junior Bonds, as provided in connection with applicable bonds), the "**Depreciation Account**" and the "**Surplus Account**".

There shall be credited and paid into the Senior Debt Service Account, on or before the first day of each month, by the City Treasurer or other appropriate financial officer of the Issuer, without any further official action or direction other than this ordinance, in the order in which such Accounts are hereinafter mentioned, subject to the requirements of any account having a prior claim, all moneys in the Fund in accordance with the following provisions (provided that receipts of Pledged Taxes for debt service shall be credited or deposited directly into a separate subaccount under (a) below):

(a) **Senior Debt Service Account:** After any initial deposit required by Section 17, there shall be deposited and credited to the Senior Debt Service Account and held, in cash and investments, a fractional amount (not less than 1/6) of the interest becoming due on the next succeeding interest payment date on all Outstanding Senior Bonds and also a fractional amount (not less than 1/12) of the principal becoming due (or subject to mandatory redemption)

on the next succeeding principal maturity date of all of the Outstanding Senior Bonds until there shall have been accumulated and held in cash and investments in such Account on or before the month preceding such interest payment date or principal maturity date, or both, an amount sufficient to pay such principal or interest, or both.

In computing the fractional amount to be set aside each month in such Senior Debt Service Account, the fraction shall be so computed that a sufficient amount will be set aside in such Senior Debt Service Account and will be available for the prompt payment of such principal of and interest on all Outstanding Senior Bonds and shall be not less than one-sixth ( $1/6$ ) of the interest becoming due on the next succeeding interest payment date and not less than one-twelfth ( $1/12$ ) of the principal becoming due (or subject to mandatory redemption) on the next succeeding principal payment date on all Outstanding Senior Bonds until there is sufficient money in such Senior Debt Service Account to pay such principal or interest, or both.

Credits into such Senior Debt Service Account may be suspended in any Bond Year at such time as there shall be a sufficient sum held in cash and investments in such Account to meet principal and interest requirements in such Senior Debt Service Account for the balance of such Bond Year, but such credits shall again be resumed at the beginning of the next Bond Year. All moneys in such Senior Debt Service Account shall be used only for the purpose of paying interest and principal and applicable premium on Outstanding Junior Bonds.

**(b) Depreciation Account:** There shall next be paid into the Depreciation Account, after the required payments have been made into the accounts above referred to, the sums from time to time as the Corporate Authorities direct, and thereafter no additional payments shall be made into such Account except that when any money is paid out of such Account, monthly payments into such Account shall be made in the amounts from time to time as the Corporate Authorities direct. This ordinance imposes no funding requirement for the Depreciation Account. The moneys in the Depreciation Account shall be used to pay the cost of such replacements and repairs to the Prior Project as may be necessary from time to time for the continued effective and efficient operation of the Prior Project. Each expenditure to be made from such Account to pay the cost of necessary replacement and repairs to the Prior Project, as above provided for, shall be made only after the Corporate Authorities of the Issuer have certified that such expenditure is necessary to the continued effective and efficient operation of the Prior Project. If necessary, the moneys in such Account may be applied to prevent or remedy a default in the payment of the principal of or interest on the Bonds authorized hereunder. When any amount is withdrawn from such Account and applied as provided in this paragraph (b), the amount so applied shall be added to the amount to be thereafter paid into such Account until full reimbursement to such Account has been made.

**(c) Surplus Account:** All moneys remaining in the Fund, after crediting the required amounts to the respective Accounts above, and after making up any deficiency in the Accounts above, shall be credited to the Surplus Account and then, such surplus shall be used, if at all, for one or more of the following purposes, without any priority among them:

(1) For any authorized general or specific corporate purpose for which the applicable Pledged Revenues may be lawfully expended; or



(2) For the purpose of calling and redeeming Outstanding bonds payable from Pledged Revenues, which are callable at the time; or

(3) For the purpose of paying principal and interest and applicable premium on any subordinate bonds or obligations for which the applicable Pledged Revenues may be lawfully expended; or

(4) For any other lawful purpose for which applicable Pledged Revenues may be lawfully expended, including the purchase of outstanding bonds at a price of not to exceed par plus any premium and accrued interest.

(d) **Investments**: Money to the credit of the Senior Debt Service Account may be invested from time to time by the Issuer's Treasurer in (i) interest-bearing bonds, notes, or other direct full faith and credit obligations of the United States of America, (ii) obligations unconditionally guaranteed as to both principal and interest by the United States of America, or (iii) certificates of deposit or time deposits of any bank or savings and loan association, as defined by Illinois laws, provided such bank or savings and loan association is insured by the Federal Deposit Insurance Corporation or a successor corporation to the Federal Deposit Insurance Corporation and provided further that the principal of such deposits are secured by a pledge of obligations as described in clauses (d) (i) and (d) (ii) above in the full principal amount of such deposits, or otherwise collateralized in such amount and in such manner as may be required by law. Such investments may be sold from time to time by the Treasurer of the Issuer as funds may be needed for the purpose for which such Accounts have been created. Other investments shall be in Qualified Investments in accordance with applicable law.

All interest on any funds so invested shall be credited to the applicable Account of the Fund and is hereby deemed and allocated as expended with the next expenditure or expenditures of money from the applicable Account of the Fund.

Moneys in any of such accounts shall be invested by the Issuer's Treasurer, or other authorized officer, if necessary, in investments restricted as to yield, which investments may be in U.S. Treasury Securities - State and Local Government Series, if available, and to such end the Issuer's Treasurer shall refer to any investment restrictions covenanted by the Issuer or any officer thereof as part of the transcript of proceedings for the issuance of the Bonds, and to appropriate opinions of counsel.

(e) **Bona Fide Debt Service Fund**: Moneys preliminary to deposit in subsection (a) above and used to abate taxes under Section 12 above, which if deposited into the Senior Debt Service Account would disqualify the Junior Debt Service Account as a "**bond fide debt service fund**" shall be held in a separate subaccount (the "**Pledged Subaccount**") of the Senior Debt Service Account and the investment yield thereon yield restricted and subject to yield reduction payments.

**Section 17. Bond Proceeds Account.** Except for accrued interest received on the sale of the Bonds and an amount of Bond proceeds or other available funds to pay interest to and including the first interest payment date as specified in a Bond Order, which shall be deposited upon issuance of the Bonds into the applicable Debt Service Account, an amount for issuance

costs directly paid by the Underwriter, for which a credit shall be given against the purchase price of the Bonds and a deposit or credit to the Refunding Subaccount, all remaining proceeds derived from the sale of the Bonds (exclusive of accrued interest to be deposited into the applicable Debt Service Account) shall be deposited in the “**Bond Proceeds Account (2022A)**” (the “**Bond Proceeds Account**”), which is hereby established as a special account of the Issuer. Within the Bond Proceeds Account there shall be two subaccounts, as follows: (i) a “**Proceeds Subaccount**”; and (ii) a “**Refunding Subaccount**” related to the Refunding. Moneys in the Bond Proceeds Account shall be used for the purposes specified in Section 3 of this ordinance (that is, the costs of the Refunding with respect to which the Bonds were issued and related costs) and for the payment of costs of issuance of the Bonds, but may hereafter be reallocated and used for other lawful purposes in accordance with applicable law. Before any such reallocation shall be made, there shall be filed with the City Clerk of the Issuer an opinion of Ice Miller LLP, Bloomington, Illinois, or other nationally recognized Bond counsel (“**Bond Counsel**”) to the effect that such reappropriation is authorized and will not adversely affect the tax-exempt status of the Bonds under Section 103 of the Code. Moneys in the Bond Proceeds Account shall be withdrawn from time to time as needed for the payment of costs and expenses incurred by the Issuer in connection with the Refunding.

**Section 18. Issuance of Additional Bonds.** Except as otherwise expressly provided herein, the Issuer reserves the right to issue:

(a) Parity Bonds without limit provided that Pledged Revenues as determined as hereinbelow set out shall be sufficient to provide for or pay all of the following: (i) debt service on all Outstanding bonds payable from Revenues computed immediately after the issuance of any proposed Parity Bonds, (ii) all amounts required to meet any fund or account requirements with respect to such Outstanding bonds, (iii) other contractual or tort liability obligations then due and payable, if any, and (iv) an additional amount not less than 0.25 times debt service (as provided in Section 15 of the Debt Reform Act) on such of the Alternate Bonds as shall remain Outstanding bonds after the issuance of the proposed Parity Bonds. Such sufficiency shall be calculated for each year to the final maturity of such Alternate Bonds which shall remain Outstanding after the issuance of the proposed Parity Bonds. The determination of the sufficiency of Revenues shall be supported by reference to the most recent audit of the Issuer, which audit shall be for a Fiscal Year ending not earlier than eighteen (18) months previous to the time of issuance of the proposed Parity Bonds.

If such audit shows the Pledged Revenues to be insufficient, then the determination of sufficiency may be made the following way:

(i) The determination of sufficiency of the Pledged Revenues may be supported by the report of an independent accountant or feasibility analyst, the latter having a national reputation for expertise in such matters, demonstrating the sufficiency of the Pledged Revenues and explaining by what means they will be greater than as shown in the audit.

(ii) The reference to and acceptance of an audit, an adjusted statement of the Pledged Revenues, or a report, as the case may be, and the

determination of the Corporate Authorities of the sufficiency of the Pledged Revenues shall be conclusive evidence that the conditions of this Section 18(a) have been met and that the Parity Bonds are properly issued hereunder; and no right to challenge such determination is granted to the registered owners of the Bonds.

(b) Bonds or other obligations payable from Pledged Revenues subordinate to the lien of any Senior Bonds or Junior Bonds which remain Outstanding after the issuance of such bonds or other obligations.

**Section 19. Arbitrage Rebate.** The Issuer shall comply with the provisions of Section 148(f) of the Code relating to the rebate of certain investment earnings (and yield reduction payments) at periodic intervals to the United States of America to the extent that there shall have been filed with the City Clerk an opinion of Bond Counsel to the effect that such compliance is necessary to preserve the exclusion from gross income for federal income tax purposes of interest on the Bonds under Section 103 of the Code. There is hereby created a separate and special account within the Fund known as the “**Rebate Account**”, into which there shall be deposited as necessary investment earnings to the extent required so as to maintain the tax-exempt status of the interest on the Bonds under Section 148(f) of the Code. All rebates, special impositions, yield reduction payments or taxes for such purpose payable to the United States of America (Internal Revenue Service) shall be payable from applicable excess earnings or other sources which are to be deposited into the Rebate Account.

Yield Reduction Payments in connection with the Pledged Subaccount under Section 16 above shall be determined and paid, as the case may be, in a manner similar to arbitrage rebate under this Section 19.

In connection with this Section 19 the Issuer will execute an Arbitrage Regulation Agreement.

**Section 20. Investment Regulations.** All investments shall be in Qualified Investments, unless otherwise expressly herein provided. No investment shall be made of any moneys in the Junior Debt Service Account or the Bond Proceeds Account, except in accordance with the tax covenants and other covenants set forth in Section 21 of this ordinance. All income derived from such investments in respect of moneys or securities in any fund or account shall be credited in each case to the fund or account in which such moneys or securities are held.

Any moneys in any fund or account that are subject to investment yield restrictions may be invested in United States Treasury Securities, State and Local Government Series, pursuant to the regulations of the United States Treasury Department, Bureau of Public Debt. The Issuer's City Treasurer and agents designated by such officer are hereby authorized to submit on behalf of the Issuer subscriptions for such United States Treasury Securities and to request redemption of such United States Treasury Securities.

**Section 21. Non-Arbitrage and Tax-Exemption.** One purpose of this Section 21 is to set forth various facts regarding the Bonds and to establish the expectations of the Corporate Authorities and the Issuer as to future events regarding the Bonds and the use of Bond proceeds.

The certifications and representations made herein and at the time of the issuance of the Bonds are intended, and may be relied upon, as certifications and expectations described in Section 1.148-0 *et seq.* of the U.S. Treasury Regulations dealing with arbitrage and rebate (the “**Regulations**”). The covenants and agreements contained herein and at the time of the issuance of the Bonds are made for the benefit of the registered owners from time to time of the Bonds. The Corporate Authorities and the Issuer agree, certify, covenant, and represent as follows:

(a) The Bonds are being issued to pay the costs of the Refunding and related costs and expenses, and all of the amounts received upon the sale of the Bonds, plus all investment earnings thereon (the “**Proceeds**”), are needed for the purpose for which the Bonds are being issued.

(b) [Intentionally omitted.]

(c) The Issuer has on hand no funds which could legally and practically be used for the Refunding which are not pledged, budgeted, earmarked or otherwise necessary to be used for other purposes. Accordingly, no portion of the Proceeds will be used (i) directly or indirectly to replace funds of the Issuer or any agency, department or division thereof that could be used for the Refunding, or (ii) to replace any proceeds of any prior issuance of obligations by the Issuer. No portion of the Bonds is being issued solely for the purpose of investing the Proceeds at a Yield higher than the Yield on the Bonds. For purposes of this Section, “**Yield**” means that yield (that is, the discount rate) which when used in computing the present worth of all payments of principal and interest to be paid on an obligation (using semi-annual compounding on the basis of a 360-day year) produces an amount equal to the purchase price of the Bonds, including accrued interest, and the purchase price of the Bonds is equal to the first offering price at which more than 10% of the principal amount of each maturity of the Bonds is sold to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers).

(d) All principal proceeds of the Bonds, net of amounts authorized under Section 17, will be deposited in the Bond Proceeds Account and used to pay costs of the Refunding and costs of issuance of the Bonds, and any accrued interest and premium received on the delivery of the Bonds will be deposited in the Senior Debt Service Account and used to pay the first interest due on the Bonds. Earnings on the investment of moneys in any fund or account will be credited to that fund or account. Other Refunding costs, including issuance costs of the Bonds, will be paid directly from other proceeds or from the Bond Proceeds Account, and no other moneys are expected to be deposited therein. Interest on and principal of the Bonds will be paid from the Senior Debt Service Account. No Proceeds will be used more than thirty (30) days after the date of issue of the Bonds for the purpose of paying any principal or interest on any other issue of bonds, notes, certificates or warrants or on any installment contract or other obligation of the Issuer or for the purpose of replacing any funds of the Issuer used for such purpose.

(e) The Senior Debt Service Account is established to achieve a proper matching of revenues and earnings with debt service in each year. Other than any amounts held to pay principal of matured Bonds that have not been presented for payment, it is expected that any moneys deposited in the Senior Debt Service Account (other than the Pledged Subaccount) will be spent within the 12-month period beginning on the date of deposit therein. Any earnings from the investment of amounts in the Senior Debt Service Account (other than the Pledged Subaccount) will be spent within a one-year period beginning on the date of receipt of such investment earnings.

Other than any amounts held to pay principal of matured Bonds that have not been presented for payment, it is expected that the Senior Debt Service Account (other than the Pledged Subaccount) will be depleted at least once a year, except for a reasonable carryover amount not to exceed the greater of (i) one-year's earnings on the investment of moneys in the Senior Debt Service Account, or (ii) in the aggregate one-twelfth (1/12th) of the annual debt service on the Bonds.

(f) Other than the Senior Debt Service Account, no funds or accounts, including the Depreciation Account, have been or are expected to be established, and no moneys or property have been or are expected to be pledged (no matter where held or the source thereof) which will be available to pay, directly or indirectly, the Bonds or restricted so as to give reasonable assurance of their availability for such purposes. No property of any kind is pledged to secure, or is available to pay, obligations of the Issuer to any credit enhancer or liquidity provider.

(g) (i) All amounts on deposit in the Bond Proceeds Account or the Senior Debt Service Account and all Proceeds, no matter in what funds or accounts deposited ("**Gross Proceeds**"), to the extent not exempted in (ii) below, and all amounts in any fund or account pledged directly or indirectly to the payment of the Bonds which will be available to pay, directly or indirectly, the Bonds or restricted so as to give reasonable assurance of their availability for such purpose contrary to the expectations set forth in (f) above, shall be invested at market prices and at a Yield not in excess of the Yield on the Bonds plus, after the 3-year temporary period for amounts in the Bond Proceeds Account to be applied to finance improvements to the Prior Project, 1/8 of 1%.

(ii) The following may be invested without Yield restriction:

(A) amounts invested in obligations described in Section 103(a) of the Code (but not specified private activity bonds as defined in Section 57(a)(5)(C) of the Code), the interest on which is not includable in the gross income of any registered owner thereof for federal income tax purposes ("**Tax-Exempt Obligations**");

(B) amounts deposited in the Senior Debt Service Account that are reasonably expected to be expended within thirteen (13) months from the deposit date and have not been on deposit therein for more than thirteen (13) months;

(C) amounts, if any, in the Bond Proceeds Account to be applied to the Prior Project prior to the earlier of completion (or abandonment) of such improvements or three (3) years from the date of issue of the Prior Bonds;

(D) an amount not to exceed the lesser of \$100,000 or 5% of Bond proceeds;

(E) all amounts for the first thirty (30) days after they become Gross Proceeds (e.g., date of deposit in any fund or account securing the Bonds); and

(F) all amounts derived from the investment of the Proceeds for a period of one (1) year from the date received.

(h) Subject to (q) below, once moneys are subject to the Yield limits of (g)(i) above, such moneys remain Yield restricted until they cease to be Gross Proceeds.

(i) As set forth in Section 148(f)(4)(D) of the Code, the Issuer is excepted from the required rebate of arbitrage profits on the Bonds, and although the Issuer is a governmental unit with general taxing powers, none of the Bonds is a “**private activity bond**” as defined in Section 141(a) of the Code, and all the net proceeds of the Bonds are to be used for the local government activities of the Issuer, the aggregate face amount of all tax-exempt obligations (and excluding “**private activity bonds**” as defined in the Code) issued by the Issuer and all subordinate entities thereof (of which there are none) during the calendar year of issuance of the Bonds, including the Bonds, is not reasonably expected to exceed \$5,000,000, but if exceeded the Issuer will comply with Section 148(f)(2) of the Code.

(j) None of the Proceeds will be used, directly or indirectly, to replace funds which were used in any business carried on by any person other than a state or local governmental unit.

(k) The payment of the principal of or the interest on the Bonds will not be, directly or indirectly (A) secured by any interest in (i) property used or to be used for a private business use by any person other than a state or local governmental unit, or (ii) payments in respect of such property, or (B) derived from payments (whether or not by or to the Issuer), in respect of property, or borrowed money, used or to be used for a private business use by any person other than a state or local governmental unit.

(l) None of the Proceeds will be used, directly or indirectly, to make or finance loans to persons other than a state or local governmental unit.

(m) No user of the Prior Project, other than a state or local government unit, will use the Prior Project on any basis other than the same basis as the general public, and no person other than a state or local governmental unit will be a user of the Prior Project as a result of (i) ownership, or (ii) actual or beneficial use pursuant to a lease or a management or incentive payment contract, or (iii) any other similar arrangement.

(n) Beginning on the 15th day prior to the Bond sale date, the Issuer has not sold or delivered, and will not sell or deliver, (nor will it deliver within 15 days after the date of issuance of the Bonds) any other obligations pursuant to a common plan of financing, which will be paid out of substantially the same source of funds (or which will have substantially the same claim to be paid out of substantially the same source of funds) as the Bonds or will be paid directly or indirectly from Proceeds.

(o) No portion of the Prior Project is expected to be sold or otherwise disposed of prior to the last maturity of the Bonds.

(p) The Issuer has not been notified of any disqualification or proposed disqualification of it by the Internal Revenue Service as a bond issuer which may certify bond issues under Section 1.148-0 *et seq.* of the Regulations.

(q) The Yield restrictions contained in (g) above or any other restriction or covenant contained herein (including in Section 16(e)) need not be observed and may be changed if the

Issuer receives an opinion of Bond Counsel to the effect that such nonobservance or change will not adversely affect the tax-exempt status of interest on the Bonds to which the Bonds otherwise are entitled.

(r) The Issuer acknowledges that any changes in facts or expectations from those set forth herein may result in different Yield restrictions or rebate requirements from those set forth herein and that Bond Counsel should be contacted if such changes do occur.

(s) The Corporate Authorities have no reason to believe the facts, estimates, circumstances, and expectations set forth herein are untrue or incomplete in any material respect. On the basis of such facts, estimates, circumstances and expectations, it is not expected that the Proceeds or any other moneys or property will be used in a manner that will cause the Bonds to be private activity bonds, arbitrage bonds or hedge bonds within the meaning of Sections 141, 148 or 149(g) of the Code, and of applicable regulations. To the best of the knowledge and belief of the Corporate Authorities, such expectations are reasonable, and there are no other facts, estimates and circumstances that would materially change such expectations.

The Issuer also agrees and covenants with the registered owners of the Bonds from time to time outstanding that, to the extent possible under Illinois law, it will comply with all present federal tax law and related regulations and with whatever federal tax law is adopted and regulations promulgated in the future which apply to the Bonds and affect the tax-exempt status of the Bonds.

**Section 22. Further Assurances and Actions.** The Corporate Authorities hereby authorize the officials of the Issuer responsible for issuing the Bonds, the same being the Mayor, City Manager, City Clerk and City Treasurer of the Issuer, to make such further filings, covenants, certifications and supplemental agreements as may be necessary to assure that the Refunding, the Bonds and related proceeds will not cause the Bonds to be private activity bonds, arbitrage bonds or hedge bonds and to assure that the interest on the Bonds will be excluded from gross income for federal income tax purposes. In connection therewith, the Issuer and the Corporate Authorities further agree: **(a)** through the officers of the Issuer, to make such further specific covenants, representations as shall be true, correct and complete, and assurances as may be necessary or advisable; **(b)** to consult with Bond Counsel approving the Bonds and to comply with such advice as may be given; **(c)** to pay to the United States, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Bonds; **(d)** to file such forms, statements, and supporting documents as may be required and in a timely manner; and **(e)** if deemed necessary or advisable, to employ and pay fiscal agents, financial advisors, attorneys, and other persons to assist the Issuer in such compliance. Annual abatement of Pledged Taxes is authorized, as applicable, upon compliance with this ordinance.

**Section 23. General Covenants.** The Issuer covenants and agrees with the registered owners of the Outstanding Bonds, so long as there are any Outstanding Bonds (as defined herein), as follows:

(a) The Issuer will take all action necessary either to impose, collect, apply or to maintain the right to receive and apply the Pledged Revenues and Pledged Taxes in the manner contemplated by this ordinance, and such Revenues shall not be less than as shall

be required under Section 7 hereof and under Section 15 of the Debt Reform Act to maintain the Bonds as Alternate Bonds.

(b) The Issuer covenants that it will, while any of the Bonds shall remain outstanding, apply sufficient Pledged Revenues to provide for or pay each of the following in any given year: **(1)** debt service on all Outstanding revenue bonds payable from the Revenues; **(2)** all amounts required to meet any fund or account requirements with respect to the Bonds or any other bonds payable from Revenues; **(3)** any other contractual or tort liability obligations, if any, payable from such Revenues; and **(4)** in each year, an amount not less than 1.25 times the debt service for all **(i)** Alternate Bonds payable from Pledged Revenues, including the Bonds Outstanding; and **(ii)** Alternate Bonds proposed to be issued and payable from Revenues. In the event such coverages are not maintained, the Issuer shall engage a feasibility analyst or other similarly qualified financial consultant to evaluate the rate structure for the Refunding and to make an appropriate written report with recommendations to achieve such coverages. A copy of such report shall be sent upon request to the Underwriter.

(c) The Issuer will make and keep proper books and accounts (separate and apart from all other records and accounts of the Issuer), in which complete entries shall be made of all transactions relating to the Revenues, and hereby covenants that within 180 days following the close of each Fiscal Year, it will cause the books and accounts related to the Revenues to be audited by independent certified public accountants. Such audit will be available for inspection by the registered owners of any of the Bonds. Upon availability, the Issuer will send to the Underwriter a copy of such audit and of its general audit in each year. Each such audit, in addition to whatever matters may be thought proper by the accountants to be included therein, shall, without limiting the generality of the foregoing, include the following:

- (i) A balance sheet as of the end of such Fiscal Year, including a statement of the amount held in each of the accounts under this ordinance.
- (ii) The amount and details of all Outstanding bonds.
- (iii) The accountant's comments regarding the manner in which the Issuer has carried out the accounting requirements of this ordinance (including as to the Alternate Bond status of the Bonds) and has complied with Section 15 of the Debt Reform Act, and the accountant's recommendations for any changes.

(d) The Issuer will keep its books and accounts in accordance with generally accepted fund reporting practices for local government entities and enterprise funds; provided, however, that the monthly credits to the Junior Debt Service Account shall be in cash, and such funds shall be held separate and apart in cash and investments. For the purpose of determining whether sufficient cash and investments are on deposit in such accounts under the terms and requirements of this ordinance, investments shall be valued at the lower of the cost or market price on the valuation date thereof, which valuation date shall be not less frequently than annually.



(e) The Issuer will take no action in relation to the Pledged Revenues or the Pledged Taxes which would unfavorably affect the security of any of the Outstanding Bonds or the prompt payment of the principal and interest thereon.

(f) The Issuer carry fidelity bonds on officers and employees as required by applicable law and will carry insurance on the Prior Project facilities of the kinds and in the amounts which are usually carried by private parties operating similar properties, covering such risks as shall be recommended by a competent consulting engineer or insurance consultant employed by the Issuer for the purpose of making such recommendations. All moneys received for any loss under such insurance policies shall be deposited in a separate subaccount of the Depreciation Account and used in making good the loss or damage in respect of which they were paid, either by repairing the property damaged or making replacement of the property destroyed, and provision for making good such loss or damage shall be made within ninety (90) days from the date of the loss.

The proceeds derived from any and all policies for workers' compensation or public liability shall be paid into a separate subaccount of the Operation and Maintenance Account and used in paying the claims on account of which they were received.

(g) The registered owner of any Bond may proceed by civil action to compel performance of all duties required by law, this ordinance, and the Undertaking.

(h) The Issuer will comply with the special covenants concerning Alternate Bonds as required by Section 15 of the Debt Reform Act and Section 20 of this ordinance.

(i) After their issuance, the Bonds shall be incontestable by the Issuer, to the extent lawful.

**Section 24. Ordinance to Constitute a Contract.** The provisions of this ordinance shall constitute a contract between the Issuer and the registered owners of the Bonds. Any pledge made in this ordinance and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the Issuer shall be for the equal benefit, protection and security of the registered owners of any and all of the Bonds. All of the Bonds, regardless of the time or times of their issuance, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof except as expressly provided in or pursuant to this ordinance. This ordinance shall constitute full authority for the issuance of the Bonds, and to the extent that the provisions thereof conflict with the provisions of any other ordinance or resolution of the Issuer, the provisions of this ordinance shall control.

**Section 25. Severability and No Contest.** If any section, paragraph, clause or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this ordinance or any ordinance supplemental hereto. Upon the issuance of the Bonds, neither the Bonds nor this ordinance shall be subject to contest by or in respect of the Issuer.

**Section 26. Bank Qualified Bonds.** Pursuant to Section 265(b)(3) of the Code, the Issuer hereby designates the Bonds as “**qualified tax-exempt obligations**” as defined in Section 265(b)(3) of the Code. The Issuer represents that the reasonably anticipated amount of tax-exempt obligations that will be issued by the Issuer and all subordinate entities the Issuer during the calendar year in which the Bonds are issued will not exceed \$10,000,000 within the meaning of Section 265(b)(3) of the Code. The Issuer covenants that it will not so designate and issue more than \$10,000,000 aggregate principal amount of tax-exempt obligations in such calendar year. For purposes of this Section, the term “**tax-exempt obligations**” includes “**qualified 501(c)(3) Bonds**” (as defined in the Section 145 of the Code) but does not include other “**private activity bonds**” (as defined in Section 141 of the Code).

**Section 27. Conflict.** All ordinances, resolutions, or parts thereof in conflict herewith be and the same are hereby superseded to the extent of such conflict and this ordinance shall be in full force and effect forthwith upon its adoption.

**Section 28. Effective Date.** This ordinance shall become effective immediately upon its passage and approval in the manner provided by law, and upon its becoming effective and prior to the issuance of the Bonds a certified copy of this ordinance shall be filed with the County Clerk.

Adopted December 13, 2021.

---

Mayor

Attest:

---

City Clerk

(SEAL)

Council Member \_\_\_\_\_ moved and Council Member  
\_\_\_\_\_ seconded the motion that said ordinance as presented be adopted.

After a full discussion thereof, the Mayor directed that the roll be called for a vote upon  
the motion to adopt said ordinance.

Upon the roll being called, the following Council Members voted AYE: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The following Council Members voted NAY: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Whereupon the Mayor declared the motion carried and said ordinance adopted, approved  
and signed the same in open meeting and directed the City Clerk to record the same in full in the  
records of the City Council of the City of Kewanee, Henry County, Illinois, which was done.

Other business not pertinent to the adoption of said ordinance was duly transacted at said  
meeting.

Upon motion duly made, seconded and carried, the meeting was adjourned

\_\_\_\_\_  
City Clerk

STATE OF ILLINOIS        )  
                                      ) SS  
COUNTY OF HENRY        )

**CERTIFICATION OF ORDINANCE**

I, the undersigned, do hereby certify that I am the duly selected, qualified and acting City Clerk of the City of Kewanee, Henry County, Illinois (the “**Issuer**”), and as such official I am the keeper of the records and files of the Issuer and of its City Council (the “**Corporate Authorities**”).

I do further certify that the attached constitutes a full, true and complete excerpt from the proceedings of the regular meeting (at which all attendance was by physical presence) of the Corporate Authorities held on the 13th day of December, 2021, insofar as the same relates to the adoption of Ordinance No. \_\_\_\_\_, entitled:

**AN ORDINANCE AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$1,620,000 GENERAL OBLIGATION REFUNDING BONDS (ALTERNATE REVENUE SOURCE), SERIES 2022A, OF THE CITY OF KEWANEE, HENRY COUNTY, ILLINOIS, PROVIDING THE DETAILS OF SUCH BONDS AND FOR ALTERNATE REVENUE SOURCES AND THE LEVY OF DIRECT ANNUAL TAXES SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON SUCH BONDS, AND RELATED MATTERS,**

a true, correct, and complete copy of which ordinance (the “**Ordinance**”) as adopted at such meeting appears in the transcript of the minutes of such meeting and is hereto attached. The Ordinance was adopted and approved by the vote and on the date therein set forth.

I do further certify that the deliberations of the Corporate Authorities on the adoption of such Ordinance were taken openly, that the adoption of such Ordinance was duly moved and seconded, that the vote on the adoption of such Ordinance was taken openly and was preceded by a public recital of the nature of the matter being considered and such other information as would inform the public of the business being conducted, that such meeting was held at a specified time and place convenient to the public, that the Agenda for the meeting was duly posted at the City Hall at least 48 hours prior to the meeting; that notice of such meeting was duly given to all of the news media requesting such notice, that such meeting was called and held in strict compliance with the provisions of the open meeting laws of the State of Illinois, as amended, and the Illinois Municipal Code, as amended, and that the Corporate Authorities have complied with all of the applicable provisions of such open meeting laws and such Code and their procedural rules in the adoption of such Ordinance.

**IN WITNESS WHEREOF**, I hereunto affix my official signature and the seal of the City of Kewanee, Henry County, Illinois, this 13th day of December, 2021.

(SEAL)

\_\_\_\_\_  
City Clerk

PRESENTED TO:

CITY OF KEWANEE  
HENRY COUNTY, ILLINOIS



*Presented by:*  
*John Vezzetti, Vice President*

December 2, 2021

# HYPOTHETICAL REFUNDING SCENARIOS

## LOW END OF HYPOTHETICAL YIELD RANGE:

### City of Kewanee Henry County, Illinois

*General Obligation W&S Refunding Bonds (ARS), Series 2013*  
*General Obligation Bonds (ARS), Series 2012*

#### Current Amortization

Fiscal Year	Principal (12/1)	Interest (6/1 & 12/1)	Total Debt Service
2023	795,000	100,785	895,785
2024	820,000	77,145	897,145
2025	785,000	51,625	836,625
2026	325,000	26,400	351,400
2027	335,000	13,400	348,400
	<u>\$ 3,060,000</u>	<u>\$ 269,355</u>	<u>\$ 3,329,355</u>

Net Interest Cost..... 2.31%

#### After Hypothetical Refunding(1)

Fiscal Year	Principal (12/1)	Interest (6/1 & 12/1)	Existing Debt Service	Total Debt Service	Estimated Savings
2023	310,000	45,892	522,240	878,132	17,653
2024	830,000	46,130	-	876,130	21,015
2025	785,000	33,000	-	818,000	18,625
2026	315,000	19,050	-	334,050	17,350
2027	320,000	9,600	-	329,600	18,800
	<u>\$ 2,560,000</u>	<u>\$ 153,672</u>	<u>\$ 522,240</u>	<u>\$ 3,235,912</u>	<u>\$ 93,443</u>

True Interest Cost..... 1.23%

Net Savings + Rounding Amount..... \$ 95,232

Present Value Savings..... 3.51%

(1) Hypothetical Refunding includes all estimated costs of issuance.

# HYPOTHETICAL REFUNDING SCENARIOS

HIGH END OF HYPOTHETICAL YIELD RANGE:

## City of Kewanee Henry County, Illinois

*General Obligation W&S Refunding Bonds (ARS), Series 2013*  
*General Obligation Bonds (ARS), Series 2012*

### Current Amortization

Fiscal Year	Principal (12/1)	Interest (6/1 & 12/1)	Total Debt Service
2023	795,000	100,785	895,785
2024	820,000	77,145	897,145
2025	785,000	51,625	836,625
2026	325,000	26,400	351,400
2027	335,000	13,400	348,400
	<u>\$ 3,060,000</u>	<u>\$ 269,355</u>	<u>\$ 3,329,355</u>

Net Interest Cost..... 2.31%

### After Hypothetical Refunding(1)

Fiscal Year	Principal (12/1)	Interest (6/1 & 12/1)	Existing Debt Service	Total Debt Service	Estimated Savings
2023	310,000	47,858	522,240	880,098	15,687
2024	835,000	48,460	-	883,460	13,685
2025	785,000	34,110	-	819,110	17,515
2026	315,000	19,200	-	334,200	17,200
2027	325,000	9,750	-	334,750	13,650
	<u>\$ 2,570,000</u>	<u>\$ 159,378</u>	<u>\$ 522,240</u>	<u>\$ 3,251,618</u>	<u>\$ 77,737</u>

True Interest Cost..... 1.43%

Net Savings + Rounding Amount..... \$ 81,004

Present Value Savings..... 2.95%

(1) Hypothetical Refunding includes all estimated costs of issuance.



# HYPOTHETICAL TIMELINE

	DATE:	✓	STEP IN PROCEDURE:
1.	Monday, December 13, 2021		CITY COUNCIL MEETING: City passes parameters Bond Ordinance for the Bonds.
2.	Monday, January 3, 2022		Preliminary Official Statement (POS) is released to the City for review .
3.	Monday, January 10, 2022		City has rating call with Standard & Poor's. Bernardi Securities, Inc. conducts "due diligence" conference call.
4.	Week of January 24th		Bernardi Securities, Inc. begins pre-order selling period for local buyers. Bernardi Securities, Inc. contacts local institutional/retail investors.
5.	Thursday, February 10, 2022		Closing. Bernardi Securities, Inc. coordinates with Bond Counsel & Paying Agent.

# REFUNDING BOND INFORMATION

## REFUNDING BASICS & TERMINOLOGY:

Bond refundings are most commonly used by state and local governments to achieve savings on interest costs. These types of bonds can also be issued to remove or revise burdensome bond covenants or to restructure debt service payments, although these are less frequent.

Refunding bonds are characterized as either current refundings or advance refundings. A current refunding is one in which the outstanding (refunded) bonds are redeemed within 90 days from the date the refunding bonds are issued. In an advance refunding, the refunded bonds remain outstanding for a period of more than 90 days from the date the refunding bonds are issued. The Tax Cuts and Jobs Act eliminated the possibility of an advance refunding on a tax-exempt basis. Issuers of taxable or tax credit bonds may be subject to different restrictions or tax law. However, the methodology and policies for determining when a refunding might be appropriate may be applied to all types of bonds. (*Source: Government Finance Officers Association. For more information, please visit [www.gfoa.org](http://www.gfoa.org)*)

## COMMON TERMS:

### Optional Redemption:

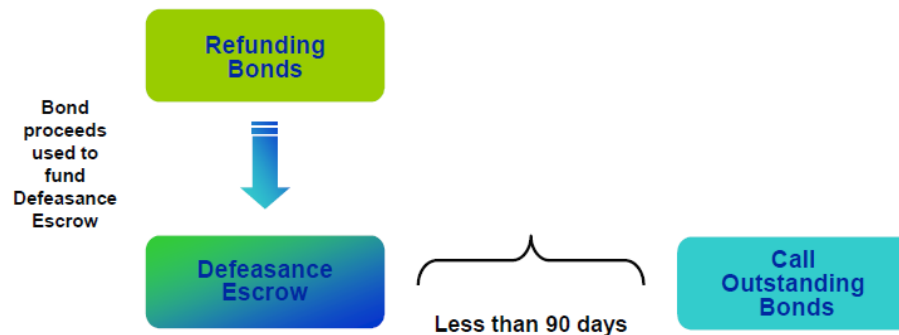
- Issuer's right, but not obligation, to pre-pay all or part of a bond before its maturity

### Refunding Escrow:

- Trust account to hold collateral (cash/investments) to pay old bonds until their call date
- Funding is irrevocable; sufficiency opinion (verification report) traditionally required

### Current Refunding:

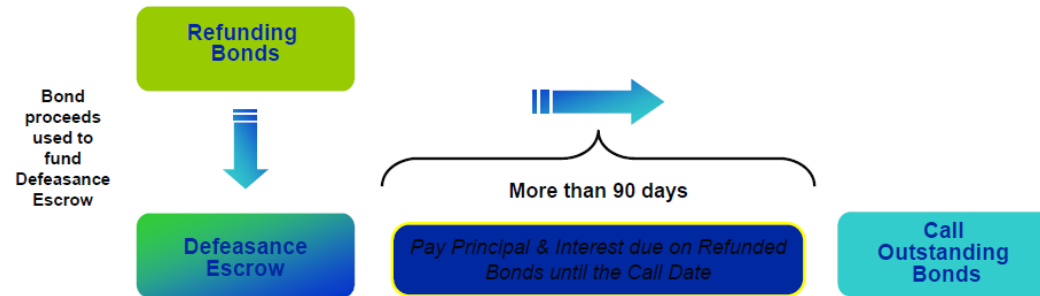
- Refunding bonds sold within 90 days of the first call date of the refunded bonds
- Proceeds may be invested in escrow without yield restriction
- No IRS Regulations limiting the number of current refundings



# REFUNDING BOND INFORMATION

## Advance Refunding:

- Refunding bonds sold more than 90 days to the first call date of the refunded bonds
- Escrow yield restricted to arbitrage yield of refunding bonds
- IRS Regulations restrict advance refundings using tax-exempt interest rates. Instead, an issuer may advance refund its bonds using taxable interest rates.



## Negative Arbitrage:

- Often defined as “amount of potential debt service savings that are lost in funding an escrow to the refunded bond call date”
- Occurs when the interest rate in the escrow account is less than the interest rate on the outstanding bonds

## Net Present Value (“NPV”) Savings:

- NPV = annual savings present-valued to the issue date, net of related costs of issuance
- Threshold can be a % of *refunding* par or *refunded* par, and/or a minimum dollar threshold
  - A common threshold is a minimum savings target of 3% NPV savings
  - Issuer may want to refer to its established minimum savings refinancing guideline before refunding is undertaken

## Reasons to Refund Bonds:

- Opportunity for economic savings
- Reshape current debt service structure
- Change-of-use through sale or privatization
- Change-of-control (eliminate reserve funds or release a lien position)

# REGULATORY COMPLIANCE AND REQUIRED DISCLOSURES

There are no criminal investigations or pertinent litigation pending against our firm. There have not been any orders, judgments or decrees of any federal or state authority barring, suspending or otherwise limiting the right of the firm, its management, any subsidiary engaging as a counterparty in derivative agreements, or any principal in the firm's municipal bond or public finance operations to engage in any business activity. We are in complete compliance with MSRB rule G-37 concerning political contributions. There are no prohibitions on municipal securities business imposed on our firm.

## MSRB RULE G-23 DISCLOSURE, G-17 DISCLOSURE and SEC MUNICIPAL ADVISOR RULE

In recent years, Congress has enacted legislation seeking to reform financial markets in the wake of the 2008-2009 financial crisis. One of the most prominent pieces of legislation is the Dodd-Frank Wall Street Reform and Consumer Protection Act. The implementation of Dodd-Frank has led to a series of regulatory changes governing municipal securities.

Until the passage of the Dodd-Frank Act, the activities of municipal advisors (commonly referred to as "financial advisors") were largely unregulated, and municipal advisors were generally not required to register with the Securities Exchange Commission (SEC) or any other federal, state, or self-regulatory entity with respect to their municipal advisory activities.

The Dodd-Frank Act amended the Exchange Act to require municipal advisors to register with the Commission. In addition, the Exchange Act, as amended by the Dodd-Frank Act, grants the MSRB regulatory authority over municipal advisors when advising municipal entities.

The SEC Municipal Advisor Rule, the 2011 amendments to Rule G-23, and the 2012 amendments to Rule G-17, of the Municipal Securities Rulemaking Board (MSRB) require Bernardi Securities, Inc. to define its role at the earliest stages of our relationship with the potential issuer.

**Bernardi Securities, Inc. is seeking to serve only as an underwriter.** As an underwriter, we will be acting as a principal in a commercial, arms' length transaction, and not as a municipal advisor, financial advisor, or fiduciary. As an underwriter, our purchase of securities will be with a view to distribute these securities to investors. It is important for you to understand that in this role Bernardi Securities, Inc. has financial and other interests that may differ from yours.

# REGULATORY COMPLIANCE AND REQUIRED DISCLOSURES

MSRB Rule G-17 requires us to deal fairly at all times with both municipal issuers and investors. Our duty to purchase securities from an issuer at fair and reasonable prices must be balanced with the duty to sell securities to investors at fair and reasonable prices.

Section 975 of the Dodd-Frank Act created a new class of regulated persons, “municipal advisors,” and requires these advisors to register with the SEC. This new registration requirement, which became effective October 1, 2010, makes it unlawful for any municipal advisor to provide certain advice to or on behalf of, or to solicit, municipal entities or certain other persons without registering with the SEC. The new registration requirements and regulatory standards are intended to mitigate some of the problems observed with the conduct of some municipal advisors, including “pay to play” practices, undisclosed conflicts of interest, advice rendered by financial advisors without adequate training or qualifications, and failure to place the duty of loyalty to their clients ahead of their own interests.

**Nothing in this document should be construed as advice, a suggestion to take action or a recommendation.**

**It is important for you to understand that under the new regulatory standards effective July 1, 2014 Bernardi Securities, Inc., once engaged as underwriter, is allowed to provide advice on these specific areas operating under the underwriter’s exemption section of the rule:**

- Advice regarding the structure, timing, terms, and other similar matters concerning a particular issuance of municipal securities (except as otherwise provided herein with respect to advice on investment strategies, municipal derivatives, or other activities identified by the Commission as outside the scope of an underwriting)
- Preparation of rating strategies and presentations related to the issuance being underwritten
- Preparations for and assistance with investor “road shows” and investor discussions related to the issuance being underwritten
- Advice regarding retail order periods and institutional marketing if the municipal entity has determined to engage in a negotiated sale
- Assistance in the preparation of the preliminary and final official statements for the municipal securities
- Assistance with the closing of the issuance of municipal securities, including negotiation and discussion with respect to all documents, certificates, and opinions needed for such closing
- Coordination with respect to obtaining CUSIP numbers and the registration of the issue of municipal securities with the book-entry only system of the Depository Trust Company
- Preparation of post-sale reports for such municipal securities
- Structuring of refunding escrow cash flow requirements necessary to provide for the refunding and defeasance of an issue of municipal securities. Subject to independent escrow verification.

# REGULATORY COMPLIANCE AND REQUIRED DISCLOSURES

It is important for you to understand that under rules effective July 1, 2014 all broker-dealers without exception are prohibited from providing issuers with: advice on investment strategies; advice on municipal derivatives (including derivative valuation services); advice on what method of sale (competitive sale or negotiated sale) a municipal entity should use for an issuance of municipal securities; advice on whether a governing body of a municipal entity or obligated person should approve or authorize an issuance of municipal securities; advice on a bond election campaign; advice that is not specific to a particular issuance of municipal securities on which a person is serving as underwriter and that involves analysis or strategic services with respect to overall financing options, debt capacity constraints, debt portfolio impacts, analysis of effects of debt or expenditures under various economic assumptions, or other impacts of funding or financing capital projects or working capital; assisting issuers with competitive sales, including bid verification, true interest cost (TIC) calculations and reconciliations, verifications of bidding platform calculations, and preparation of notices of sale; preparation of financial feasibility analyses with respect to new projects; budget planning and analyses and budget implementation issues with respect to debt issuance and collateral budgetary impacts; advice on an overall rating strategy that is not related to a particular issuance of municipal securities on which a person is serving as an underwriter, including advice and actions taken on behalf of a municipal entity or obligated person between financing transactions; advice on overall financial controls that are not related to a particular issuance of municipal securities on which a person is serving as an underwriter; or advice regarding the terms of requests for proposals or requests for qualification for the selection of underwriters or other professionals for a project financing and advice regarding review of responses to such requests, including matters regarding compensation of such underwriters or other professionals.

Bernardi Securities, Inc. seeks to serve as an underwriter on a future transaction and not as a financial advisor or municipal advisor. The information provided is for discussion purposes only in anticipation of being engaged to serve as underwriter. Bernardi Securities, Inc.'s primary role as an underwriter is to purchase securities with a view to distribution in an arm's-length commercial transaction, in which we: (i) are acting solely for our own financial and other interests that may differ from yours; (ii) are not acting as your municipal advisor or financial advisor, and have no fiduciary duty to you with respect to this transaction; and (iii) are not recommending that you take an action with respect to this transaction. Before acting on this information, it should be discussed with the financial and/or municipal, legal, accounting, tax and other advisors you deem appropriate. If you would like a municipal advisor in this transaction that has legal fiduciary duties to you, you are free to engage a municipal advisor to serve in that capacity.

If the Issuer engages Bernardi Securities, Inc., the designation of Bernardi Securities, Inc. as underwriter applies solely to this issue.

# REGULATORY COMPLIANCE AND REQUIRED DISCLOSURES

Until Bernardi is engaged on a particular transaction, the discussions between the Issuer and Bernardi are based solely on general market issues, topics, and other publicly available information and are not to be construed as a recommendation or advice. Bernardi Securities, Inc. is not recommending an action to the municipal entity or obligated person. Bernardi Securities, Inc. is not acting as an advisor to the municipal entity or obligated person and does not owe a fiduciary duty pursuant to Section 15B of the Exchange Act to the municipal entity or obligated person with respect to the information and material contained in this communication. Bernardi Securities, Inc. is acting for its own interests. The municipal entity or obligated person should discuss any information and material contained in this communication with any and all internal or external advisors and experts that the municipal entity or obligated person deems appropriate before acting on this information or material.

The SEC believes that a person could rely on the general information exclusion from advice under the Final Rules when providing a municipal entity or obligated person with information that does not involve a recommendation, such as factual information that does not contain subjective assumptions, opinions, or views. Examples of this type of general information include: (a) information regarding a person's professional qualifications and prior experience (e.g., lists, descriptions, terms, or other information regarding prior experience on completed transactions involving municipal financial products or issuances of municipal securities); (b) general market and financial information (e.g., market statistics regarding issuance activity for municipal securities or current market interest rates or index rates for different types of bonds or categories of credits); (c) information regarding a financial institution's currently-available investments (e.g., the terms, maturities, and interest rates at which the financial institution offers these investments) or price quotes for investments available for purchase or sale in the market that meet criteria specified by a municipal entity or obligated person; (d) factual information describing various types of debt financing structures (e.g., fixed rate debt, variable rate debt, general obligation debt, debt secured by various types of revenues, or insured debt), including a comparison of the general characteristics, risks, advantages, and disadvantages of these debt financing structures; and (e) factual and educational information regarding various government financing programs and incentives (e.g., programs that promote energy conservation and the use of renewable energy).

## CONTACT INFORMATION



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**BERNARDISECURITIES**  
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**ORDINANCE NO. 4087**

**AN ORDINANCE AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$1,505,000 TAXABLE GENERAL OBLIGATION REFUNDING BONDS (ALTERNATE REVENUE SOURCE), SERIES 2022B, OF THE CITY OF KEWANEE, HENRY COUNTY, ILLINOIS, PROVIDING THE DETAILS OF SUCH BONDS AND FOR APPLICABLE ALTERNATE REVENUE SOURCES AND THE LEVY OF DIRECT ANNUAL TAXES SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON SUCH BONDS, AND RELATED MATTERS**

**WHEREAS**, the City of Kewanee, Henry County, Illinois (the “**Issuer**”), operates in accordance with the provisions of the Illinois Municipal Code [Section 5/1-1-1 *et seq.* of Chapter 65 of the Illinois Compiled Statutes, as supplemented and amended (the “**Municipal Code**”), including by the Local Government Debt Reform Act of the State of Illinois (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 “**Debt Reform Act**” and, together with the Municipal Code, the “**Act**”)]

**WHEREAS**, the Issuer is a non-home rule municipality duly established and operating its municipally-owned combined waterworks and sewerage system (the “**Waterworks and Sewerage System**”) in accordance with the provisions of Division 139 of Article 11 of the Municipal Code (Section 5/11139-1 *et seq.* of Chapter 65 of the Illinois Compiled Statutes), as supplemented and amended (the “**Waterworks and Sewerage Revenue Source Act**”); and

**WHEREAS**, the Issuer has outstanding obligations designated as General Obligation Waterworks and Sewerage Refunding Bonds (Alternate Revenue Source), Series 2013, dated March 21, 2013 (the “**Prior Bonds**”), which were issued to refund outstanding IEPA Loans L17-1101, L17-0272 and L17-1604, which were originally issued for the acquisition, construction and installation of waterworks and sewerage facilities, improvements, and costs (collectively, the “**Prior Project**”), pursuant to the applicable plans and specifications therefor; and

**WHEREAS**, pursuant to the Debt Reform Act, the Issuer may issue its refunding bonds to refund all or a portion of the Prior Bonds (the portion to be refunded by this issue to be known as the “**Refunded Bonds**”); and

**WHEREAS**, the City Council of the Issuer (the “**Corporate Authorities**”) has determined that it is advisable, necessary and in the best interests of the Issuer to issue its bonds to (i) refund the Refunded Bonds (the “**Refunding**”), and (ii) pay the cost of issuance of the Bonds; and

**WHEREAS**, the Prior Bonds are to be refunded by funding an escrow, deposit or other similar account (the “**Refunding Account**”) with investment securities (including a cash deposit, the “**Investment Securities**”) under an escrow, deposit or other similar agreement (the

“**Refunding Agreement**”), as authorized by this ordinance; and with an escrow, deposit or other fiscal agent (the “**Fiscal Agent**”); and

**WHEREAS**, the issuance of the Bonds is exempt from the requirements of the Bond Issue Notification Act; and

**WHEREAS**, the Refunding constitutes a lawful corporate purpose within the meaning of the Act; and

**WHEREAS**, in accordance with the terms of the Prior Bonds, certain of the Prior Bonds may be called for redemption in advance of their maturity, and it is necessary and desirable to make such call for the redemption of such Prior Bonds on their earliest practicable call date, and provide for the giving of proper notice to the registered owners of such Prior Bonds; and

**WHEREAS**, the estimated cost of the Refunding, including legal, financial, bond discount, printing and publication costs, and other expenses (collectively, the “**Refunding Costs**”), is not more than \$1,505,000, and there are insufficient funds on hand and lawfully available to pay such costs; and

**WHEREAS**, the Bonds to be issued will be payable from the net revenues of the Waterworks and Sewerage System (the “**Net Revenues**” or the “**Pledged Revenues**”), and (ii) ad valorem taxes of the Issuer for which its full faith and credit have been irrevocably pledged, unlimited as to rate or amount (the “**Pledged Taxes**”); and

**WHEREAS**, pursuant to the offering of the Bonds 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 Issuer has determined to accept a proposed bond purchase agreement (which when executed and delivered shall constitute the “**Purchase Agreement**”) submitted by Bernardi Securities, Inc., of Northfield, Illinois (the “**Underwriter**”), with respect to which the Issuer will execute a Continuing Disclosure Undertaking (the “**Undertaking**”) under Rule 15c2-12 (“**Rule 15c2-12**”) of the Securities and Exchange Commission (“**SEC**”); 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:

	<u>Page</u>
P r e a m b l e S	1
Section 1. Definitions.....	3
Section 2. Preambles, Authority, and Purpose.....	7
Section 3. Authorization and Terms of Bonds.....	7
Section 4. Registration of Bonds and Book-Entry.....	10
Section 5. Execution and Authentication.....	13
Section 6. Transfer, Exchange and Registration.....	14
Section 7. Bond Registrar and Paying Agent.....	14
Section 8. Alternate Bonds; General Obligations.....	15
Section 9. Form of Bonds .....	17
Section 10. Levy and Extension of Taxes.....	23

Section 11. Related Agreements .....	24
Section 12. Funds and Accounts .....	24
Section 13. Bond Proceeds Account .....	28
Section 14. Issuance of Additional Bonds .....	29
Section 15. Arbitrage Rebate .....	31
Section 16. Investment Regulations .....	31
Section 17. Non-Arbitrage and Tax-Exemption .....	31
Section 18. Further Assurances and Actions .....	36
Section 19. General Covenants .....	36
Section 20. Ordinance to Constitute a Contract .....	39
Section 21. Severability and No Contest .....	39
Section 22. Bank Qualified Bonds .....	39
Section 23. Conflict .....	40
Section 24. Effective Date .....	40

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KEWANEE, HENRY COUNTY, 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 preambles 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**” means, collectively, the Debt Reform Act, the Municipal Code, 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 Debt Reform Act 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 December 2 to December 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 Issuer’s \$1,505,000 maximum aggregate principal amount Taxable General Obligation Refunding Bonds (Alternate Revenue Source), Series 2022B, authorized to be issued by this ordinance.

“**Bond Order**” means a certificate signed by the Mayor, City Manager, or Finance Director, and attested by the City Clerk and under the seal of the Issuer, setting forth and specifying details for and in connection with the Bonds, including but not limited to, as the case may be, identification of a Policy and an Insurer, book-entry only registration, final interest rates, yields, issue prices, final maturity schedules, reoffering premium, original issue discount (“**OID**”), Prior Bonds to be refunded, Senior and/or Junior Bond status, Pledged Taxes, Pledged Revenues,

optional and mandatory redemption provisions, and designation of a Bond Registrar, Paying Agent or other Fiscal Agent, subject to not exceeding \$1,505,000 aggregate principal amount for the Bonds.

**“Bond Year”** means each annual period of December 2 to the next December 1 for the Bonds.

**“Corporate Authorities”** means the Issuer’s City Council.

**“Debt Service Account”** means Junior or Senior Debt Service Account, as applicable in the context of use.

**“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.

**“Fiscal Agent”** shall have the meaning set forth in the recitals in the preamble to this ordinance.

**“Fiscal Year”** means the twelve-month period constituting the Issuer’s fiscal year, not inconsistent with applicable law.

**“Gross Revenues”** means all income from whatever source derived from the Issuer’s Waterworks and Sewerage System, including: **(i)** user charges, fees, rates and other receipts; **(ii)** investment income; **(iii)** connection, permit and inspection fees and the like; and **(iv)** penalties and delinquency charges, but excluding expressly **(a)** nonrecurring income from the sale of real estate; **(b)** governmental or other grants; **(c)** advances or grants made to or from the Issuer; **(d)** capital development, reimbursement, or recovery charges and the like; **(e)** annexation or preannexation charges; and **(f)** as otherwise determined in accordance with generally accepted accounting principles for local government funds.

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

**“Issuer”** means the City of Kewanee, Henry County, Illinois.

**“Investment Securities”** shall have the meaning set forth in the recitals in the preamble to this ordinance.

**“Junior Bond”** means any Outstanding bond or Outstanding bonds payable from the Junior Debt Service Account of the Bond and Interest Account of the Fund under this ordinance.

**“Net Revenues”** means, with respect to the Waterworks and Sewerage System, Gross Revenues minus Operation and Maintenance Expenses.

**“Official Statement”** shall have the meaning set forth in the recitals in the preamble to this ordinance.

**“Operation and Maintenance Expenses”** means all expenses of operating, maintaining and routine repair of the Waterworks and Sewerage System, including wages, salaries, costs of materials and supplies, power, fuel, insurance and related services; but excluding debt service, depreciation, or any reserve requirements, and otherwise as determined in accordance with generally accepted accounting principles for local government enterprise funds.

**“Outstanding”**, when used with reference to any bond, means any bond which is outstanding and unpaid; provided, however, such term shall not include bonds: **(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 Issuer 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 Bonds, 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 which share ratably and equally in the applicable Pledged Revenues with either the Senior Bonds or the Junior Bonds, as set forth and provided for in any such ordinance authorizing the issuance of any such Parity Bonds. **“Pledged Subaccount”** shall have the meaning in Section 12.

**“Pledged Revenues”** means Net Revenues, which constitute **“revenue sources”** under the Debt Reform Act.

**“Preliminary Official Statement”** shall have the meaning set forth in the recitals in the preamble to this ordinance.

**“Prior Bonds”** shall have the meaning set forth in the recitals in the preamble to this ordinance.

**“Policy”** means, if any, an Insurer’s bond insurance policy or other credit facility securing payment of the Bonds.

**“Prior Project”** shall have the applicable meaning set forth in the recitals in the preamble to this ordinance.

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

**“Qualified Investments”** means legal investments of the Issuer under applicable law.

**“Refunding”, “Refunding Agreement”, “Refunding Agent”, and “Refunding Account”** each shall have the meaning set forth in the recitals in the preamble to this ordinance.

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

“SEC” shall have the meaning set forth in the recitals in the preamble to this ordinance.

“**Senior Bond**” means any Outstanding bond or Outstanding bonds payable from the Senior Debt Service Account of the Bond and Interest Account of the Fund under this ordinance.

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

“**Underwriter**” means Bernardi Securities, Inc., Northfield, Illinois, the underwriter in connection with the Bonds, identified in the preamble to this ordinance.

“**Waterworks and Sewerage Fund**” means the Issuer’s Waterworks and Sewerage Fund, as created and established or continued, as the case may be, under this ordinance.

“**Waterworks and Sewerage System**” shall have the meaning set forth in the recitals in the preamble to this ordinance.

**Section 2. Preambles, Authority and Purpose.** The Corporate Authorities hereby find that all the recitals contained in the preambles 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 (the “**State**”), including the Act, for the purpose of paying all or a portion of the costs of the Refunding of the Prior Bonds, and costs of issuance of the Bonds. The Corporate Authorities hereby determine the remaining period of usefulness of the Prior Project to be not less than fifteen (15) 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 Refunding the Prior Bonds, there is hereby allocated the sum of not to exceed \$1,505,000, to be derived from the proceeds of the Bonds. For the purpose of financing the Refunding, the Bonds of the Issuer shall be issued and sold in the aggregate principal amount set forth above, shall be designated “**Taxable General Obligation Refunding Bonds (Alternate Revenue Source), Series 2022B**”, and shall be issuable in the denominations of \$5,000 each or any authorized integral multiple thereof.

(a) **General Terms.** The Bonds shall be numbered consecutively from 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 shall be determined in an order to authenticate the Bonds, the Bonds shall be dated as of or before the date or dates of the issuance and sale thereof as acceptable to the Underwriter. The Bonds are hereby authorized to bear interest at the rates percent per annum set forth below and shall mature (or come due pursuant to mandatory sinking fund redemption as Term Bonds, as specified in Section 8 and/or a Bond Order, and not otherwise) on December 1 over a period ending not later than December 1, 2024 and in an amount not exceeding \$550,000 per year, all as further detailed in the Bond Order (the “**Bond Order**”) executed by the Mayor, City Manager, or Finance Director (the “**Designated Representatives**”); provided, however, that no Bond shall bear interest at a rate per annum in

excess of 4.00%. The Designated Representatives are hereby given full authority to execute and deliver a Bond Order for and on behalf of the Issuer as herein provided. The Bond Order shall be made a part of the transcript of the proceedings related to the issuance of the Bonds.

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 on the date specified in a Bond Order, at the rates percent per annum herein provided. The Bonds shall bear interest at such rates and mature in the principal amount in each year, but not exceeding \$550,000 in the aggregate, if different than as set forth above, and have such other and further terms and provisions as set forth in a Bond Order, and not otherwise. For purposes of the foregoing and otherwise in this ordinance, the term **“Bond Order”** shall mean a certificate signed by the Mayor, and attested by the City Clerk and under the seal of the Issuer, setting forth and specifying terms and details of the Bonds, including, as the case may be, final interest rates, denominations, sale/purchase price, optional and mandatory call provisions, reoffering premium, original issue discount (**“OID”**), the final maturity schedule, denominations, payment dates, Pledged Taxes, specification of Pledged Revenues, Capitalized Interest, and identification of the issuer (the **“Insurer”**), if any, of a bond insurance policy or other credit facility (the **“Policy”**) securing payment of debt service on the Bonds, pursuant to this ordinance. The Bond form shall be conformed to any 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 trust office of the financial institution specified in a 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 specified in a Bond Order to act as the Bond Registrar on behalf of the Issuer for such purpose (including its successors, the **“Bond Registrar”**), at the principal corporate trust office of the Bond Registrar as of the close of business on the 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.

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

(i) **Optional Redemption.** Only as provided in a Bond Order, and not otherwise, specified Bonds shall be subject to optional redemption prior to maturity in whole or in part on and after the applicable date, in any specified order of 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.

(ii) **Sinking Fund Redemption.** This subsection (b) shall apply only to the extent an applicable Purchase Agreement or Official Statement shall specify any Term Bonds (the **“Term Bonds”**), and otherwise shall not apply. Bonds so specified as Term Bonds, if any, are subject to mandatory sinking fund redemption in the principal amount on December 1 of the years so specified, but corresponding to the amounts specified above in Section 3(a), or otherwise as duly set forth in a Bond Order.

At its option before the 45th day (or such lesser time acceptable to the Bond Registrar) next preceding any mandatory sinking fund redemption date in connection with Term Bonds the Issuer by furnishing the Bond Registrar and the Paying Agent an appropriate certificate of direction and authorization executed by the Mayor or City Manager may: **(i)** deliver to the Bond Registrar for cancellation Term Bonds in any authorized aggregate principal amount desired; or **(ii)** furnish the Paying Agent funds for the purpose of purchasing any of such Term Bonds as arranged by the Issuer; or **(iii)** receive a credit (not previously given) with respect to the mandatory sinking fund redemption obligation for such Term Bonds which prior to such date have been redeemed and cancelled. Each such Bond so delivered, previously purchased or redeemed shall be credited at 100% of the principal amount thereof, and any excess shall be credited with regard to future mandatory sinking fund redemption obligations for such Bonds in chronological order, and the principal amount of Bonds to be so redeemed as provided shall be accordingly reduced. In the event Bonds being so redeemed are in a denomination greater than \$5,000, a portion of such Bonds may be so redeemed, but such portion shall be in the principal amount of \$5,000 or any authorized integral multiple thereof.

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

The Issuer 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 (no such notice shall be required in the case of any mandatory sinking fund redemption of Term Bonds). 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 by lot not more than sixty (60) days or less than thirty (30) days prior to the redemption date by the Bond Registrar by such method of lottery 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 Issuer 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 Issuer 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 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



(and, in the case of partial redemption, 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 principal office of the Paying Agent.

Prior to any redemption date, the Issuer 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 Issuer 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.

In addition to the foregoing notice set forth above, further notice shall be given by the Bond Registrar on behalf of the Issuer as set out below, but no defect in such further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed. Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus **(a)** the CUSIP numbers of all Bonds being redeemed; **(b)** the date of issue of the Bonds as originally issued; **(c)** the rate of interest borne by each Bond being redeemed; **(d)** the maturity date of each Bond being redeemed; and **(e)** any other descriptive information needed to identify accurately the Bonds being redeemed.

Each further notice of redemption shall be sent at least thirty (30) days before the redemption date by registered or certified mail or overnight delivery service to all registered securities depositories then holding any Bonds and to one or more national information services, chosen in the discretion of the Bond Registrar, that disseminate notice of redemption of obligations such as the Bonds.

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 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 Issuer shall cause books (the “**Bond Register**”) for the registration and for the transfer of the Bonds as provided in this ordinance to be kept at the principal office of the Bond Registrar, which is hereby constituted and appointed the Bond Registrar of the Issuer. The Issuer is authorized to prepare, and the Bond Registrar shall keep custody of, multiple Bond blanks executed by the Issuer 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 designate corporate trust 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 owner’s attorney duly authorized in writing, the Issuer 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 Issuer 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, as applicable, 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 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 owner’s 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 Issuer 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.

The Mayor or City Manager or City 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 Mayor or City Manager or City 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 provided in a Bond Order, the Bonds shall be issued in the form of a separate single fully registered Bond for each of the maturities of the Bonds. Upon initial issuance, the ownership of each such Bond may 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. The outstanding Bonds from time to time may be registered in the Bond Register in a street name, as nominee of the Depository. As necessary, the Issuer’s Mayor or City Manager or City Treasurer is authorized to execute and deliver on behalf of the Issuer 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 Mayor or City Manager or City 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 Issuer 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 Issuer 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 (15th) day (whether or not a business day) of the 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 Issuer determines that the Depository is incapable of discharging its responsibilities described herein and in the Representation Letter, **(b)** the agreement among the Issuer, the Bond Registrar, the Paying Agent and the Depository evidenced by the Representation Letter shall be terminated for any reason or **(c)** the Issuer determines that it is in the best interests of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the Issuer 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 Issuer 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 Issuer, or such depository's agent or designee, and if the Issuer 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 Issuer by the manual or authorized facsimile signature of its Mayor and the corporate seal of the Issuer, 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 City 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 Issuer 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 Issuer (past, present or future) who executes the Bonds, or on any other basis.

Each Bond shall bear thereon a certificate of authentication executed manually by the Bond Registrar. No Bond shall be entitled to any right or benefit under this ordinance or shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Bond Registrar. Such certificate of authentication shall have been duly executed by the Bond Registrar by manual signature, and such certificate of authentication upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this ordinance. The certificate of authentication on any Bond shall be deemed to have been executed by the Bond Registrar if signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

**Section 6. Transfer, Exchange and Registration.** Each Bond shall be transferable only upon the registration books maintained by the Bond Registrar on behalf of the Issuer for that purpose at the principal office of the Bond Registrar, by the registered owner thereof in person or by such registered owner's attorney duly authorized in writing upon surrender thereof together with a written instrument of transfer satisfactory to the Bond Registrar and duly executed by the registered owner or such registered owner's duly authorized attorney. Upon the surrender for transfer of any such Bond, the Issuer shall execute and the Bond Registrar shall authenticate and deliver a new Bond or Bonds registered in the name of the transferee of the same aggregate principal amount, maturity and interest rate as the surrendered Bond. Bonds, upon surrender thereof at the principal office of the Bond Registrar, with a written instrument satisfactory to the Bond Registrar, duly executed by the registered owner or such registered owner's attorney duly authorized in writing, may be exchanged for an equal aggregate principal amount of Bonds of the same maturity and interest rate and of the denomination of \$5,000 or any authorized integral multiple thereof, less previous retirements.

For every such exchange or registration of transfer of Bonds, the Issuer or the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. No other charge shall be made for the privilege of making such transfer or exchange. The provisions of the Illinois Bond Replacement Act shall govern the replacement of lost, destroyed or defaced Bonds.

The Issuer, the Paying Agent and the Bond Registrar may deem and treat the person in whose name any Bond shall be registered upon the registration books as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of, premium, if any, or interest thereon and for all other purposes whatsoever, and all such payments so made to any such registered owner or upon such registered owner's order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Issuer nor the Paying Agent or the Bond Registrar shall be affected by any notice to the contrary.

**Section 7. Bond Registrar and Paying Agent.** With respect to this ordinance and the Bonds the Bond Registrar and Paying Agent shall be the entity specified in a Bond Order, through its designated corporate trust or payment office as specified in a Bond Order. The Issuer covenants that it shall at all times retain a Bond Registrar and Paying Agent with respect to the

Bonds and shall cause to be maintained at the office of such Bond Registrar a place where Bonds may be presented for registration of transfer or exchange, that it will maintain at the designated office of the Paying Agent a place where Bonds may be presented for payment, that it shall require that the Bond Registrar maintain proper registration books and that it shall require the Bond Registrar and Paying Agent to perform the other duties and obligations imposed upon each of them by this ordinance in a manner consistent with the standards, customs and practices concerning municipal securities. The Issuer may enter into appropriate agreements with any Bond Registrar and any Paying Agent in connection with the foregoing, including as follows:

- (a) to act as Bond Registrar, authenticating agent, Paying Agent and transfer agent as provided herein;
- (b) to maintain a list of the registered owners of the Bonds as set forth herein and to furnish such list to the Issuer upon request, but otherwise to keep such list confidential;
- (c) to cancel and/or destroy Bonds which have been paid at maturity or submitted for exchange or transfer;
- (d) to give notices of redemption of Bonds to be redeemed;
- (e) to furnish the Issuer at least annually a certificate with respect to Bonds cancelled and/or destroyed; and
- (f) to furnish the Issuer at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds.

In any event, the Bond Registrar and Paying Agent shall comply with (a) - (f) above.

The Bond Registrar and Paying Agent shall signify their acceptances of the duties and obligations imposed upon them by this ordinance. The Bond Registrar by executing the certificate of authentication on any Bond shall be deemed to have certified to the Issuer that it has all requisite power to accept, and has accepted, such duties and obligations, not only with respect to the Bond so authenticated but with respect to all of the Bonds. The Bond Registrar and Paying Agent are the agents of the Issuer for such purposes and shall not be liable in connection with the performance of their respective duties except for their own negligence or default. The Bond Registrar shall, however, be responsible for any representation in its certificate of authentication on the Bonds.

The Issuer may remove the Bond Registrar or Paying Agent at any time. In case at any time the Bond Registrar or Paying Agent shall resign (such resignation to not be effective until a successor has accepted such role) or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Bond Registrar or Paying Agent, or of its property, shall be appointed, or if any public officer shall take charge or control of the Bond Registrar or Paying Agent or of their respective properties or affairs, the Issuer covenants and agrees that it will thereupon appoint a successor Bond Registrar or Paying Agent, as the case may be. The Issuer shall mail or cause to be mailed notice of any such appointment made by it to each registered owner of Bonds within twenty (20) days after such

appointment. Any Bond Registrar or any Paying Agent appointed under the provisions of this Section 7 shall be a bank, trust company or other qualified professional with respect to such matters, authorized to exercise such functions in the State of Illinois.

**Section 8. Alternate Bonds; General Obligations.** The Bonds are and constitute Alternate Bonds under the Local Government Debt Reform Act. The Bonds, regardless of the date or dates of their issuance, are on parity with each other and shall share equally and ratably as to payment in the Net Revenues of the Issuer's Waterworks and Sewerage System. Under and pursuant to Section 15 of the Debt Reform Act, the full faith and credit of the Issuer are hereby irrevocably pledged to the punctual payment of the principal of, premium, if any, and interest on the Bonds; the Bonds shall be direct and general obligations of the Issuer; and the Issuer shall be obligated to levy ad valorem taxes upon all the taxable property within the Issuer's corporate limits, for the payment of the Bonds and the interest thereon, without limitation as to rate or amount (such ad valorem taxes being the **"Pledged Taxes"**).

Pledged Revenues are hereby determined by the Corporate Authorities to be sufficient to provide for or pay in each year to final maturity of the Bonds all of the following: **(1)** the debt service on all Outstanding revenue bonds payable from Pledged Revenues, **(2)** all amounts required to meet any fund or account requirements with respect to such Outstanding revenue bonds, **(3)** other contractual or tort liability obligations, if any, payable from such Pledged Revenues, and **(4)** in each year, an amount not less than 1.25 times debt service of all **(i)** Alternate Bonds payable from such Pledged Revenues previously issued and outstanding, and **(ii)** Alternate Bonds payable from such Pledged Revenues proposed to be issued, including the Bonds. The Pledged Revenues shall be and are hereby determined by the Corporate Authorities to provide in each year an amount not less than 1.25 times debt service (as defined in Section 3 of the Debt Reform Act) of Alternate Bonds payable from such enterprise sources previously issued and outstanding, of which there are none, and Alternate Bonds proposed to be issued. The determination of the sufficiency of the Pledged Revenues is supported by reference to the most recent audit of the Issuer, which is for a Fiscal Year ending not earlier than 18 months previous to the time of issuance of the Bonds or otherwise as demonstrated in an applicable report. If for any reason such qualification is later not shown by such audit, a **"report"** under Section 15 of the Debt Reform Act is authorized. Such conditions enumerated need not be met for that amount of debt service (as defined in Section 3 of the Debt Reform Act) provided for by the setting aside of proceeds of bonds or other moneys at the time of the delivery of such bonds. The Pledged Revenues are hereby determined by the Corporate Authorities to provide in each year all amounts required to meet any fund or account requirements with respect to this ordinance, any contractual or tort liability obligations, if any, payable from Pledged Revenues, and an amount not less than 1.25 times debt service (as defined in Section 3 of the Debt Reform Act) of all of the Outstanding Bonds, payable from such Pledged Revenues.

The determination of the sufficiency of the Pledged Revenues is expected to be supported by reference to the most recent audit of the Issuer, which is for a Fiscal Year ending not earlier than 18 months previous to the time of issuance of the Alternate Bonds. If such Pledged Revenues are otherwise shown to be insufficient, the determination of sufficiency, if applicable law so requires, and not otherwise, shall be supported by the **"report"** of an independent accountant or feasibility analyst, the latter having a national reputation for expertise in such matters, demonstrating the sufficiency of such revenues and explaining, if appropriate, by what

means the Pledged Revenues will be greater than as shown in the audit, but only as required by Applicable Law, and not otherwise. Whenever the sufficiency of Pledged Revenues is demonstrated by reference to higher rates or charges and fees for enterprise revenues (with respect to the use of the Waterworks and Sewerage System constituting the Pledged Revenues), such higher rates or charges and fees with respect to the use of the services of the Waterworks and Sewerage System shall have been properly imposed by an ordinance adopted prior to the time of delivery of the Bonds.

**Section 9. Form of Bonds.** Unless Bonds in typewritten form are accepted or in any contract for the sale of the Bonds the Underwriter of the Bonds shall agree to accept typewritten or other temporary Bonds preliminary to the availability of, or in lieu of, Bonds in printed form, the Bonds shall be prepared in compliance with the National Standard Specifications for Fully Registered Municipal Securities prepared by the American National Standards Institute, and in any event shall be in substantially the following form [provided, however, that reordering of paragraphs and appropriate insertions, deletions and modifications in the form of the Bonds may be made, including as to the custom of printing Bonds in part on the front and back of certificates, in an appropriate form prepared by Bond counsel, not inconsistent herewith (CUSIPs optional)]:

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[FORM OF BONDS]  
UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
THE COUNTY OF HENRY  
CITY OF KEWANEE  
TAXABLE GENERAL OBLIGATION  
REFUNDING BOND  
(ALTERNATE REVENUE SOURCE)  
SERIES 2022B

REGISTERED NO. \_\_\_\_\_ REGISTERED \$ \_\_\_\_\_

INTEREST RATE: \_\_\_\_\_ MATURITY DATE: \_\_\_\_\_ DATED DATE: \_\_\_\_\_ CUSIP: \_\_\_\_\_

**Registered Owner:**

**Principal Amount:**

**KNOW ALL BY THESE PRESENTS** that the City of Kewanee, a municipality situated in The County of Henry, in the State of Illinois (the “**Issuer**”), acknowledges itself indebted and for value received hereby promises to pay to the Registered Owner identified above, or registered assigns, the Principal Amount set forth above on the Maturity Date specified above, and to pay interest on such Principal Amount from the later of the Dated Date hereof or the most recent interest payment date to which interest has been paid, at the Interest Rate per annum set forth above, 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 the first (1st) days of June and December in each year, commencing \_\_\_\_\_, 20\_\_\_\_, until the Principal Amount hereof shall have been paid, by check or draft mailed to the Registered Owner of record hereof as of the 15th day (whether or not a business day) of the calendar month next preceding such interest payment date, at the address of such Registered Owner appearing on the registration books maintained for such purpose at the designated corporate trust office of \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, as Bond Registrar (including its successors, the “**Bond Registrar**”). This Bond, as to principal and premium, if any, when due, will be payable in lawful money of the United States of America upon presentation and surrender of this Bond at the designated payment office of \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, as Paying Agent (including its successors, the “**Paying Agent**”). The Bonds are payable from the receipts of Pledged Revenues, constituting Public Infrastructure Sales Taxes, as such term is defined in the hereinafter defined Bond Ordinance; and although it is expected, and has been certified, that the Bonds are to be paid from such Pledged Revenues, which Pledged Revenues are pledged to the payment thereof second, junior and subordinate to any bonds or other obligations having and to have a prior lien thereon, the full faith and credit of the Issuer, including the power to levy taxes without limit as to rate or amount are irrevocably pledged for the punctual payment of the principal of and interest on this Bond and each Bond of the series of which it is a part, according to the terms thereof.

This Bond is one of a series of Bonds issued in the aggregate principal amount of \$\_\_\_\_\_, which are all of like tenor, except as to maturity, interest rate and right of and redemption, and which are authorized and issued under and pursuant to and in accordance with

Ordinance No. \_\_\_\_\_, adopted by the Issuer’s City Council on December 13, 2021, and entitled: “AN ORDINANCE AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$1,620,000 TAXABLE GENERAL OBLIGATION REFUNDING BONDS (ALTERNATE REVENUE SOURCE), SERIES 2022B, OF THE CITY OF KEWANEE, HENRY COUNTY, ILLINOIS, PROVIDING THE DETAILS OF SUCH BONDS AND FOR APPLICABLE ALTERNATE REVENUE SOURCES AND THE LEVY OF DIRECT ANNUAL TAXES, SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON SUCH BONDS, AND RELATED MATTERS” (with respect to which undefined terms herein shall have the meanings therein, the “**Bond Ordinance**”, as supplemented and amended), pursuant to the Constitution and laws of the State of Illinois, including Section 15 of the Local Government Debt Reform Act (Section 350/15 of Chapter 30 of the Illinois Compiled Statutes, in connection with “**alternate bonds**”, as supplemented and amended), Division 139 of Article 11 of the Illinois Municipal Code (Section 5/11-139-1 *et seq.* of Chapter 65 of the Illinois Compiled Statutes), as supplemented and amended, including by the Registered Bond Act, the Illinois Bond Replacement Act, the Bond Authorization Act and applicable law concerning Pledged Revenues. The Bonds are issued to pay costs of refunding certain outstanding Illinois Environmental Protection Act obligations issued to finance System facilities and improvements, including costs of issuance of the Bonds.

[Adapt and insert as applicable: Bonds of this series maturing December 1, 20\_\_ and 20\_\_, are Term Bonds (the “**Term Bonds**”), subject to mandatory sinking fund redemption in the principal amount on December 1 of each of the years, as follows:

**December 1, 20\_\_ Term Bonds      December 1, 20\_\_ Term Bonds**

<b>Year</b>	<b>Principal Amount(\$)</b>	<b>Year</b>	<b>Principal Amount(\$)</b>
20__		20__	
20__		20__	
20__		20__	

\*To be paid at maturity unless previously retired.]

[Adapt and insert as applicable: Bonds of this series maturing on and after December 1, 20\_\_, shall be subject to redemption prior to maturity on and after December 1, 20\_\_, and in whole or in part on any payment 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. Or: The Bonds of this series are not subject to call for optional redemption.]

[In the event of the redemption of less than all the Bonds of like maturity, the aggregate principal amount thereof to be redeemed shall be \$5,000 or an authorized integral multiple thereof, and the Bond Registrar shall assign to each Bond of such maturity a distinctive number for each \$5,000 principal amount of such Bond and shall select by lot from the numbers so assigned as many numbers as, at \$5,000 for each number, shall equal the principal amount of such Bonds to be redeemed. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided that only so much of the principal amount of each Bond shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected.]

[The Issuer 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 the redemption date, together with interest to such redemption date, prior to the redemption date. Notice of the redemption of Bonds shall be given by first class mail not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for such redemption to the registered owners of Bonds to be redeemed at their last addresses appearing on the registration books therefor. The Bonds or portions thereof specified in such notice shall become due and payable at the redemption price on the redemption date therein designated, and if, on the redemption date, moneys for payment of the redemption price of all the Bonds or portions thereof to be redeemed, together with interest to the redemption date, remain on deposit with the Paying Agent, and if notice of redemption shall have been mailed as aforesaid (and notwithstanding any defect therein or the lack of actual receipt thereof by any registered owner), then from and after the redemption date interest on such Bonds or portions thereof shall cease to accrue and become payable. If there shall be drawn for redemption less than all of a Bond, the Issuer shall execute and the Bond Registrar shall authenticate and deliver, upon the surrender of such Bond, without charge to the registered owner thereof, for the unredeemed balance of the Bond so surrendered, Bonds of like maturity and of the denomination of \$5,000 or any authorized integral multiple thereof.]

[This Bond is transferable only upon the registration books therefor by the Registered Owner hereof in person, or by such Registered Owner's attorney duly authorized in writing, upon surrender hereof at the principal office of the Bond Registrar together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the Registered Owner or by such Registered Owner's duly authorized attorney, and thereupon a new registered Bond or Bonds, in the denominations of \$5,000 or any authorized integral multiple thereof and of the same aggregate principal amount as this Bond shall be issued to the transferee in exchange therefor. In like manner, this Bond may be exchanged for an equal aggregate principal amount of Bonds of any authorized denomination.]

The Bond Registrar shall not be required to exchange or transfer any Bond during the period from the fifteenth (15th) day of the calendar month next preceding the interest payment date and ending on such interest payment date [or during a period of fifteen (15) days next preceding the mailing of a notice of redemption which could designate all or a part of such Bond for redemption, 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 Bond]. The Issuer or the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to the transfer or exchange of this Bond. No other charge shall be made for the privilege of making such transfer or exchange. The Issuer, the Paying Agent and the Bond Registrar may treat and consider the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal, premium, if any, and interest due hereon and for all other purposes whatsoever, and all such payments so made to such Registered Owner or upon such Registered Owner's order shall be valid and effectual to satisfy and discharge the liability upon this Bond to the extent of the sum or sums so paid, and neither the Issuer nor the Paying Agent or the Bond Registrar shall be affected by any notice to the contrary.

No recourse shall be had for the payment of any Bonds against the Mayor or any member of the City Council or any other officer or employee of the Issuer (past, present or future) who

executes any Bonds, or on any other basis. The Issuer may remove the Bond Registrar or Paying Agent at any time and for any reason and appoint a successor.

This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been duly executed by the Bond Registrar.

It is hereby certified, recited and declared that all acts, conditions and things required to be done, exist and be performed precedent to and in the issuance of this Bond in order to make it a legal, valid and binding general obligation of the Issuer have been done, exist and have been performed in regular and due time, form and manner as required by law, and that the series of Bonds of which this Bond is one, together with all other indebtedness of the Issuer is within every debt or other limit prescribed by law.

**IN WITNESS WHEREOF**, the City of Kewanee, Henry County, Illinois, has caused this Bond to be executed in its name and on its behalf by the manual or duly authorized facsimile signature of its Mayor, and its corporate seal, or a facsimile thereof, to be hereunto affixed or otherwise reproduced hereon and attested by the manual or duly authorized facsimile signature of its City Clerk, all as of the Dated Date set forth above.

(SEAL)

**CITY OF KEWANEE,  
Henry County, Illinois**

Attest:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor

### **CERTIFICATE OF AUTHENTICATION**

**Dated:**

This is one of the General Obligation Refunding Bonds (Alternate Revenue Source), Series 2022A, described in the within mentioned Bond Ordinance.

\_\_\_\_\_,  
\_\_\_\_\_, as Bond Registrar

By: \_\_\_\_\_  
Authorized Signer

**Bond Registrar  
and Paying Agent:**

\_\_\_\_\_  
\_\_\_\_\_, \_\_\_\_\_

### **ASSIGNMENT**

For value received the undersigned sells, assigns and transfers unto

[Name, Address and Tax Identification Number of Assignee]

the within Bond and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated

Signature

Signature Guarantee:

**NOTICE:** The signature on this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

**Section 10. Authorization for Preparation and Sale of the Bonds; Purchase Agreement.** (a) The Treasurer is hereby authorized and directed to have the Bonds prepared, and the Mayor and the City Clerk are hereby authorized and directed to execute and attest the Bonds in the form and manner provided herein. The Treasurer is hereby authorized and directed to deliver the Bonds to the Underwriter, upon receipt of the purchase price of not less than 97% of the par amount of the Bonds plus accrued interest to date of delivery, as further detailed in the Bond Order. The Mayor and the City Clerk are authorized and directed to execute a Purchase Agreement in connection with the sale of the Bonds, in the name of and on behalf of the Issuer, provided that the Bonds shall be sold at such price and bear interest at such rates that neither the true interest cost (yield) nor the net interest rate received upon the sale of the Bonds does not exceed the maximum rate otherwise authorized by applicable law. The Purchase Agreement shall be substantially in the form of purchase contracts commonly used in transactions similar to that described in the ordinance, with such changes as necessary to reflect the terms and provisions of the Bonds, this ordinance and such other changes as the Mayor or Treasurer shall determine are necessary or desirable in connection with the sale of the Bonds. No person holding any office of the Issuer, either by election or appointment, is in any manner financially interested directly in his own name or indirectly in the name of any other person, association, trust or corporation, in the Purchase Agreement. Before being issued, the Bonds shall be registered and numbered, such registration being made in a book provided for that purpose, in which shall be entered a description of the Bonds issued, including the number, date, to whom issued, amount, rate of interest and when due. The Bonds shall be executed as in this ordinance provided as soon after the execution of the Purchase Agreement as may be done, and thereupon the Bonds shall be deposited with the Treasurer who receives the taxes of the Issuer, and be by said Treasurer delivered to the Underwriter upon receipt of the purchase price therefor.

(b) The Bonds when fully paid for and delivered to the Underwriter, shall be the binding general obligations of the Issuer. The proper officers of the Issuer are hereby directed to sell the Bonds to the Underwriter and to do whatever acts and things which may be necessary to carry out the provisions of this ordinance.

**Section 11. Official Statement.** The use by the Underwriter of the Preliminary Official Statement and any final Official Statement relating to the Bonds, on behalf of the Issuer, is hereby ratified, approved and authorized, and the Mayor and the Treasurer are authorized and directed to execute the Preliminary Official Statement and the final Official Statement on behalf of the Issuer in a form consistent with this ordinance. The Preliminary Official Statement is hereby

deemed nearly final. The officers of the Issuer are hereby authorized to take any action as may be required on the part of the Issuer to consummate the transactions contemplated by the Purchase Agreement, this ordinance, the Preliminary Official Statement, the final Official Statement and the Bonds.

**Section 12. Bond Insurance.** In the event the Underwriter certifies to the Issuer that it would be economically advantageous for the Issuer to acquire a municipal bond insurance policy for the Bonds, the Issuer hereby authorizes and directs the Treasurer to obtain such an insurance policy. The acquisition of a municipal bond insurance policy is hereby deemed economically advantageous if the difference between the present value cost of (a) the total debt service on the Bonds if issued without municipal bond insurance and (b) the total debt service on the Bonds if issued with municipal bond insurance, is greater than the cost of the premium on the municipal bond insurance policy.

**Section 13. Levy and Extension of Taxes; Call of Prior Bonds.** For the purpose providing the money required to pay and secure the interest on the Bonds when and as the same falls due and to pay and discharge the principal thereof as the same shall mature, there shall be levied upon all the taxable property within the Issuer's corporate limits in each year while any of the Bonds shall be Outstanding, a direct annual tax sufficient for that purpose and there is hereby levied upon all of the taxable property in the Issuer, in each of the years 2021 (collectible in 2022) through 2023 (collectible in 2024), inclusive, a maximum direct annual tax in an amount not to exceed \$555,000, such amount to be finalized in the Bond Order.

To the extent lawful, interest or principal coming due at any time when there shall be insufficient funds on hand to pay the same shall be paid promptly when due from current funds on hand in advance of the collection of the taxes herein levied; and when such taxes shall have been collected, reimbursement shall be made to such fund or funds from which such advance was made in the amounts thus advanced.

As soon as this ordinance becomes effective, a copy thereof, certified by the City Clerk of the Issuer, which certificate shall recite that this ordinance has been duly adopted, shall be filed with the County Clerk of Henry County, Illinois (the "**County Clerk**"), who is hereby directed to ascertain the rate percent required to produce the aggregate tax provided to be levied in the years 2021 through 2024, inclusive, and to extend the same for collection on the tax books in connection with other taxes levied in each of such years, in and by the Issuer for general corporate purposes of the Issuer, and in each of such years such annual tax shall be levied and collected in like manner as taxes for general corporate purposes for each of such years are levied and collected and, when collected, such taxes shall be used solely for the purpose of paying the principal of and interest on the Bonds herein authorized as the same become due and payable.

The Issuer covenants and agrees with the registered owners of the Bonds that so long as any of the Bonds remain Outstanding, the Issuer will not cause the abatement of the foregoing taxes and otherwise will take no action or fail to take any action which in any way would adversely affect the ability of the Issuer to levy and collect the foregoing taxes unless and to the extent there then shall be moneys irrevocably and timely on deposit therefor in the Pledged Subaccount or in the Senior Debt Service Account established under Section 16. The Issuer and its officers will comply with all present and future applicable laws in order to assure that the foregoing taxes will

be levied, extended and collected as provided herein and deposited in the Senior Debt Service Account established in Section 16 below to pay the principal of and interest on the Bonds. Whenever the conditions for abatement above in this paragraph have been satisfied, the Corporate Authorities shall duly direct the abatement of the Pledged Taxes for the year with respect to which such taxes have been levied, to the extent so satisfied, and appropriate certification of such abatement shall be timely filed with the County Clerk in connection with such abatement. If for any reason there is abatement of such levy of taxes and the failure thereafter to pay debt service in respect of such abatement, the additional amount, together with additional interest accruing, to the extent lawful, shall be added to the tax levy in the year of, or the next year following, such failure.

If the Issuer deposits funds from any lawful source into the Bond Fund, the Issuer Clerk shall file written direction with the County Clerk to abate the taxes by the amount so deposited, and such deposits shall be made prior to any such abatement being filed with the County Clerk. No Pledged Taxes may be abated unless and until the proper amount of such abatement has been deposited irrevocably into the Bond Fund and dedicated to the payment of the Bonds.

In accordance with the redemption provisions of the ordinance authorizing the issuance of the Prior Bonds, the Issuer by the Corporate Authorities does hereby make provision for the payment of and does hereby call (subject only to the delivery of the Bonds) the Refunded Bonds, as provided in the Bond Order.

**Section 14. Filing of Ordinance; Certificate of Reduction of Taxes; Use of Taxes Heretofore Levied.** Forthwith upon this ordinance becoming effective, the City Clerk is hereby directed to file a certified copy of this ordinance, which certificate shall recite that this ordinance has been passed by the Corporate Authorities and published, with the County Clerk, and it shall be the duty of said County Clerk in and for the years 2021 to 2023 while the Bonds or any of them are outstanding (as set forth in the Bond Order), inclusive, to annually ascertain the rate necessary to produce the tax herein and therein levied, and extend the same for collection on the tax books against all of the taxable property within the Issuer in connection with other taxes levied in said years, in order to raise the respective amounts aforesaid and in said years such annual tax shall be computed, extended and collected in the same manner as now or hereafter provided by law for the computation, extension and collection of taxes for general corporate purposes of the Issuer, and when collected, the taxes hereby levied shall be used only for the purpose of paying the principal of and interest on the Bonds.

The Mayor, City Clerk and Treasurer be and the same are hereby directed to prepare and file with the County Clerk, a Certificate of Reduction of Taxes Heretofore Levied for the Payment of Bonds showing the Prior Bonds being refunded and directing the abatement of the taxes heretofore levied for the years 2021 to 2023, inclusive, to pay the Refunded Bonds, all as provided by the Act.

All proceeds received or to be received from any taxes heretofore levied to pay principal and interest on the Refunded Bonds, including the proceeds received or to be received from the taxes levied for the year 2020 for such purposes, shall be used to pay the principal of and interest on the Refunded Bonds and, to the extent that such proceeds are not needed for such purpose because of the establishment of a Refunding Agreement, the same shall be deposited into

the Bond Fund (as defined herein) and used to pay principal and interest on the Bonds in accordance with all of the provisions of this ordinance.

**Section 15. Abatement of Pledged Taxes.** Whenever funds in an amount not less than the debt service requirement for the subsequent calendar year are on deposit in the Bond Fund, the Corporate Authorities shall by adoption of an appropriate ordinance direct the abatement of the Pledged Taxes by such amount, and proper notification of such abatement shall be filed with the County Clerk in a timely manner to effect such abatement.

**Section 16. Related Agreements.** The Purchase Agreement, the Refunding Agreement, the Arbitrage Regulation Agreement, and the Undertaking, in substantially forms customary for transactions under this ordinance, shall be and are hereby approved and authorized to be executed, delivered and performed.

The Official Statement, as presented before the Corporate Authorities in preliminary form, shall be and is hereby approved, deemed final under SEC Rule 15c2-12 and is authorized to be used by the Underwriter in the offering and sale of the Bonds. The Preliminary Official Statement is hereby authorized to be completed to constitute a final Official Statement under such Rule 15c2-12. The Issuer is authorized to cooperate with the Underwriter in connection with compliance by the Underwriter with Rule 15c2-12 and applicable rules of the Municipal Securities Rulemaking Board related to the Bonds.

All things done with respect to the Purchase Agreement, the Refunding Agreement, the Arbitrage Regulation Agreement, the Undertaking and the Official Statement by, as applicable, the Issuer's Mayor, City Manager, City Clerk, City Treasurer or City Attorney, in connection with the issuance and sale of the Bonds, shall be and are hereby in all respects ratified, confirmed and approved. The Mayor, City Manager, City Clerk, City Treasurer, City Attorney and other officials of the Issuer are hereby authorized and directed to do and perform, or cause to be done or performed for or on behalf of the Issuer, each and every thing necessary for the issuance of the Bonds, including the proper execution, delivery and performance by the Issuer of the Official Statement, the Refunding Agreement, the Arbitrage Regulation Agreement, the Undertaking, the Purchase Agreement, and related instruments and certificates, such documents to be in substantially the form presented at the meeting of the Corporate Authorities which the ordinance is adopted, with such changes therein as the officers executing them shall approve, and the purchase by and delivery of the Bonds to or at the direction of the Underwriter.

No elected or appointed officer of the Issuer is in any manner interested, directly or indirectly, in his or her own name or in the name of any other person, association, trust or corporation in the Purchase Agreement.

**Section 17. Funds and Accounts.** The Waterworks and Sewerage Fund shall be created and established, or continued, as the case may be.

**WATERWORKS AND SEWERAGE FUND.** Upon the issuance of any of the Bonds, the Waterworks and Sewerage System shall continue to be operated on a Fiscal Year basis commencing on the first day of May and ending the last day of April of each calendar year. All of the revenues from any source whatsoever derived from the operation of the Waterworks and



Sewerage System shall continue to be set aside as collected and be deposited in a separate fund and in an account in a bank to be designated or continued under another ordinance, as the case may be, by the Corporate Authorities, which fund is hereby created and established or continued, as the case may be, as the Issuer's "**Waterworks and Sewerage Fund**", which shall constitute a trust fund for the sole purpose of carrying out the covenants, terms, and conditions of this ordinance, including, without limitation, the establishment or continuance, of the "**Operation and Maintenance Account**", the "**Bond and Interest Account**" (within which there shall be, as applicable, a "**Senior Debt Service Account**" and "**Senior Reserve Account**" and a "**Junior Debt Service Account**"), the "**Depreciation Account**", the "**Reserve Account**" and the "**Surplus Account**".

**First**, there shall be deposited to or retained in the **Operation and Maintenance Account** an amount sufficient, when added to the amount then on deposit in such Account, to establish or maintain a balance to an amount not less than the amount considered necessary to pay operation and maintenance expenses for the Waterworks and Sewerage System for the then current and next month. Then, there shall be credited and paid into the Senior Debt Service Account, on or before the first day of each month after any Bonds are issued, by the City Treasurer or other applicable financial officer of the Issuer, without any further official action or direction than this ordinance, in the order in which such Accounts are hereinafter mentioned (provided that any Pledged Taxes with respect to the Bonds shall be deposited directly into the Senior Debt Service Account), subject to the requirements of any account having a prior claim, all moneys in the Waterworks and Sewerage Fund (and from other Pledged Revenues, only as provided in a Bond Order, and not otherwise), in accordance with the following provisions:

(a) **Senior Debt Service Account.** There next shall be credited to the Senior Debt Service Account and held, in cash and investments, a fractional amount of the interest becoming due on the next succeeding interest payment date on all Outstanding Senior Bonds, if any, payable from such Account and also a fractional amount of the principal becoming due or subject to mandatory redemption on the next succeeding principal maturity or mandatory redemption date of all of the Outstanding Senior Bonds, if any, payable from such Account until there shall have been accumulated and held, in cash and investments, in the Senior Debt Service Account in or before the month preceding such maturity date of interest or maturity or mandatory redemption date of principal, an amount sufficient to pay such principal or interest, or both.

In computing the fractional amount to be set aside each month in such Senior Debt Service Account, the fraction shall be so computed that a sufficient amount will be set aside in such Senior Debt Service Account and will be available for the prompt payment of such principal of and interest on all Outstanding Senior Bonds and shall be not less than one-sixth (1/6) of the interest becoming due on the next succeeding interest payment date and not less than one-twelfth (1/12) of the principal becoming due (or subject to mandatory redemption) on the next succeeding principal payment date on all Outstanding Senior Bonds until there is sufficient money in such Senior Debt Service Account to pay such principal or interest, or both.

Credits into such Senior Debt Service Account may be suspended in any Bond Year at such time as there shall be a sufficient sum held in cash and investments in such Account to meet principal and interest requirements in such Account for the balance of such Bond Year, but such credits shall again be resumed at the beginning of the next Bond Year. All moneys in such

Senior Debt Service Account shall be used only for the purpose of paying interest and principal and applicable premium on Outstanding Senior Bonds.

(i) Receipts of Pledged Taxes with respect to the Bonds shall be deposited into a separate subaccount of the Senior Debt Service Account and as required by this ordinance shall be used solely and only to pay debt service on the Bonds.

(ii) Within the Senior Debt Service Account there shall be a **“Pledged Subaccount”**. Moneys deposited into the Senior Debt Service Account in excess of the amount qualifying for a BDSF shall be deposited or credited to the Pledged Subaccount for later transfer to the Senior Debt Service Account when the transferred amount would not disqualify the Senior Debt Service Account as a BDSF. Moneys in the Pledged Subaccount are hereby pledged to the payment of the Bonds and are subject to Yield Reduction Payments.

**(b) Senior Reserve Account.** There shall next be credited to the Senior Reserve Account and held, in cash and investments or as otherwise provided, such amount or amounts at such times as may be required in the applicable ordinance or ordinances by which Outstanding Senior Bonds have been or are to be authorized and issued.

Amounts to the credit of the Senior Reserve Account shall be used to pay principal of or interest on such Outstanding Senior Bonds of the Waterworks and Sewerage System at any time when there are insufficient funds available in the Senior Debt Service Account to pay the same as may be provided in the applicable ordinances and shall be transferred to such Account for such purpose.

**(c) Junior Debt Service Account:** Deposits into this Account shall be second, junior and subordinate to any bonds having a prior or superior claim thereon. After the initial deposit required by Section 13, there shall be deposited and credited to the Junior Debt Service Account and held, in cash and investments, a fractional amount (not less than 1/6) of the interest becoming due on the next succeeding interest payment date on all Outstanding Junior Bonds and also a fractional amount (not less than 1/12) of the principal becoming due (or subject to mandatory redemption) on the next succeeding principal maturity date of all of the Outstanding Junior Bonds until there shall have been accumulated and held in cash and investments in such Account on or before the month preceding such interest payment date or principal maturity date, or both, an amount sufficient to pay such principal or interest, or both.

All moneys in such Account shall be used only for the purpose of paying interest on and principal of such Outstanding Junior Bonds, if any.

Credits into such Junior Debt Service Account may be suspended in any Bond Year at such time as there shall be a sufficient sum held in cash and investments in such Account to meet principal and interest requirements in such Account for the balance of such Bond Year, but such credits shall again be resumed at the beginning of the next Bond Year. All moneys in such Junior Debt Service Account shall be used only for the purpose of paying interest and principal and applicable premium on Outstanding Junior Bonds.

(i) Receipts of Pledged Taxes, applicable Sales Taxes and Revenue Sharing Receipts, as applicable with respect to the Bonds shall be deposited into a separate subaccount of

the Junior Debt Service Account and as required by this ordinance shall be used solely and only to pay debt service on the Bonds.

(ii) Within the Junior Debt Service Account there shall be a **“Pledged Subaccount”**. Moneys deposited into the Senior Debt Service Account in excess of the amount qualifying for a BDSF shall be deposited or credited to the Pledged Subaccount for later transfer to the Junior Debt Service Account when the transferred amount would not disqualify the Junior Debt Service Account as a BDSF. Moneys in the Pledged Subaccount are hereby pledged to the payment of the Bonds and are subject to Yield Reduction Payments.

**(d) Junior Reserve Account.** There shall next be credited to the Junior Reserve Account and held, in cash and investments or as otherwise provided, such amount or amounts at such times as may be required in the applicable ordinance or ordinances by which Outstanding Junior Parity Bonds are authorized and issued.

Amounts to the credit of the Junior Reserve Account shall be used to pay principal of or interest on such Outstanding Junior Bonds as they may secure at any time when there are insufficient funds available in the Junior Debt Service Account to pay the same as may be provided in the applicable ordinances and shall be transferred to such Account for such purpose.

**(e) Depreciation Account:** There next shall be deposited in and credited to the Depreciation Account such amounts as the Corporate Authorities from time to time by ordinance or resolution direct.

Amounts to the credit of the Depreciation Account shall be used for **(i)** the payment of the costs of extraordinary maintenance, necessary repairs and replacements, or contingencies, the payment for which no other funds are available, in order that the Waterworks and Sewerage System may at all times be able to render efficient service and, although it is not expected, **(ii)** the payment of principal of or interest and applicable premium on any Outstanding bonds payable from the Pledged Revenues of the Waterworks and Sewerage System at any time when there are no other funds available for that purpose in order to prevent a default and shall be transferred to the appropriate account or accounts for such purpose.

Whenever an amount is withdrawn from the Depreciation Account for the purpose stated in clause (ii) of the preceding paragraph, the Issuer shall have undertaken a rate study of the Waterworks and Sewerage System by a qualified accountant, engineer or other finance professional. Each expenditure to be made from the Depreciation Account or the purpose stated in clause (i) of the preceding paragraph shall be made only after an approving vote of the Corporate Authorities has certified that such expenditure is necessary to the continued effective and efficient operation of the Waterworks and Sewerage System.

**(f) Surplus Account:** After crediting the required amounts to the respective Accounts above, and after making up any deficiency in the Accounts above, shall be used, if at all, for one or more of the following purposes (and not for any general corporate purpose) without any priority among them:

(1) For the purpose of constructing or acquiring repairs, replacements, renewals, improvements or extensions to the Waterworks and Sewerage System; or

(2) For the purpose of calling and redeeming Outstanding bonds payable from applicable Pledged Revenues which are callable at the time; or

(3) For the purpose of paying principal and interest and applicable premium on any subordinate bonds or obligations issued for the purpose of acquiring or constructing repairs, replacements, renewals, improvements and extensions to the Waterworks and Sewerage System; or

(4) For any other lawful purpose, including the authorized purchase of outstanding bonds payable from applicable Pledged Revenues.

**(g) Investments:** Subject to any applicable investment limitations, money to the credit of the above funds and accounts shall be invested from time to time by the Issuer's Treasurer or other authorized officer in **(i)** interest-bearing bonds, notes, or other direct full faith and credit obligations of the United States of America, **(ii)** obligations unconditionally guaranteed as to both principal and interest by the United States of America, or **(iii)** certificates of deposit or time deposits of any bank or savings and loan association, as defined by Illinois laws, provided such bank or savings and loan association is insured by the Federal Deposit Insurance Corporation or a successor corporation to the Federal Deposit Insurance Corporation and provided further that the principal of such deposits are secured by a pledge of obligations as described in clauses (g) (i) and (g) (ii) above in the full principal amount of such deposits, or otherwise collateralized in such amount and in such manner as may be required by law. Such investments may be sold from time to time by the Treasurer of the Issuer as funds may be needed for the purpose for which such Accounts have been created. All interest on any funds so invested shall be credited to the applicable Account of the Fund and is hereby deemed and allocated as expended with the next expenditure or expenditures of money from the applicable Account of the Fund. Moneys in any of such accounts shall be invested by the Issuer's Treasurer, if necessary, in investments restricted as to yield, which investments may be in U.S. Treasury Securities - State and Local Government Series, if available, and to such end the Issuer's Treasurer shall refer to any investment restrictions covenanted by the Issuer or any officer thereof as part of the transcript of proceedings for the issuance of the Bonds, and to appropriate opinions of counsel.

**(h) Junior/Senior Bonds:** Upon issuance, the Bonds are initially to be Junior Bonds. If at any time there are no Senior Bonds then outstanding, the Bonds shall become Senior Bonds, and be payable from the Senior Debt Service Account.

**Section 18. Bond Proceeds Account.** Except for accrued interest received on the sale of the Bonds and an amount of Bond proceeds or other available funds to pay interest to and including the first interest payment date as specified in a Bond Order, which shall be deposited upon issuance of the Bonds into the applicable Debt Service Account, an amount for issuance costs directly paid by the Underwriter, for which a credit shall be given against the purchase price of the Bonds and a deposit or credit to the Refunding Subaccount, all remaining proceeds derived from the sale of the Bonds (exclusive of accrued interest to be deposited into the applicable Debt Service Account) shall be deposited in the **"Bond Proceeds Account (2022B)"** (the **"Bond Proceeds Account"**), which is hereby established as a special account of the Issuer. Within the Bond Proceeds Account there shall be two subaccounts, as follows: **(i)** a **"Proceeds Subaccount"** related to Waterworks and Sewerage System costs and issuance costs; and **(ii)** a **"Refunding**

**Subaccount**” related to the Refunding. Moneys in the Bond Proceeds Account shall be used for the purposes specified in Section 3 of this ordinance (that is, the costs of the Refunding with respect to the Bonds were issued and related costs) and for the payment of costs of issuance of the Bonds, but may hereafter be reallocated and used for other lawful purposes in accordance with applicable law. Before any such reallocation shall be made, there shall be filed with the City Clerk of the Issuer an opinion of Ice Miller LLP, Bloomington, Illinois, or other nationally recognized Bond counsel (“**Bond Counsel**”) to the effect that such reappropriation is authorized and will not adversely affect the tax-exempt status of the Bonds under Section 103 of the Code. Moneys in the Bond Proceeds Account shall be withdrawn from time to time as needed for the payment of costs and expenses incurred by the Issuer in connection with the Refunding, Waterworks and Sewerage System costs and the fees and expenses incidental thereto. Moneys shall be withdrawn from the depository in connection with such funds from time to time by the City Treasurer or other appropriate financial officer of the Issuer only upon submission to such officer of the following (provided that funds to refund Prior Bonds and payment of issuance costs upon issuance of Bonds shall be directly applied without this process):

A duplicate copy of an order signed by the Mayor or City Manager, or such other officer(s) as may from time to time be by law authorized to sign and countersign orders of the Issuer, stating specifically the particular subaccount of the Bond Proceeds Account and the purpose for which the order is issued and indicating that the payment for which the order is issued has been approved by the Corporate Authorities.

Within sixty (60) days after issuance of the Bonds, the Mayor or City Manager shall certify to the Corporate Authorities the fact that the Refunding has been completed, and after all costs have been paid, the Mayor or City Manager shall execute a completion certificate and file it with the City Treasurer and in the records of the Issuer certifying that the Refunding has been completed and that all costs have been paid; and, if at that time any funds remain in the applicable subaccount of the Bond Proceeds Account, the same shall be applied for other authorized improvements or work or such officer shall credit such funds to the applicable Debt Service Account, as the Corporate Authorities direct.

**Section 19. Issuance of Additional Bonds.** Subject to any superior ordinance or bonds, the Issuer reserves the right to issue:

(a) Parity Bonds payable from applicable Pledged Revenues without limit provided that the applicable Pledged Revenues, as determined or as adjusted as hereinbelow set out shall be sufficient to provide for or pay all of the following (as applicable): **(i)** Operation and Maintenance Expenses of the Waterworks and Sewerage System, as the case may be (but not including depreciation), **(ii)** debt service on all Outstanding bonds payable from such Pledged Revenues computed immediately after the issuance of any proposed Parity Bonds, **(iii)** all amounts required to meet any fund or account requirements with respect to such Outstanding bonds, **(iv)** other contractual or tort liability obligations then due and payable, if any, and **(e)** an additional amount not less than 0.25 times debt service (as provided in Section 15 of the Local Government Debt Reform Act) on such of the Alternate Bonds as shall remain Outstanding bonds after the issuance of the proposed Parity Bonds. Such sufficiency shall be calculated for each year to the final

maturity of such Alternate Bonds which shall remain Outstanding after the issuance of the proposed Parity Bonds. The determination of the sufficiency of the applicable Pledged Revenues shall be supported by reference to the most recent audit of the Issuer, which audit shall be for a Fiscal Year ending not earlier than eighteen (18) months previous to the time of issuance of the proposed Parity Bonds.

If such audit shows the applicable Pledged Revenues to be insufficient, then the determination of sufficiency may be made in either of the following two ways:

1. The applicable source of Pledged Revenues may be adjusted in the event there has been an increase in the rates, receipts or revenues, as the case may be, from the revenues, receipts or the rates in effect for the Fiscal Year of such audit (if such rate increase is still in effect at the time of the issuance of such proposed Parity Bonds) or other applicable Pledged Revenues to show such Pledged Revenues as they would have been if such increased rates, receipts or revenues had been in effect during all of said Fiscal Year. Any such adjusted statement of Pledged Revenues shall be evidenced by the certificate of an independent consulting engineer, an independent certified public accountant or an independent financial consultant employed for such purpose, in accordance with applicable law.

2. The determination of sufficiency of such Pledged Revenues may be supported by the report of an independent accountant or feasibility analyst having a national reputation for expertise in such matters, demonstrating the sufficiency of the applicable Pledged Revenues and explaining by what means they will be greater than as shown in the audit.

The reference to and acceptance of an audit, an adjusted statement of the Pledged Revenues, or a report, as the case may be, and the determination of the Corporate Authorities of the sufficiency of the applicable Pledged Revenues shall be conclusive evidence that the conditions of this Section 14(a) have been met and that the Parity Bonds are properly issued hereunder; and no right to challenge such determination is granted to the registered owners of the Bonds.

(b) bonds or other obligations payable from applicable Pledged Revenues subordinate to the lien of any prior or superior bonds which remain Outstanding after the issuance of such bonds or other obligations.

Contracts or agreements, including long term and take or pay contracts or agreements, which by the terms thereof require payment by the Issuer as an Operation and Maintenance Expense for the Waterworks and Sewerage System are expressly excluded from the provisions of this ordinance pertaining to additional bonds. Such contracts or agreements may be made by the Issuer notwithstanding any of the provisions herein, but only in such manner, if at all, such that the interest on any of the Outstanding Bonds shall not become subject to federal income taxation by reason thereof.

**Section 20. [Intentionally omitted.]**

**Section 21. Investment Regulations.** All investments shall be in Qualified Investments, unless otherwise expressly herein provided. No investment shall be made of any moneys in the applicable Debt Service Account, related to the Bonds, or the Bond Proceeds Account, except in accordance with the tax covenants and other covenants set forth in Section 17 of this ordinance. All income derived from such investments in respect of moneys or securities in any fund or account shall be credited in each case to the fund or account in which such moneys or securities are held.

Any moneys in any fund or account that are subject to investment yield restrictions may be invested in United States Treasury Securities, State and Local Government Series, pursuant to the regulations of the United States Treasury Department, Bureau of Public Debt. The City Treasurer or other appropriate financial officer of the Issuer and agents designated by such officer are hereby authorized to submit on behalf of the Issuer subscriptions for such United States Treasury Securities and to request redemption of such United States Treasury Securities.

**Section 22.** [Intentionally omitted.]

**Section 23.** [Intentionally omitted.]

**Section 24. General Covenants.** The Issuer covenants and agrees with the owners of the Outstanding Bonds, so long as there are any Outstanding Bonds (as defined herein), as follows:

(a) The Issuer will take all action necessary to impose, levy and collect the applicable Pledged Revenues and Pledged Taxes in the manner contemplated by this ordinance and such Pledged Revenues shall not be less than as shall be required under Section 15 of the Local Government Debt Reform Act to maintain the Bonds as Alternate Bonds according to their respective terms.

(b) The Issuer covenants that it will, while any of the Bonds shall remain outstanding, charge rates and fees for usage of the Waterworks and Sewerage System which, together with any other Pledged Revenues, are sufficient to provide for or pay each of the following in any given year: **(1)** Operation and Maintenance Expenses of the Waterworks and Sewerage System (but not including depreciation); **(2)** debt service on all Outstanding revenue bonds payable from applicable Pledged Revenues; **(3)** all amounts required to meet any fund or account requirements with respect to the Bonds or any other bonds payable from applicable Pledged Revenues; **(4)** any other contractual or tort liability obligations, if any, payable from such Pledged Revenues; and **(5)** in each year, an amount not less than 1.25 times the debt service for all **(i)** Alternate Bonds payable from Pledged Revenues, and the Bonds Outstanding; and **(ii)** Alternate Bonds proposed to be issued and payable from the applicable Pledged Revenues.

(c) Whenever the 125% coverage in subsection (b) above is not effected or the Bonds at any time fail to qualify as Alternate Bonds not subject to any applicable debt limit under Section 15 of the Local Government Debt Reform Act or taxes are levied and extended and collected as in Section 10 hereof, the Issuer covenants to promptly have

prepared a financial analysis of, as applicable, the Waterworks and Sewerage System and receipts of other Pledged Revenues by an independent consulting accountant or other qualified professional employed for that purpose, and further, to send a copy of such analysis, when completed, upon request to the Underwriter of the Bonds along with a letter indicating what action the Issuer has taken responsive to such study and to comply with Section 15 of the Local Government Debt Reform Act.

(d) The Issuer will make and keep proper books and accounts (separate and apart from all other records and accounts of the Issuer), in which complete entries shall be made of all transactions relating to the Pledged Taxes, Pledged Revenues and the operation of the Waterworks and Sewerage System, and hereby covenants that within 120 days following the close of each Fiscal Year, it will cause the books and accounts related to the Pledged Revenues and the Waterworks and Sewerage System and the Pledged Taxes, to be audited by independent certified public accountants. Such audit will be available for inspection by the registered owners of any of the Bonds. Supplemental to the Undertaking, upon request, the Issuer will send to the Underwriter a copy of such audit and of its general audit in each year. Each such audit, in addition to whatever matters may be thought proper by the accountants to be included therein, shall, without limiting the generality of the foregoing, include the following:

(i) A balance sheet as of the end of such Fiscal Year, including a statement of the amount held in each of the funds and accounts under this ordinance.

(ii) A list of all insurance policies in force at the end of the Fiscal Year, setting out as to each policy the amount of the policy, the risks covered, the name of the insurer, and the expiration date of the policy.

(iii) The amount and details of all Outstanding bonds.

(iv) The accountant's comments regarding the manner in which the Issuer has carried out the accounting requirements of this ordinance (including as to the Alternate Bond status of the Bonds) and has complied with Section 15 of the Local Government Debt Reform Act, and the accountant's recommendations for any changes.

It is further covenanted and agreed that a copy of each such audit shall be furnished upon request to the Underwriter, and a summary thereof shall be furnished to the owner of any Bond upon request.

(e) The Issuer will keep its books and accounts in accordance with generally accepted fund reporting practices for local government entities and enterprise funds; provided, however, that the monthly credits to the applicable Debt Service Account shall be in cash, and such funds shall be held separate and apart in cash and investments. For the purpose of determining whether sufficient cash and investments are on deposit in such accounts under the terms and requirements of this ordinance, investments shall be valued at the lower of the cost or market price on the valuation date thereof, which valuation date shall be not less frequently than annually.



(f) The Issuer will take no action in relation to the Pledged Revenues or the Pledged Taxes which would unfavorably affect the security of any of the Outstanding Bonds or the prompt payment of the principal and interest thereon or qualification of any series of Bonds as Alternate Bonds.

(g) The owner of any Bond may proceed by civil action to compel performance of all duties required by law and this ordinance.

(h) The Issuer will adopt a budget and/or approve appropriations for the Waterworks and Sewerage System prior to the beginning of each Fiscal Year, subject to all applicable state laws, providing for payment of all sums to be due in the Fiscal Year or Bond Year so as to comply with the terms of this ordinance. The budget may include in its estimate of income the use of available surplus moneys or other funds of the Issuer appropriated for such purposes. If during the Fiscal Year there are extraordinary receipts or payments of unusual cost, the Issuer will adopt an amended budget for the remainder of the Fiscal Year, providing for receipts or payments pursuant to this ordinance.

(i) The Issuer will comply with the special covenants concerning Alternate Bonds as required by Section 15 of the Local Government Debt Reform Act and this ordinance.

(j) The Issuer will not sell, lease, loan, mortgage or in any manner dispose of or encumber the Waterworks and Sewerage System (subject to the right of the Issuer to issue additional bonds (i.e. including Parity Bonds) as provided in this ordinance, to issue obligations subordinate to the Outstanding Bonds, and to dispose of real or personal property which is no longer useful or necessary to the operation of the Waterworks and Sewerage System), and the Issuer will take no action in relation to the Waterworks and Sewerage System which would unfavorably affect the security of any of any Outstanding Bonds or the prompt payment of the principal and interest thereon.

(k) The Issuer will pay, or cause to be paid, as the same become due, all taxes and governmental charges of any kind whatsoever that may at any time be lawfully assessed, imposed or levied against the Waterworks and Sewerage System or the Issuer.

(l) The Issuer will carry insurance on the Waterworks and Sewerage System and on the Prior Project of the kinds and in the amounts which are usually carried by private parties operating similar properties, covering such risks as shall be recommended by a competent consulting engineer or insurance consultant employed by the Issuer for the purpose of making such recommendations. All moneys received for loss under such insurance policies shall be deposited in a segregated insurance account and used in making good the loss or damage in respect of which they were paid, either by repairing the property damaged or making replacement of the property destroyed, and provision for making good such loss or damage shall be made within ninety (90) days from the date of the loss. The payment of premiums for all insurance policies required under the provisions of this covenant in connection therewith shall be considered an Operation and Maintenance Expense. The proceeds derived from any and all policies for workers' compensation or

public liability shall be paid into a segregated account and used in paying the claims on account of which they were received.

(m) After their issuance, to the extent lawful the Bonds shall be incontestable by the Issuer.

**Section 24. Ordinance to Constitute a Contract.** The provisions of this ordinance shall constitute a contract between the Issuer and the registered owners of the Bonds. Any pledge made in this ordinance and the provisions, covenants and agreements herein and in the Undertaking set forth to be performed by or on behalf of the Issuer shall be for the equal benefit, protection and security of the owners of any and all of the Bonds. All of the Bonds, regardless of the time or times of their issuance, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other of that series, except as expressly provided in or pursuant to this ordinance. This ordinance, as supplemented and amended, shall constitute full authority for the issuance of the Bonds, and to the extent that the provisions thereof conflict with the provisions of any other ordinance or resolution of the Issuer, the provisions of this ordinance shall control.

**Section 25. Severability and No Contest.** If any section, paragraph or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this ordinance or any ordinance supplemental hereto. Upon the issuance of the Bonds, neither the Bonds nor this ordinance shall be subject to contest by or in respect of the Issuer, to the extent lawful.

**Section 26.** [Intentionally omitted.]

**Section 27. Conflict.** All ordinances, resolutions or parts thereof in conflict herewith be and the same are hereby superseded to the extent of such conflict and this ordinance shall be in full force and effect forthwith upon its adoption.

**Section 27. Effective Date.** This ordinance shall become effective immediately upon its passage and approval in the manner provided by law, and upon its becoming effective and prior to the issuance of the Bonds a certified copy of this ordinance shall be filed with the County Clerk.

Adopted December 13, 2021.

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Mayor

Attest:

---

City Clerk

(SEAL)

Council Member \_\_\_\_\_ moved and Council Member  
\_\_\_\_\_ seconded the motion that said ordinance as presented be adopted.

After a full discussion thereof, the Mayor directed that the roll be called for a vote upon  
the motion to adopt said ordinance.

Upon the roll being called, the following Council Members voted AYE: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The following Council Members voted NAY: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Whereupon the Mayor declared the motion carried and said ordinance adopted, approved  
and signed the same in open meeting and directed the City Clerk to record the same in full in the  
records of the City Council of the City of Kewanee, Henry County, Illinois, which was done.

Other business not pertinent to the adoption of said ordinance was duly transacted at said  
meeting.

Upon motion duly made, seconded and carried, the meeting was adjourned

\_\_\_\_\_  
City Clerk

STATE OF ILLINOIS        )  
                                      ) SS  
COUNTY OF HENRY        )

**CERTIFICATION OF ORDINANCE**

I, the undersigned, do hereby certify that I am the duly selected, qualified and acting City Clerk of the City of Kewanee, Henry County, Illinois (the “**Issuer**”), and as such official I am the keeper of the records and files of the Issuer and of its City Council (the “**Corporate Authorities**”).

I do further certify that the attached constitutes a full, true and complete excerpt from the proceedings of the regular meeting (at which all attendance was by physical presence) of the Corporate Authorities held on the 13th day of December, 2021, insofar as the same relates to the adoption of Ordinance No. \_\_\_\_\_, entitled:

**AN ORDINANCE AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$1,505,000 TAXABLE GENERAL OBLIGATION REFUNDING BONDS (ALTERNATE REVENUE SOURCE), SERIES 2022B, OF THE CITY OF KEWANEE, HENRY COUNTY, ILLINOIS, PROVIDING THE DETAILS OF SUCH BONDS AND FOR APPLICABLE ALTERNATE REVENUE SOURCES AND THE LEVY OF DIRECT ANNUAL TAXES SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON SUCH BONDS, AND RELATED MATTERS,**

a true, correct, and complete copy of which ordinance (the “**Ordinance**”) as adopted at such meeting appears in the transcript of the minutes of such meeting and is hereto attached. The Ordinance was adopted and approved by the vote and on the date therein set forth.

I do further certify that the deliberations of the Corporate Authorities on the adoption of such Ordinance were taken openly, that the adoption of such Ordinance was duly moved and seconded, that the vote on the adoption of such Ordinance was taken openly and was preceded by a public recital of the nature of the matter being considered and such other information as would inform the public of the business being conducted, that such meeting was held at a specified time and place convenient to the public, that the Agenda for the meeting was duly posted at the City Hall at least 48 hours prior to the meeting; that notice of such meeting was duly given to all of the news media requesting such notice, that such meeting was called and held in strict compliance with the provisions of the open meeting laws of the State of Illinois, as amended, and the Illinois Municipal Code, as amended, and that the Corporate Authorities have complied with all of the applicable provisions of such open meeting laws and such Code and their procedural rules in the adoption of such Ordinance.

**IN WITNESS WHEREOF**, I hereunto affix my official signature and the seal of the City of Kewanee, Henry County, Illinois, this 13th day of December, 2021.

(SEAL)

\_\_\_\_\_  
City Clerk



Community Development Department

401 E Third St

Kewanee, IL 61443

Everything You Need!

Phone 309-852-2611, Ext. 222

Fax 309-856-6001

### PROPOSAL

To the City Clerk, City of Kewanee, Illinois:

The undersigned, having become familiar with the local conditions affecting the cost of the work and with the scope of work including the advertisement for the RFP, and specifications on file in the office of the City Clerk of the City of Kewanee, hereby proposes to perform everything required to be performed and to provide and furnish all of the labor, materials, necessary tools, expendable equipment, and all transportation services necessary to perform and complete in a workmanlike manner all of the work required for the Demolition and related work at 121 S. Jackson St., for the sum set forth in the following bidding schedule. Said work shall be completed within 28 days after having received Notice to Proceed from the City of Kewanee. **EXCEPTION: Should a Contractor win a bid on multiple properties with the same bid opening date, the Contractor shall receive 15 additional days per winning property bid.** Should the Contractor fail to perform all work by the expiration of this deadline, the Contractor acknowledges that they may be deemed an "irresponsible bidder" for the purpose of future bidding opportunities and potentially disqualified from bidding as such.

Item	Unit	Description
1	Lump Sum	Demolition and related work at 121 S. Jackson St.
Total Price (in Writing)		Total Price (in numbers)
Four thousand four hundred seventy-five		\$4475 00

It is understood and agreed that the award will be made to the lowest responsible bidder who submits the proposal that provides the City, in its opinion, the best value for the lump sum cost proposed.

In submitting this proposal, it is understood that the right is reserved by the City to reject any and all proposals. It is agreed that this proposal may not be withdrawn for a period of thirty (30) days from the opening thereof.

Martin Bros Companies Inc.  
Firm Name

By Thomas Martin

President of Martin Bros Co.  
Title

Official Address

PO Box 641  
Kewanee, IL 61443



Community Development Department  
401 E Third St  
Kewanee, IL. 61443

Everything You Need!

Phone 309-852-2611, Ext. 222  
Fax 309-856-6001

### PROPOSAL

To the City Clerk, City of Kewanee, Illinois:

The undersigned, having become familiar with the local conditions affecting the cost of the work and with the scope of work including the advertisement for the RFP, and specifications on file in the office of the City Clerk of the City of Kewanee, hereby proposes to perform everything required to be performed and to provide and furnish all of the labor, materials, necessary tools, expendable equipment, and all transportation services necessary to perform and complete in a workmanlike manner all of the work required for the Demolition and related work at 121 S. Jackson St., for the sum set forth in the following bidding schedule. Said work shall be completed within 28 days after having received Notice to Proceed from the City of Kewanee. **EXCEPTION: Should a Contractor win a bid on multiple properties with the same bid opening date, the Contractor shall receive 15 additional days per winning property bid.** Should the Contractor fail to perform all work by the expiration of this deadline, the Contractor acknowledges that they may be deemed an "irresponsible bidder" for the purpose of future bidding opportunities and potentially disqualified from bidding as such.

Item	Unit	Description
1	Lump Sum	Demolition and related work at 121 S. Jackson St.
Total Price (in Writing)		Total Price (in numbers)
forty eight thousand eight hundred / 00		48,800 <sup>00</sup>

It is understood and agreed that the award will be made to the lowest responsible bidder, who submits the proposal that provides the City, in its opinion, the best value for the lump sum cost proposed.

In submitting this proposal, it is understood that the right is reserved by the City to reject any and all proposals. It is agreed that this proposal may not be withdrawn for a period of thirty (30) days from the opening thereof.

Kirk DANA  
Firm Name

By Kirk DANA

OWNER  
Title

Official Address  
502 N Jackson  
Kewanee IL 61443

RESOLUTION NO. 5319

A RESOLUTION TO AWARD DEMOLITION WORK AT 121 S. JACKSON ST. TO MARTIN BROS. CO., INC., AND DECLARING THAT THIS RESOLUTION SHALL BE IN FULL FORCE IMMEDIATELY.

WHEREAS, The City of Kewanee, in Case No. 2020-MR-70K in the 14<sup>th</sup> Judicial Circuit in Henry County, obtained a court order to demolish the buildings located at 121 S. Jackson St.; and,

WHEREAS, The Kewanee City Council finds it in the best interest of the City to remove the dilapidated buildings located on the land at 121 S. Jackson St.; and,

WHEREAS, City of Kewanee staff advertised for, and solicited, sealed lump sum bids for demolition of the buildings, and related work at 121 S. Jackson St. in Kewanee; and,

WHEREAS, Four firms submitted bids, and they were opened by the City Clerk at 10:00 a.m., on December 8, 2021; and,

WHEREAS, The bids received were:

121 S. Jackson St. Demolition	
Firm	Bid
Martin Bros. Co., Inc.	\$4475.00
Kirk Dana Construction	\$4850.00

WHEREAS, City staff has recommended that the demolition work at 121 S. Jackson St. be awarded to Martin Bros. Co., Inc.

NOW THEREFORE BE IT RESOLVED, BY THE COUNCIL OF THE CITY OF KEWANEE THAT:

**Section 1** The bid of Martin Bros. Co., Inc. of Kewanee as shown above, is hereby accepted, and the City Manager is authorized to sign the necessary documents in order to have Martin Bros. Co., Inc. complete the demolition and related work at 121 S. Jackson St., in full compliance with the project documents prepared by City of Kewanee staff, and all applicable rules and regulations.

**Section 2** This Resolution shall be in full force and effect immediately upon its passage and approval as provided by law.

Adopted by the Council of the City of Kewanee, Illinois this 13<sup>th</sup> day of December 2021.

ATTEST:

\_\_\_\_\_  
Rebecka Jones, City Clerk

\_\_\_\_\_  
Gary Moore, Mayor

RECORD OF THE VOTE	Yes	No	Abstain	Absent
Mayor Gary Moore				
Councilmember Michael Komnick				
Councilmember Steve Faber				
Councilmember Chris Colomer				
Councilmember Tyrone Baker				



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Scope Of Work  
Demolition  
121 S. Jackson St.  
Kewanee, IL.

1. Inspection and abatement of asbestos.
2. Provide documentation of inspection and abatement as required by law.
3. Demolish the existing house and yard sheds.
4. Remove and properly dispose of all rubbish, brush and debris located on the lot and in, and around, the buildings.
5. Remove all trees and vegetation around perimeter of the foundations of house.
6. Break apart all foundation parts for all buildings. Clean brick or concrete can be used to fill the basement of the house. All other must be removed.
7. Demolition debris shall be disposed of in accordance with all applicable ordinances, statutes and regulations both state and federal, including but not limited to the IEPA, and EPA regulations which pertain to the manner of demolition and type of refuse as well as the type of structure being demolished. All waste material shall be disposed of off-site. **Weigh tickets for dumping of the debris at a lawful site shall be provided.** No demolition debris shall be deposited at the Kewanee Solid Waste Transfer Station.
8. The property MUST be inspected by the Director of Community Development after waste material has been removed and BEFORE filling of the basement or any other voids in the ground resulting from demolition. FAILURE to have the property inspected after removal of waste material will result in the contractor to excavate the property at the contractor's expense to allow for the inspection and approval of the City.
9. Provide a uniformly sloped surface, matching existing ground contours, after removing the buildings. Final layer of fill material to be clean topsoil free from clumps, stones, sticks, asphalt, bricks, or debris. **Topsoil shall be applied in a layer a minimum of 12 inches thick. Said topsoil shall be capable of supporting turf grass growth. Seeding to be completed by the contractor.**
10. Install mortar plug in the existing sanitary sewer service lateral at the property line. The inspection of the plugged sewer must be inspected by the City of Kewanee Director of Community Development or Public Works Coordinator. Failure to have this inspection will result in the contractor to excavate the site at the contractor's expense to allow for the inspection and approval of the City.
11. The City of Kewanee will obtain the required permits and cause the various utilities to be disconnected.



Community Development Department  
401 E Third St  
Kewanee, IL. 61443

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Fax 309-856-6001

**November 24, 2021**

**Scope of Work**  
**Demolition of Building and related work at 121 S. Jackson St.**

Bids will be accepted by the City of Kewanee prior to 10:00 a.m., December 8, 2021 for the demolition of the building and related work located at the following address:

**121 S. Jackson St.**, Kewanee, IL, legally described as:

*LOT 6 BLK 11 IDYLWYLDE ADD CITY OF KEWANEE, situated in the County of Henry and State of Illinois.*

*P.I.N.: 20-32-259-006*

A bid bond or certified check for an amount equal to 10% of the total value of the bid must accompany said bid.

**Please note Special Provisions:**

**This demolition will be utilizing Illinois State grant money. The Contractor shall be required to pay all laborers, workmen, and mechanics, performing work under the winning bidder's contract with the City, a rate of pay which is not less than the prevailing wage rate as found by the City of Kewanee or the Department of Labor as determined by the Court of Review.**

It is understood and agreed that the award will be made to the lowest responsible bidder who submits the proposal that provides the City, in its opinion, the best value for the lump sum cost proposed.

Bidders must comply with the City of Kewanee Code of Ordinances Sections §150.075 - 150.081, Demolition of Buildings, which is available at City Hall. This includes providing proof of public liability insurance in the sum of \$50000.00 as required by §150.076.

Only clean debris permitted by the Illinois Environmental Protection Act section 3.160.b may be used as fill material. This means only uncontaminated broken concrete without protruding metal bars, bricks, rock, stone or soil generated from construction or demolition activities. The property **MUST** be inspected by the Director of Community Development after waste material has been removed and **BEFORE** filling of the basement or any other voids in the ground resulting from demolition. **FAILURE** to have the property inspected after removal of waste material will result in the contractor to excavate the property at the contractor's expense to allow for the inspection and approval of the City. The City may require an inspection of the fill material prior to it being placed in the ground as the City's discretion.

Demolition debris shall be disposed of in accordance with all applicable ordinances, statutes and regulations both state and federal, including but not limited to the IEPA, and EPA regulations which pertain to the manner of demolition and type of refuse as well as the type of structure being demolished. All waste material shall be disposed of off-site. **Weigh tickets for dumping of the debris at**

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**a lawful site shall be provided.** No demolition debris shall be deposited at the Kewanee Solid Waste Transfer Station.

**The contractor acknowledges that the work as contemplated by this Request For Proposal must be completed no later than 28 days from the date of the contract being signed. EXCEPTION: Should a Contractor win a bid on multiple properties with the same bid opening date, the Contractor shall receive 15 additional days per winning property bid. Should the Contractor fail to perform all work by the expiration of this deadline, the Contractor acknowledges that they may be deemed an "irresponsible bidder" for the purpose of future bidding opportunities and potentially disqualified from bidding as such.**

**Should the deadline be exceeded and after a ten day grace period, the contract price shall be reduced by 10% for every week past the grace period that the project is not complete.**

## **THE CONTRACTOR IS RESPONSIBLE FOR CALLING JULIE (ILLINOIS ONE-CALL SYSTEM) TO ACQUIRE A DIG NUMBER PRIOR TO COMENCING WORK.**

The work consists of:

1. CONTRACTOR SHALL VERIFY THAT NO PERSONS ARE IN THE HOUSE PRIOR TO COMMENCING DEMOLITION WORK. IF ANY PERSONS ARE PRESENT, CONTRACTOR SHALL CONTACT THE DIRECTOR OF COMMUNITY DEVELOPMENT IMMEDIATELY.
2. Demolish the existing house and sheds.
3. Remove all private sidewalk on the property.
4. Remove all patios and shed foundations.
5. \*Remove and properly dispose of all rubbish, brush and debris located on the lot and in, and around, the buildings.
6. \*Remove all trees and vegetation around perimeter of the foundations of house.
7. \*Break apart all foundation parts for all buildings. Clean brick or concrete can be used to fill the basement of the house. All other must be removed.
8. \*Demolition debris shall be disposed of in accordance with all applicable ordinances, statutes and regulations both state and federal, including but not limited to the IEPA, and EPA regulations which pertain to the manner of demolition and type of refuse as well as the type of structure being demolished. All waste material shall be disposed of off-site. **Weigh tickets for dumping of the debris at a lawful site shall be provided.** No demolition debris shall be deposited at the Kewanee Solid Waste Transfer Station.
9. \*The property MUST be inspected by the Director of Community Development after waste material has been removed and BEFORE filling of the basement or any other voids in the ground resulting

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from demolition. FAILURE to have the property inspected after removal of waste material will result in the contractor to excavate the property at the contractor's expense to allow for the inspection and approval of the City.

10. \*Provide a uniformly sloped surface, matching existing ground contours, after removing the buildings. Final layer of fill material to be clean topsoil free from clumps, stones, sticks, asphalt, bricks, or debris. **Topsoil shall be applied in a layer a minimum of 12 inches thick. Said topsoil shall be capable of supporting turf grass growth. Seeding to be completed by the City.**
11. \*Install mortar plug in the existing sanitary sewer service lateral at the property line. The inspection of the plugged sewer must be inspected by the City of Kewanee Director of Community Development or Public Works Coordinator. Failure to have this inspection will result in the contractor to excavate the site at the contractor's expense to allow for the inspection and approval of the City.
12. \*The City of Kewanee will obtain the required permits and cause the various utilities to be disconnected.



Community Development Department  
401 E Third St  
Kewanee, IL. 61443

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#### CITY OF KEWANEE

##### Request for Demolition Bids

The City of Kewanee is seeking bids for the demolition of the building and related work located at **121 S. Jackson St.** in Kewanee. Bidders must comply with the City of Kewanee Code of Ordinances Sections 150.075 - 150.081, Demolition of Buildings, which is available at City Hall. Only clean debris permitted by the Illinois Environmental Protection Act section 3.160.b may be used as fill material. This means only uncontaminated broken concrete without protruding metal bars, bricks, rock, stone or soil generated from construction or demolition activities. The work consists of demolishing the existing building on the site and disposing of the demolition debris in a legal manner. Provide a level surface upon completion. Perform other related work as indicated in the scope of work. All work is to be completed within **28** days after receiving notice to proceed from the City. **EXCEPTION: Should a Contractor win a bid on multiple properties with the same bid opening date, the Contractor shall receive 15 additional days per winning property bid.** Should the Contractor fail to perform all work by the expiration of this deadline, the Contractor acknowledges that they may be deemed an "irresponsible bidder" for the purpose of future bidding opportunities and potentially disqualified from bidding as such.

Complete copies of the specifications for this demolition work are available at the City Clerk's Office, 401 E. Third Street, Kewanee, IL 61443.

Bids must be submitted, on the Proposal Forms provided, to the City Clerk, City Hall, 401 E. Third Street, Kewanee, IL, 61443-2365 in sealed envelopes marked "DEMOLITION BID 121 S. Jackson St.". A bid bond or certified check for an amount equal to 10% of the total value of the bid must accompany said bid. Bids must be received by 10:00 AM on December 8, 2021 and will be opened at that time. Once the City enters into an agreement with a bidder the bid bond of unsuccessful bidders will be returned. The City of Kewanee reserves the right to reject any or all bids and to waive irregularities.

It is understood and agreed that the award will be made to the lowest responsible bidder who submits the proposal that provides the City, in its opinion, the best value for the lump sum cost proposed.



Community Development Department

401 E Third St

Kewanee, IL. 61443

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Phone 309-852-2611, Ext. 222

Fax 309-856-6001

### PROPOSAL

To the City Clerk, City of Kewanee, Illinois:

The undersigned, having become familiar with the local conditions affecting the cost of the work and with the scope of work including the advertisement for the RFP, and specifications on file in the office of the City Clerk of the City of Kewanee, hereby proposes to perform everything required to be performed and to provide and furnish all of the labor, materials, necessary tools, expendable equipment, and all transportation services necessary to perform and complete in a workmanlike manner all of the work required for the Demolition and related work at 121 S. Jackson St., for the sum set forth in the following bidding schedule. Said work shall be completed within **28** days after having received Notice to Proceed from the City of Kewanee. **EXCEPTION: Should a Contractor win a bid on multiple properties with the same bid opening date, the Contractor shall receive 15 additional days per winning property bid.** Should the Contractor fail to perform all work by the expiration of this deadline, the Contractor acknowledges that they may be deemed an "irresponsible bidder" for the purpose of future bidding opportunities and potentially disqualified from bidding as such.

Item	Unit	Description
1	Lump Sum	Demolition and related work at 121 S. Jackson St.
<i>Total Price (in Writing)</i>		<i>Total Price (in numbers)</i>

It is understood and agreed that the award will be made to the lowest responsible bidder who submits the proposal that provides the City, in its opinion, the best value for the lump sum cost proposed.

In submitting this proposal, it is understood that the right is reserved by the City to reject any and all proposals. It is agreed that this proposal may not be withdrawn for a period of thirty (30) days from the opening thereof.

\_\_\_\_\_  
Firm Name

\_\_\_\_\_  
By

\_\_\_\_\_  
Title

\_\_\_\_\_  
Official Address

\_\_\_\_\_

\_\_\_\_\_

CITY OF KEWANEE CITY COUNCIL AGENDA ITEM		
<b>MEETING DATE</b>	December 13, 2021	
<b>RESOLUTION OR ORDINANCE NUMBER</b>	Resolution #5320	
<b>AGENDA TITLE</b>	A Resolution authorizing the City Manager to execute an agreement for budgeting software and declaring that this resolution shall be in full force immediately.	
<b>REQUESTING DEPARTMENT</b>	Finance & Administration	
<b>PRESENTER</b>	Randi Haley, Director of Finance & Admin Services	
<b>FISCAL INFORMATION</b>	Cost as recommended:	N/A
	Budget Line Item:	Multiple
	Balance Available	Varies
	New Appropriation Required:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>PURPOSE</b>	Authorizes the City Manager to execute and agreement with Questica, LTD or OpenGov for budget software.	
<b>BACKGROUND</b>	As you know, the City's budget process uses Microsoft Excel in an inefficient manner where department heads save individual copies to the their desktops, changes get made, other people have the document open and make changes and it's just a chaotic mess. Comments and notes carry over from one year to the next or don't get updated when changes are made, and the whole system just isn't conducive to a clear, efficient, transparent budget process.	

<b>SPECIAL NOTES</b>	We are not in a position to fully utilize all of the bells and whistles/features that this program is capable of providing, but using it will improve our process, reduce mistakes, enhance transparency, and get us in a better position to fully utilize the features in the program.
<b>ANALYSIS</b>	There are a few programs out there like Questica and OpenGov that are designed for municipalities. Off the shelf budgeting programs that are not specific to government are not well suited for what we're trying to accomplish because they lack the nuances of government specific packages. Other government specific programs are great, but are part of an overall change in finance software, which is not something we want to take on right now. Each department would benefit from this software, and with the costs spread between numerous funds, the impact on any particular budget would be minimal.
<b>PUBLIC INFORMATION PROCESS</b>	N/A
<b>STAFF RECOMMENDATION</b>	Staff recommends adoption



RESOLUTION NO. 5320

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT FOR BUDGETING SOFTWARE AND DECLARING THAT THIS RESOLUTION SHALL BE IN FULL FORCE IMMEDIATELY.

WHEREAS, the City of Kewanee desires to streamline its budget development process and improve the transparency of its financial operations; and

WHEREAS, the City of Kewanee has investigated multiple platforms providing budgeting services and is comfortable with the ease of use and integration of a budget software into other platforms used by the City; and

WHEREAS, the cost of a program would be offset by the amount of time saved in assembling the budget, creating budget reports, and other budget related tasks, allowing staff to better focus its efforts on tasks that are more strategic or better meet the needs of our customers.

**NOW THEREFORE BE IT RESOLVED, BY THE COUNCIL OF THE CITY OF KEWANEE THAT:**

**Section 1**      The City Manager is authorized to sign the necessary documents to execute an Agreement with a first year annual fee not to exceed \$22,675 and subsequent annual fees not to exceed \$17,800 for a term of not more than three years.

**Section 2**      This Resolution shall be in full force and effect immediately upon its passage and approval as provided by law.

Adopted by the Council of the City of Kewanee, Illinois this 13<sup>th</sup> day of December 2021.

ATTEST:

\_\_\_\_\_  
Rabecka Jones, City Clerk

\_\_\_\_\_  
Gary Moore, Mayor

RECORD OF THE VOTE	Yes	No	Abstain	Absent
Mayor Gary Moore				
Councilmember Michael Komnick				
Councilmember Steve Faber				
Councilmember Chris Colomer				
Councilmember Tyrone Baker				

## RESOLUTION NO. 5321

### **A RESOLUTION AUTHORIZING APPLICATION TO THE ILLINOIS DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY (DCEO) REBUILD DOWNTOWN AND MAIN STREETS CAPITAL GRANT PROGRAM TO CONSTRUCT INFRASTRUCTURE AND STREETScape IMPROVEMENTS IN THE DOWNTOWN BUSINESS DISTRICT IN THE CITY OF KEWANEE.**

**WHEREAS,** DCEO has made grant funding available for the construction of infrastructure improvements to accommodate and catalyze economic revitalization in downtown areas; and

**WHEREAS,** the City of Kewanee is eligible as an Illinois municipality to make application to said grant program; and

**WHEREAS,** the Kewanee Downtown Area contains a Disproportionately Impacted Area, Opportunity Zone, and Qualified Census Tract, as each is defined within the program; and

**WHEREAS** the City will commit local funds in the amount of 10% of the total project award as indicated in the application that will be submitted to the Illinois DCEO as a match for a potential grant award, such funds being available immediately upon project award.

### **NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF KEWANEE THAT:**

**Section 1** The Mayor and City staff are hereby authorized to make application to the Illinois DCEO for the Rebuild Downtowns and Main Streets Capital Grant Program to construct infrastructure and streetscape improvements in the City of Kewanee and to execute all documents that are necessary and proper to prepare and submit said grant application.

**Section 2** This Resolution shall be in full force and effect immediately upon its passage and approval as provided by law.

Adopted by the Council of the City of Kewanee, Illinois this 13th day of December 2021.

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ATTEST:

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Rabecka Jones, City Clerk

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Gary Moore, Mayor

RECORD OF THE VOTE	Yes	No	Abstain	Absent
Mayor Gary Moore				
Councilmember Michael Komnick				
Councilmember Steve Faber				
Councilmember Chris Colomer				
Councilmember Tyrone Baker				