

Public Infrastructure Application Submission Checklist

All applications will be screened for completeness. Applicants must complete and submit this checklist with the application. **All pages of the application must be sequentially numbered.** Use the right-hand column, labeled "Page Number" to indicate the page for each item.

- Original grant application (*indicate the "original" on the cover*)
 Two complete copies of the grant application

PROJECT INFORMATION

PAGE NUMBER

<input checked="" type="checkbox"/>	Completed Submission Checklist (This Page)	<u>1</u>
<input checked="" type="checkbox"/>	Letter of Transmittal from Chief Elected Official	<u>2</u>
<input checked="" type="checkbox"/>	State of Illinois-DCEO Uniform Grant Application	<u>3-6</u>
<input checked="" type="checkbox"/>	Project Information	<u>7-8</u>
<input checked="" type="checkbox"/>	GATA Capital Budget	<u>9-30</u>
<input checked="" type="checkbox"/>	Engineer's Cost Estimate	<u>31</u>
<input checked="" type="checkbox"/>	Project Location Map	<u>32-37</u>
<input checked="" type="checkbox"/>	FEMA Issued Floodplain Map	<u>38</u>
<input checked="" type="checkbox"/>	Project Summary	<u>39-46</u>
<input checked="" type="checkbox"/>	Minority Benefit/Affirmative Housing Statement	<u>47</u>
<input checked="" type="checkbox"/>	Impact per Capita Determination	<u>48</u>
<input checked="" type="checkbox"/>	Job Creation Documentation	<u>49-50</u>
<input checked="" type="checkbox"/>	Project Readiness Summary	<u>51-52</u>

DOCUMENTATION, CERTIFICATIONS, RESOLUTIONS

<input checked="" type="checkbox"/>	Signed Letters of Support	<u>53-59</u>
<input checked="" type="checkbox"/>	Council Commitment of Funds (if applicable)	<u>60</u>
<input checked="" type="checkbox"/>	Resident Participation/Public Hearings (if applicable)	
	7-day notice	<u>61</u>
	Newspaper clipping & Publisher's certification	<u>62-63</u>
	Certified minutes	<u>64-68</u>
	Attendance sheet(s)	<u>69</u>
<input checked="" type="checkbox"/>	Local Government Certifications	<u>70</u>
<input checked="" type="checkbox"/>	Mandatory Disclosures	<u>71</u>
<input checked="" type="checkbox"/>	Conflict of Interest Disclosure	<u>72-73</u>
n/a	Intergovernmental Cooperation Agreement, if applicable	<u>n/a</u>

ATTACHMENTS

<input checked="" type="checkbox"/>	Current Infrastructure Condition Documentation	<u>74-114</u>
	<i>Director of Public Works and WWTP Superintendent Letter on Conditions</i>	<u>74-75</u>
	<i>Donohoe and Associates Project Plan pages</i>	<u>76-85</u>
	<i>IEPA WWTP NPDES Operating Permit & Project Plan Attachments (map and pics)</i>	<u>86-114</u>
<input checked="" type="checkbox"/>	Firm documentation of commitment from leveraging source(s) <i>Charleston Area Charitable Foundation</i>	<u>115-116</u>
n/a	Copy of Construction Permit(s) <input checked="" type="checkbox"/> <i>IEPA Letter Confirming Receipt of Project Plan</i>	<u>117</u>
<input checked="" type="checkbox"/>	Proof of Land Ownership (if applicable)	<u>118</u>
n/a	Control of Right of Way/Easements (if applicable)	<u>n/a</u>
n/a	Copy of water purchase or wastewater treatment agreement (if applicable)	<u>n/a</u>
n/a	Copy of Option to Purchase (if applicable)	<u>n/a</u>
<input checked="" type="checkbox"/>	Copy of Fair Housing Resolution	<u>119-120</u>
<input checked="" type="checkbox"/>	W-9	<u>121</u>
<input checked="" type="checkbox"/>	SAM Registration (CAGE #)	<u>122</u>
<input checked="" type="checkbox"/>	IRS Certification Letter	<u>123</u>
<input checked="" type="checkbox"/>	Copy of Local Government Audit	<u>124-247</u>



520 Jackson Avenue
Charleston, IL 61920
Phone: (217) 345-5650
Fax: (217) 345-7554
www.charlestonillinois.org

June 3, 2020

Director's Office
Illinois Department of Commerce and Economic Opportunity
500 East Monroe
Springfield, Illinois 62701

Dear Director:

The City of Charleston is submitting an application for a public infrastructure grant under the Rebuild Illinois program. The grant request is in the amount of \$4,867,000.00 to be used to make critical improvements to the City's waste water treatment plant. Additional funds in the amount of \$45,000.00 to be used for the completion of the project will come from the City's Water / Sewer Fund; and additional funds in the amount of \$45,000.00 to be used for the completion of the project will come from the Charleston Area Charitable Foundation.

I certify that this application meets the eligibility thresholds as outlined in the Notice of Funding Opportunity and Rebuild Illinois Guidebook.

Very truly yours,

Dr. Brandon Combs, Mayor

DR. BRANDON T. COMBS, Mayor

R. SCOTT SMITH, City Manager

MATTHEW HUTTI, Council Member

JEFF LAHR, Council Member

DENNIS MALAK, Council Member

TIM NEWELL, Council Member



Illinois Department of Commerce & Economic Opportunity

Uniform Application for State Grant Assistance

Agency Completed Section

1. Type of Submission Pre-Application
 Application
 Changed / Corrected Application
2. Type of Application New
 Continuation (i.e. multiple year grant)
 Revision (modification to initial application)

3. Date/Time Received By State (Completed by State Agency upon Receipt of Application)

4. Name of Awarding State Agency

5. Catalog of State Financial Assistance (CSFA) Number

6. CSFA Title

Catalog of Federal Domestic Assistance (CFDA) Not Applicable (No federal funding)

7. CFDA Number

8. CFDA Title

9. CFDA Number

10. CFDA Title

Additional CFDA Number, if required

Additional CFDA Title, if required

Funding Opportunity Information

11. Funding Opportunity Number

12. Funding Opportunity Title

Competition Identification Not Applicable

13. Competition Identification Number

14. Competition Identification Title

Applicant Completed Section

Applicant Information

15. Legal Name (Name used for DUNS registration and grantee pre-qualification)

16. Common Name (DBA)

17. Employer/Taxpayer identification number (EIN, TIN)

18. Organizational DUNS Number

19. SAM Cage Code

20. Business Address (Address 1) (Address 2) (City), (State), (zip - 4)

Applicant's Organizational Unit

21. Department Name

22. Division Name

Applicant's Name and Contact Information for Person to be Contacted for **Program** Matters involving this Application.

23. First Name

24. Last Name

25. Suffix

26. Title

27. Organizational Affiliation

28. Telephone Number

29. Fax Number

30. E-mail Address

Applicant's Name and Contact Information for Person to be Contacted for **Business/Administrative Office** Matters involving the Application.

31. First Name

32. Last Name

33. Suffix

34. Title

35. Organizational Affiliation

36. Telephone Number

37. Fax Number

38. E-mail Address

Areas Affected

39. Areas Affected by the Project (cities, counties, state-wide, add attachments e.g. maps)

40. Legislative and Congressional District of Applicant

41. Legislative and Congressional Districts or Program Project

Applicant's Project

42. Description Title of Applicant's Project

43. Proposed Project Term

Start Date

End Date

44. Estimated Funding (Include all that apply)

<input checked="" type="checkbox"/> Amount Requested from the State	<input type="text" value="\$4,867,000.00"/>
<input type="checkbox"/> Applicant Contribution (e.g., in kind, matching)	<input type="text"/>
<input checked="" type="checkbox"/> Local Contribution	<input type="text" value="\$45,000.00"/>
<input checked="" type="checkbox"/> Other Source of Contribution	<input type="text" value="\$45,000.00"/>
<input type="checkbox"/> Program Income	<input type="text"/>
Total Amount	<input type="text" value="\$4,957,000.00"/>

Applicant Certification:

By signing this application, I certify (1) to the statements contained in the list of certifications* and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances* and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil or administrative penalties. (U.S. Code, Title 18, Section 1001)

(*) The list of certification and assurances, or an internet site where you may obtain this list is contained in the Notice of Funding Opportunity. If a NOFO was not required for the award, the state agency will specify required assurances and certifications as an addendum to the application.

I Agree

Authorized Representative

45. First Name

46. Last Name

47. Suffix

48. Title

49. Telephone Number

50. Fax Number

51. E-mail Address

52. Signature of Authorized Representative

53. Date Signed

APPLICANT PROJECT INFORMATION
REBUILD ILLINOIS PUBLIC INFRASTRUCTURE

Type of project? Waste Disposal System (Waste Water Treatment Plant Improvements)

If this project is “on behalf of” another entity, what is the entity:
N/A

I. PROJECT LOCATION ADDRESS:

Street Address 1200 W Madison Avenue
(required)

City Charleston State Illinois Zip Code 61920
The project location will be utilized to verify inclusion in an opportunity zone and/or DCEO underserved area.

II. PROJECT BENEFIT INFORMATION

Provide the total number of persons served based upon the Census: 21,838

CENSUS TRACT NUMBER(s) – Use additional sheet, if necessary.

5 (project location)	1 (in city)	4 (in city)	7 (in city)	8 (in city)	9 (in city)

Is this project located in an Enterprise Zone? Yes No

Is this project located in an Empowerment Area? Yes No

Is this project located in a Tax Increment Financing District? Yes No

What is the current unemployment rate of the County? 3.4% (from IDES Non-Seasonally Adjusted, available at: https://www2.illinois.gov/ides/lmi/Pages/Local_Area_Unemployment_Statistics.aspx)

III. APPLICATION WRITER

CONTACT PERSON:

TITLE:

Steve Pamperin City Planner

ADDRESS AND PHONE NUMBER:

Firm Name City of CharlestonStreet Address 520 Jackson Avenue P.O. Box _____
(required) (Only if no street address)City Charleston State IL Zip Code 61920
(include + 4)E-Mail cityplanner@co.coles.il.us
(required)BUSINESS PHONE: (217) 345-5650 FAX PHONE: (217) 345-7554FEDERAL EMPLOYER IDENTIFICATION NUMBER: 37-6000637
(required)**IV. PROJECT ENGINEER, if selected**

CONTACT PERSON:

TITLE:

Curt Buescher, P.E. Director of Public Works

ADDRESS AND PHONE NUMBER:

Firm Name City of CharlestonStreet Address 520 Jackson Avenue P.O. Box _____
(required) (Only if no street address)City Charleston State Illinois Zip Code 619290
(include + 4)E-Mail publicworks@co.coles.il.us
(required)BUSINESS PHONE: (217) 345-5650 FAX PHONE: (217) 345-7554FEDERAL EMPLOYER IDENTIFICATION NUMBER: 37-6000637
(required)

STATE OF ILLINOIS		UNIFORM GRANT BUDGET TEMPLATE			Commerce & Economic Opportunity	
Organization Name:	City of Charleson	DUNS#	38401881	NOFO #	2373-1362	
CSFA Number:	420-75-2373	CSFA Description:	Rebuild Illinois	Fiscal Year:	2020	
SECTION A -- STATE OF ILLINOIS FUNDS						
Revenues						
(a). State of Illinois Grant Amount Requested						
				TOTAL REVENUE		\$ 4,867,000.00
BUDGET SUMMARY STATE OF ILLINOIS FUNDS						
Budget Expenditure Categories		OMB Uniform Guidance Federal Awards Reference 2 CFR 200			TOTAL EXPENDITURES	
1. Design/Engineering					\$ -	
2. Building/Land Purchase					\$ -	
3. Equipment/Materials/Labor					\$ 2,490,869.00	
4. Equipment					\$ -	
5. Wiring/Electrical					\$ 403,201.00	
6. Mechanical System					\$ 825,997.00	
7. Paving/Concrete/Masonry					\$ 167,200.00	
8. Plumbing					\$ 48,332.00	
9. Construction Management/Oversight					\$ -	
10. Construction					\$ 468,601.00	
11. Other Construction Expenses					\$ -	
12. Excavation/Site Prep/Dem					\$ -	
13. Site Work					\$ 8,800.00	
14. Demolition & Removal					\$ 3,000.00	
15. Contingency					\$ 451,000.00	
16. Total Direct Costs (lines 1-15)					\$ 4,867,000.00	
17. Indirect Costs* (see below)					\$ -	
Rate: _____						
Base: _____						
18. Total Costs State Grant Funds (16 & 17)					\$ 4,867,000.00	

Organization Name: _____

City of Charleston

NOFO # _____

2373-1362

SECTION - A (continued) Indirect Cost Rate Information

If your organization is requesting reimbursement for indirect costs on line 17 of the Budget Summary, please select one of the following options.

1) Our Organization receives direct Federal funding and currently has a Negotiated Indirect Cost Rate Agreement (NICRA) with our Federal Cognizant Agency. A copy of this agreement will be provided to the State of Illinois' Indirect Cost Unit for review and documentation before reimbursement is allowed. This NICRA will be accepted by all State of Illinois Agencies up to any statutory, rule-based or programmatic restrictions or limitations.

NOTE: (If this option is selected, please provide basic Negotiated Indirect Cost Rate Agreement information in area designated below)

Your Organization may not have a Federally Negotiated Indirect Cost Rate Agreement. Therefore, in order for your Organization to be reimbursed for Indirect Costs from the State of Illinois, your Organization must either:

- A. Negotiate an Indirect Cost Rate with the State of Illinois' Indirect Cost Unit with guidance from your State Cognizant Agency on an annual basis.
- B. Elect to use the de minimis rate of 10% modified total direct cost (MTDC) which may be used indefinitely on State of Illinois Awards.
- C. Use a Restricted Rate designated by programmatic or statutory policy. (See Notice of Funding Opportunity for Restricted Rate Programs)

2a) Our Organization currently has a Negotiated Indirect Cost Rate Agreement with the State of Illinois that will be accepted by all State of Illinois Agencies up to any statutory, rule-based or programmatic restrictions or limitations. Our Organization is required to submit a new Indirect Cost Rate Proposal to the Indirect Cost Unit within six (6) months after the close of each fiscal year (2 CFR 200 Appendix IV (C)(2)(c)).

NOTE: (If this option is selected, please provide basic Indirect Cost Rate information in area designated below)

2b) Our Organization currently does not have a Negotiated Indirect Cost Rate Agreement with the State of Illinois. Our Organization will submit our initial Indirect Cost Rate Proposal (ICRP) immediately after our Organization is advised that the State award will be made and, in no event, later than three (3) months after the effective date of the State award (2 CFR 200 Appendix IV (C)(2)(b)). The initial ICRP will be sent to the State of Illinois' Indirect Cost Unit.

NOTE: (Check with your State of Illinois Agency for information regarding reimbursement of indirect costs while your proposal is being negotiated)

3) Our Organization has never received a Negotiated Indirect Cost Rate Agreement from either the Federal government or the State of Illinois and elects to charge the de minimis rate of 10% modified total direct cost (MTDC) which may be used indefinitely on State of Illinois awards (2 CFR 200.414 (c)(4)(f) & (200.68)).

NOTE: (Your Organization must be eligible, see 2 CFR 200.414 (f), and submit documentation on the calculation of MTDC within your Budget Narrative under Indirect Costs)

4) For Restricted Rate Programs (check one) -- Our Organization is using a restricted indirect cost rate that:

_____ Is included as a "Special Indirect Cost Rate" in our NICRA (2 CFR 200 Appendix IV (5)) Or;

_____ Complies with other statutory policies (please specify):

The Restricted Indirect Cost Rate is _____ %

5) No reimbursement of Indirect Cost is being requested. (Please consult your program office regarding possible match requirements)

Basic Negotiated Indirect Cost Rate Agreement information if Option (1) or (2a) is selected

Period Covered by the NICRA: From: _____ To: _____ (mm/dd/yyyy)

Approving Federal/State agency (please specify): _____

The Indirect Cost Rate is: _____ % The Distribution Base is: _____

STATE OF ILLINOIS	UNIFORM GRANT BUDGET TEMPLATE	Commerce & Economic Opportunity
Organization Name: City of Charleson	NOFO # 2373-1362	Fiscal Year 2020
SECTION B -- NON STATE OF ILLINOIS FUNDS		Grant Number:
Revenues		TOTAL REVENUE
<i>populate</i>	Private	Public
(b). -Cash	\$ 45,000.00	\$ 45,000.00
(c). -Non-cash	\$ -	\$ -
(d). Other Funding & Contributions		
NON-STATE Funds Total	\$ 45,000.00	\$ 45,000.00
BUDGET SUMMARY NON-STATE OF ILLINOIS FUNDS		
Budget Expenditure Categories	TOTAL Private EXPENDITURES	TOTAL Public EXPENDITURES
1. Design/Engineering	\$ -	\$ -
2. Building/Land Purchase	\$ -	\$ -
3. Equipment/Materials/Labor	\$ -	\$ -
4. Equipment	\$ -	\$ -
5. Wiring/Electrical	\$ -	\$ -
6. Mechanical System	\$ -	\$ -
7. Paving/Concrete/Masonry	\$ -	\$ -
8. Plumbing	\$ -	\$ -
9. Construction Management/Oversight	\$ -	\$ -
10. Construction	\$ 45,000.00	\$ 45,000.00
11. Other Construction Expenses	\$ -	\$ -
12. Excavation/Site Prep/Dem	\$ -	\$ -
13. Site Work	\$ -	\$ -
14. Demolition & Removal	\$ -	\$ -
15. Contingency	\$ -	\$ -
16. Total Direct Costs (lines 1-15)	\$ 45,000.00	\$ 45,000.00
17. Indirect Costs* (see below)	\$ -	\$ -
Rate: _____ % Base: _____		
18. Total Costs NON -State Grant Funds (16 & 17)		\$ 90,000.00

CERTIFICATION	STATE OF ILLINOIS UNIFORM GRANT BUDGET TEMPLATE	AGENCY: Commerce & Economic Opportunity
Organization Name: City of Charleston	CSFA Description: Rebuild Illinois	NOFO # 2373-1362
CSFA #: 420-75-2373	DUNS # 38401881	Fiscal Year(s): 2020

(2 CFR 200.415)

"By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate and that any false, fictitious, or fraudulent information or the omission of any material fact, could result in the immediate termination of my grant award(s).

City of Charleston
Institution/Organization

Signature

Heather Kuykendall
Name of Official

Comptroller

Title
Chief Financial Officer (or equivalent)
6/3/2020

Date of Execution

City of Charleston
Institution/Organization

Signature

Brandon Combs
Name of Official

Mayor

Title
Executive Director (or equivalent)
6/3/2020

Date of Execution

Note: The State awarding agency may change required signers based on the grantee's organizational structure. The required signers must have the authority to enter into contractual agreements on behalf of the organization.

Section C - Budget Worksheet & Narrative

City of Charleston

1). Design/Engineering -- Costs associated with planning, design, and construction observation or related services for the proposed project including environmental services, testing, surveys, etc. Costs associated with creation of the project's architectural drawings, engineering studies and/or fees, etc., including costs of plans & specs and/or printing costs if specifically identified as such within the project description. Copies of contracts will be required.

Purpose	Description of Work	Item Cost
		\$ -
		\$ -
		\$ -
		\$ -
	State Total	\$ -
		\$ -
		\$ -
	Private Non-State Total	\$ -
		\$ -
		\$ -
	Public Non-State Total	\$ -
		\$ -
	Total	\$ -

Narrative (State):

Narrative (Private Non-State) i.e. "Match" or "Other Funding"

Narrative (Public Non-State) i.e. "Match" or "Other Funding"

Section C - Budget Worksheet & Narrative

City of Charleston

2). **Building/Land Purchase** -- Costs to purchase, either in whole or in part a building, structural shell, condominium, land, and/or easement including, but not limited to: the net purchase price itself, closing costs charged to the buyer on the closing document, legal fees, etc. Additionally, costs associated with Right-of-Way, appraisals, property/boundary surveys, legal fees, etc.

Purpose	Description of Work	Item Cost
		\$ -
		\$ -
		\$ -
		\$ -
	<i>State Total</i>	\$ -
		\$ -
		\$ -
	<i>Private Non-State Total</i>	\$ -
		\$ -
		\$ -
	<i>Public Non-State Total</i>	\$ -
		\$ -
	<i>Total</i>	\$ -

Narrative (State):

Narrative (Private Non-State) i.e. "Match" or "Other Funding"

Narrative (Public Non-State) i.e. "Match" or "Other Funding"

Section C - Budget Worksheet & Narrative

City of Charleston

3). Equipment/Materials/Labor (2 CFR 200.474)-- Purchase of materials and/or purchase/lease of equipment, to use or install for the project, such as: steel, drywall, lumber, wiring, doors, windows, roofing, rock, etc. including labor/installation costs, as identified - within the project description

Item	Quantity	Cost Rate	Item Cost
<i>Schwing Press Class A Equipment and Installation</i>			\$ 807,165.00
<i>Schwing Bioset Class A Equipment and Installation</i>			\$ 1,189,126.00
<i>Shaftless Screw Conveyor</i>			\$ 60,057.00
<i>Mixers Equipment and Installation</i>			\$ 142,800.00
<i>Recycle Pump and Installation</i>			\$ 100,980.00
<i>RAS Pumps and RAS Rerouting</i>			\$ 153,341.00
<i>WAS Pumps</i>			\$ 37,400.00
State Total			\$ 2,490,869.00
			\$ -
Private Non-State Total			\$ -
			\$ -
			\$ -
Public Non-State Total			\$ -
			\$ -
Total			\$ 2,490,869.00

Narrative (State):

Construct waste water treatment plant improvements consisting of: A.) Solids Handling Upgrades and B.) Biological Nutrient Removal Improvements

Narrative (Private Non-State) i.e. "Match" or "Other Funding"

Narrative (Public Non-State) i.e. "Match" or "Other Funding"

Section C - Budget Worksheet & Narrative

City of Charleston

4). **Equipment** (2 CFR 200.439) -- All costs associated with equipment that is not associated with any other contracts related to the grant.

Item	Quantity	Cost	Equipment Cost
		\$	-
		\$	-
		\$	-
		\$	-
		\$	-
		\$	-
		\$	-
<i>State Total</i>		\$	-
		\$	-
		\$	-
<i>Private Non-State Total</i>		\$	-
		\$	-
		\$	-
<i>Public Non-State Total</i>		\$	-
<i>Total Equipment</i>		\$	-

Narrative (State):

Narrative (Private Non-State) i.e. "Match" or "Other Funding"

Narrative (Public Non-State) i.e. "Match" or "Other Funding"

Section C - Budget Worksheet & Narrative

City of Charleston

5). Wiring/Electrical (2 CFR 200.94) -- Purchase of materials necessary for completion of the project scope such as electrical wiring, conduit, outlets, switches, etc. including associated labor/installation costs, as identified within the project description.

Item	Quantity/ Duration	Cost per Item	Item Cost
<i>Solids Handling System Improvements</i>			
<i>Biological Phosphorus Removal Improvements</i>			
			\$ 248,953.00
			\$ 154,248.00
			\$ -
			\$ -
			\$ -
			\$ -
		State Total	\$ 403,201.00
			\$ -
			\$ -
		Private Non-State Total	\$ -
			\$ -
			\$ -
		Public Non-State Total	\$ -
			\$ -
		Total	\$ 403,201.00

Narrative (State):
Construct waste water treatment plant improvements consisting of: A.) Solids Handling Upgrades and B.) Biological Nutrient Removal Improvements

Narrative (Private Non-State) i.e. "Match" or "Other Funding"

Narrative (Public Non-State) i.e. "Match" or "Other Funding"

Section C - Budget Worksheet & Narrative

6). **Mechanical System** -- Purchase of materials necessary for completion of the project scope such as HVAC, elevators, fire alarm, sprinkler, or ventilation system, etc. including associated labor/installation costs, as identified within the project description.

Item	Quantity/ Duration	Cost per Item	Item Cost
<i>Solids Handling System Improvements - Mechanical Piping</i>		\$	560,144.00
<i>Solids Handling System Improvements - HVAC</i>		\$	41,492.00
<i>Biological Phosphorus Removal Improvements - Mechanical Piping</i>		\$	210,338.00
<i>Biological Phosphorus Removal Improvements - HVAC</i>		\$	14,023.00
State Total		\$	825,997.00
		\$	-
		\$	-
Private Non-State Total		\$	-
		\$	-
		\$	-
Public Non-State Total		\$	-
Total		\$	825,997.00

Narrative (State):
Construct waste water treatment plant improvements consisting of: A.) Solids Handling Upgrades and B.) Biological Nutrient Removal Improvements

Narrative (Private Non-State) i.e. "Match" or "Other Funding"

Narrative (Public Non-State) i.e. "Match" or "Other Funding"

Section C - Budget Worksheet & Narrative

City of Charleston

7). **Paving/Concrete/Masonry** (2 CFR 200.459) -- Purchase of materials necessary for completion of the project scope such as bituminous pavement, concrete, rock, bricks, blocks, mortar, tuckpointing, etc. including associated labor/installation costs, as identified within the project description.

Item	Quantity	Cost per Item	Item Cost
<i>Solids Handling System Improvements</i>			
<i>Biological Phosphorus Removal Improvements</i>			
			\$ 2,200.00
			\$ 165,000.00
		State Total	\$ 167,200.00
			\$ -
			\$ -
		Private Non-State Total	\$ -
			\$ -
			\$ -
		Public Non-State Total	\$ -
		Total	\$ 167,200.00

Narrative (State):
Construct waste water treatment plant improvements consisting of: A.) Solids Handling Upgrades and B.) Biological Nutrient Removal Improvements

Narrative (Private Non-State) i.e. "Match" or "Other Funding"

Narrative (Public Non-State) i.e. "Match" or "Other Funding"

Section C - Budget Worksheet & Narrative

City of Charleson

8). Plumbing-- Purchase of materials necessary for completion of the project scope such as internal or external pipes for water, gas, and/or sewage; fixtures; etc. including associated labor/installation costs, as identified within the project description.

Item	Quantity	Cost per Item	Item Cost
<i>Solids Handling System Improvements</i>			
<i>Biological Phosphorus Removal Improvements</i>			
			\$ 20,747.00
			\$ 27,585.00
		State Total	\$ 48,332.00
			\$ -
			\$ -
		Private Non-State Total	\$ -
			\$ -
			\$ -
		Public Non-State Total	\$ -
		Total	\$ 48,332.00

Narrative (State):
Construct waste water treatment plant improvements consisting of: A.) Solids Handling Upgrades and B.) Biological Nutrient Removal Improvements

Narrative (Private Non-State) i.e. "Match" or "Other Funding"

Narrative (Public Non-State) i.e. "Match" or "Other Funding"

Section C - Budget Worksheet & Narrative

City of Charleston

9). Construction Management/Oversight -- Costs associated with managing the construction activities and/or overseeing all aspects of the construction project, either by contractor personnel or grantee personnel, but limited to verifiable time working on this project.

Purpose	Description of Work	Item Cost
		\$ -
		\$ -
		\$ -
	<i>State Total</i>	\$ -
		\$ -
		\$ -
	<i>Private Non-State Total</i>	\$ -
		\$ -
		\$ -
	<i>Public Non-State Total</i>	\$ -
		\$ -
	<i>Total</i>	\$ -

Narrative (State):

Narrative (Private Non-State) i.e. "Match" or "Other Funding"

Narrative (Public Non-State) i.e. "Match" or "Other Funding"

Section C - Budget Worksheet & Narrative

City of Charleston

10). Construction -- All costs associated with physical construction and construction related services provided by the contractor(s) of the facility.

Purpose	Description of Work	Item Cost
Solids Waste Handling System Improvements		\$ 41,148.00
Biological Phosphorus Removal Improvements		\$ 36,203.00
Solids Handling System Improvements	<i>Instrumentation and Controls</i>	\$ 165,968.00
Biological Phosphorus Removal Improvements	<i>Instrumentation and Controls</i>	\$ 175,282.00
Solids Handling System Improvements	<i>Building for Improvements</i>	\$ 10,000.00
Biological Phosphorus Removal Improvements	<i>Building for Improvements</i>	\$ 40,000.00
	State Total	\$ 468,601.00
Charleston Charitable Foundation contribution		\$ 45,000.00
		\$ -
	Private Non-State Total	\$ 45,000.00
City of Charleston local contribution		\$ 45,000.00
		\$ -
	Public Non-State Total	\$ 45,000.00
	Total	\$ 558,601.00

Narrative (State):

Construct waste water treatment plant improvements consisting of: A.) Solids Handling Upgrades and B.) Biological Nutrient Removal Improvements

Narrative (Private Non-State) i.e. "Match" or "Other Funding"

Charleston Charitable Foundation contribution toward the proposed water treatment plant improvements.

Narrative (Public Non-State) i.e. "Match" or "Other Funding"

City of Charleston local contribution toward the proposed water treatment plant improvements.

Section C - Budget Worksheet & Narrative

City of Charleston

11). **Other Construction Expenses** -- Costs that cannot be easily broken out to or covered by individual/specific budgetary line items such as landscaping, hauling, equipment, rental, insurance, environmental fees, loan payments, etc. as identified within the project description.

Purpose	Description of Work	Item Cost
---------	---------------------	-----------

	\$	-
<i>State Total</i>	\$	-
	\$	-
	\$	-
<i>Private Non-State Total</i>	\$	-
	\$	-
	\$	-
<i>Public Non-State Total</i>	\$	-
<i>Total</i>	\$	-

Narrative (State):

Narrative (Private Non-State) i.e. "Match" or "Other Funding"

Narrative (Public Non-State) i.e. "Match" or "Other Funding"

Section C - Budget Worksheet & Narrative

City of Charleston

12). Excavation/Site Prep/Demo -- Costs associated with demolition of existing structures on the project site and/or preparation of the project site including excavation, etc. ahead of actual new construction/renovation activities.

Purpose	Description of Work	Item Cost
		\$ -
		\$ -
		\$ -
	<i>State Total</i>	\$ -
		\$ -
		\$ -
	<i>Private Non-State Total</i>	\$ -
		\$ -
		\$ -
	<i>Public Non-State Total</i>	\$ -
		\$ -
	<i>Total</i>	\$ -

Narrative (State):

Narrative (Private Non-State) i.e. "Match" or "Other Funding"

Narrative (Public Non-State) i.e. "Match" or "Other Funding"

Section C - Budget Worksheet & Narrative

13). Site Work - All costs associated with work outside of the 5-foot building line, including grading, excavation, filtration systems, parking lots, sidewalks, utilities, etc.

Purpose	Description of Work	Item Cost
<i>Biological Phosphorus Removal Improvements</i>		
		\$ 8,800.00
		\$ -
	State Total	\$ 8,800.00
		\$ -
		\$ -
	Private Non-State Total	\$ -
		\$ -
		\$ -
	Public Non-State Total	\$ -
		\$ -
	Total	\$ 8,800.00

Narrative (State):
Construct waste water treatment plant improvements consisting of: A.) Solids Handling Upgrades and B.) Biological Nutrient Removal Improvements

Narrative (Private Non-State) i.e. "Match" or "Other Funding"

Narrative (Public Non-State) i.e. "Match" or "Other Funding"

Section C - Budget Worksheet & Narrative

14). Demolition and Removal --All costs associated with removal of any structures required to accommodate new construction and approved as part of the grant.

Purpose	Description of Work	Item Cost
<i>Solids Handling System Improvements</i>		
		\$ 3,000.00
		\$ -
		\$ -
		\$ -
	State Total	\$ 3,000.00
		\$ -
		\$ -
	Private Non-State Total	\$ -
		\$ -
		\$ -
	Public Non-State Total	\$ -
	Total	\$ 3,000.00

Narrative (State):
Construct waste water treatment plant improvements consisting of: A.) Solids Handling Upgrades and B.) Biological Nutrient Removal Improvements

Narrative (Private Non-State) i.e. "Match" or "Other Funding"

Narrative (Public Non-State) i.e. "Match" or "Other Funding"

Section C - Budget Worksheet & Narrative

15). Contingency - Coverage of potential cost overruns in any of the utilized grant budget line items.

Purpose	Description of Work	Item Cost
WWTP Upgrades and Improvements		\$ 451,000.00
		\$ -
	State Total	\$ 451,000.00
		.
		\$ -
	Private Non-State Total	\$ -
		\$ -
	Public Non-State Total	\$ -
	Total	\$ 451,000.00

Narrative (State):

Narrative (Private Non-State) i.e. "Match" or "Other Funding"

Narrative (Public Non-State) i.e. "Match" or "Other Funding"

Section C - Budget Worksheet & Narrative

City of Charleston

17). **Indirect Cost** (2 CFR 200.414) --Provide the most recent indirect cost rate agreement information with the itemized budget. The applicable indirect cost rate(s) negotiated by the organization with the cognizant negotiating agency must be used in computing indirect costs (F&A) for a program budget. The amount for indirect costs should be calculated by applying the current negotiated indirect cost rate(s) to the approved base(s). After the amount of indirect costs is determined for the program, a breakdown of the indirect costs should be provided in the budget worksheet and narrative below.

Description	Base	Rate	Indirect Cost
			\$ -
			\$ -
<i>State Total</i>			\$ -
			\$ -
			\$ -
<i>Private Non-State Total</i>			\$ -
			\$ -
			\$ -
<i>Public Non-State Total</i>			\$ -
			\$ -
<i>Total Indirect Costs</i>			\$ -

Indirect Cost Narrative (State):

Indirect Cost Narrative (Private Non-State) i.e. "Match" or "Other Funding"

Indirect Cost Narrative (Public Non-State) i.e. "Match" or "Other Funding"

Section C - Budget Worksheet & Narrative

City of Charleston

Budget Narrative Summary--When you have completed the budget worksheet, transfer the totals for each category to the spaces below to the uniform template provided (SECTION A & B). Verify the total costs and the total project costs. Indicate the amount of State requested funds and the amount of non-State funds that will support the project.

Budget Category	State	Private Match	Public Match	Total
1. Design/Engineering	\$ -	\$ -	\$ -	-
2. Building/Land Purchase	\$ -	\$ -	\$ -	-
3. Equipment/Materials/Labor	\$ 2,490,869.00	\$ -	\$ -	2,490,869.00
4. Equipment	\$ -	\$ -	\$ -	-
5. Wiring/Electrical	\$ 403,201.00	\$ -	\$ -	403,201.00
6. Mechanical System	\$ 825,997.00	\$ -	\$ -	825,997.00
7. Paving/Concrete/Masonry	\$ 167,200.00	\$ -	\$ -	167,200.00
8. Plumbing	\$ 48,332.00	\$ -	\$ -	48,332.00
9. Construction Management/Oversight	\$ -	\$ -	\$ -	-
10. Construction	\$ 468,601.00	\$ 45,000.00	\$ 45,000.00	558,601.00
11. Other Construction Expenses	\$ -	\$ -	\$ -	-
12. Excavation/Site Prep/Dem	\$ -	\$ -	\$ -	-
13. Site Work	\$ 8,800.00	\$ -	\$ -	8,800.00
14. Demolition & Removal	\$ 3,000.00	\$ -	\$ -	3,000.00
15. Contingency	\$ 451,000.00	\$ -	\$ -	451,000.00
17. Indirect Costs	\$ -	\$ -	\$ -	-
State Request	\$ 4,867,000.00			
Private Match		\$ 45,000.00		
Public Match			\$ 45,000.00	
TOTAL PROJECT COSTS				\$ 4,957,000.00

Agency Approval	STATE OF ILLINOIS UNIFORM GRANT BUDGET TEMPLATE	AGENCY: Commerce & Economic Opportunity
Organization Name: City of Charleson	CSFA Description: Rebuild Illinois	NOFO # 2373-1362
CSFA # 420-75-2373	DUNS #38401881	Fiscal Year: 2020

Grant Number 0

Final Budget Amount Approved

\$ 4,867,000.00

Program Approval Signature

Date

Fiscal & Administrative Approval

Signature

Date

Budget Revision Approved

Program Approval Signature

Date

Fiscal & Administrative Approval

Signature

Date

\$200.308 Revision of budget and program plans

(e) The Federal/State awarding agency may, at its option, restrict the transfer of funds among direct cost categories or programs, functions and activities for Federal/State awards in which the Federal/State share of the project exceeds the Simplified Acquisition Threshold and the cumulative amount of such transfers exceeds or is expected to exceed 10 percent or \$1,000 per detail line item, whichever is greater of the total budget as last approved by the Federal/State awarding agency. The Federal/State awarding agency cannot permit a transfer that would cause any Federal/State appropriation to be used for purposes other than those consistent with the appropriation.



Donohue & Associates, Inc.
1605 South State Street, Suite 1C | Champaign, IL 61820
donohue-associates.com

City of Charleston, Illinois Wastewater Treatment Plant Improvements
Engineer's Cost Estimate - Rebuild Illinois Program (RIPI)

PART A - Solids Handling System Improvements

General Description

This portion of the project involves replacing the existing sludge stabilization and dewatering systems with a new Screw Press dewatering device plus a Schwing BioSet Reactor unit that will lime pasteurize the sludge to produce a Class A biosolids.

ITEM	UNITS	QUANTITY	UNIT COST	COST
Concrete	sy	20	\$110	\$2,200
Buildings	ea	1	\$10,000	\$10,000
Demolition	ea	1	\$3,000	\$3,000
Schwing Press Class A Equipment	ea	1	\$720,683	\$720,683
Schwing Press Class A Equipment - Installation	ea	1	\$86,482	\$86,482
Schwing BioSet Class A Equipment	ea	1	\$1,081,024	\$1,081,024
Schwing BioSet Class A Equipment - Installation	ea	1	\$108,102	\$108,102
Shaftless Screw Conveyor	ls	1	\$60,057	\$60,057
Civil (sidewalk, driveway, valve relocation)	ea	1	\$41,148	\$41,148
Process-Mechanical Piping	ea	1	\$560,144	\$560,144
Electrical	ea	1	\$248,953	\$248,953
Instrumentation and Controls	ea	1	\$165,968	\$165,968
Plumbing	ea	1	\$20,747	\$20,747
HVAC	ea	1	\$41,492	\$41,492
SUBTOTAL				\$3,150,000

PART B - Biological Phosphorus Removal Improvements

General Description

This portion of the project consist of converting the WWTP's conventional activated sludge into a Modified University of Cape Town (MUCT) system. This included adding mixers to three Aeration Basins and converting them to non-aerated, anoxic basins. Also included is piping for ML recycle and primary effluent diversions, plus a wall mounted Internal Recycle Pump. A new RAS/WAS pump station would also be provided.

ITEM	UNITS	QUANTITY	UNIT COST	COST
Earthwork	ea	1	\$8,800	\$8,800
Concrete	sy	1500	\$110	\$165,000
Buildings	ea	1	\$40,000	\$40,000
Mixers	ea	6	\$18,700	\$112,200
Mixer - Installation	ea	6	\$5,100	\$30,600
Wall Mounted Recycle Pumps	ea	2	\$41,140	\$82,280
Recycle Pump Installation	ea	1	\$18,700	\$18,700
RAS Pumps	ls	1	\$64,827	\$64,827
WAS Pumps	ls	1	\$37,400	\$37,400
RAS Rerouting	ls	1	\$88,514	\$88,514
Civil (sidewalk, driveway, valve relocation)	ea	1	\$126,203	\$126,203
Process-Mechanical Piping	ea	1	\$210,338	\$210,338
Electrical	ea	1	\$154,248	\$154,248
Instrumentation and Controls	ea	1	\$175,282	\$175,282
Plumbing	ea	1	\$27,585	\$27,585
HVAC	ea	1	\$14,023	\$14,023
SUBTOTAL				\$1,356,000

Project Contingency	SUBTOTAL	\$451,000
TOTAL CONSTRUCTION COST ESTIMATE		\$4,957,000

Donohue and Associates, Inc.

Terrence K. Boyer, P.E.

Vice President

4/30/2020

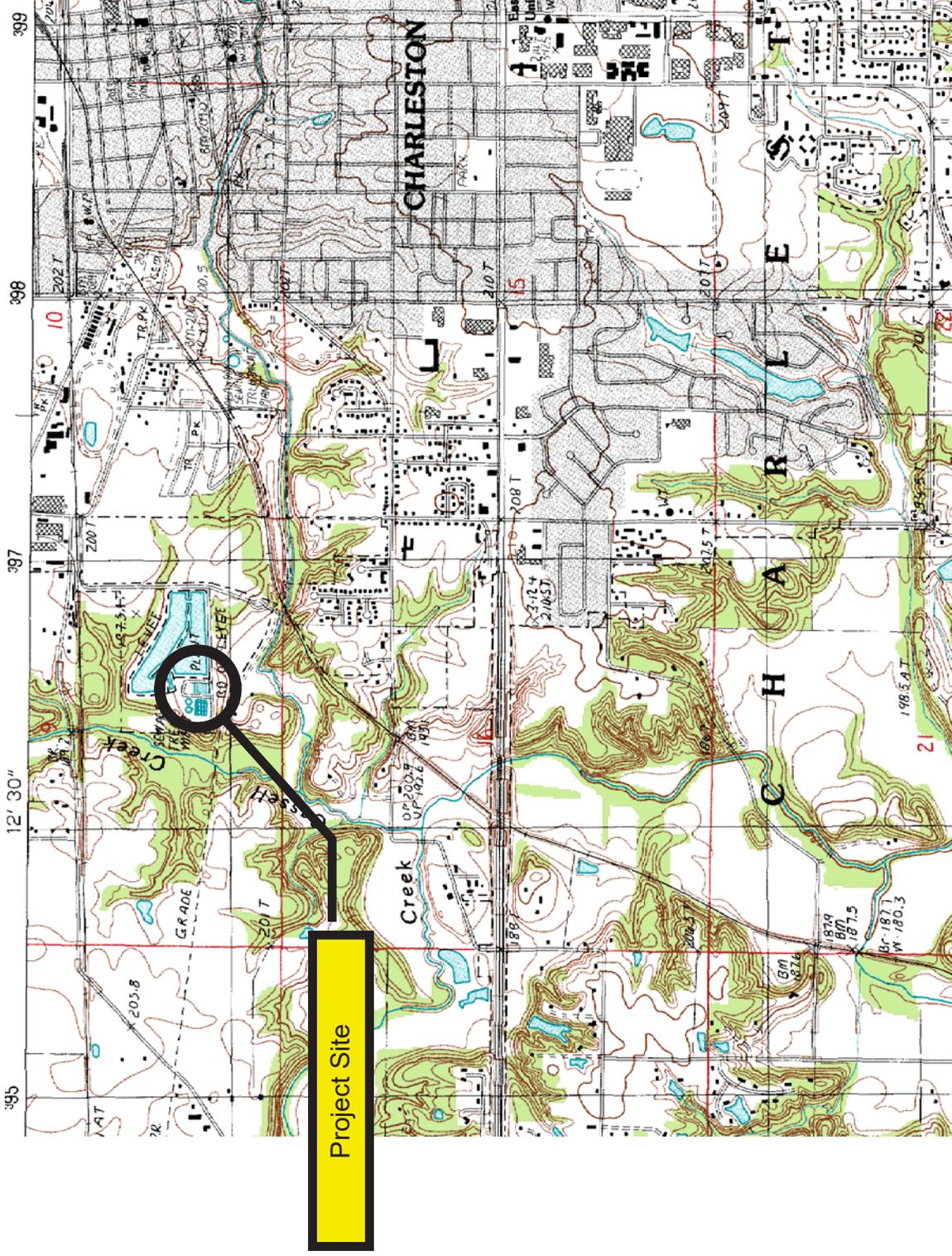


Expires 11/30/21

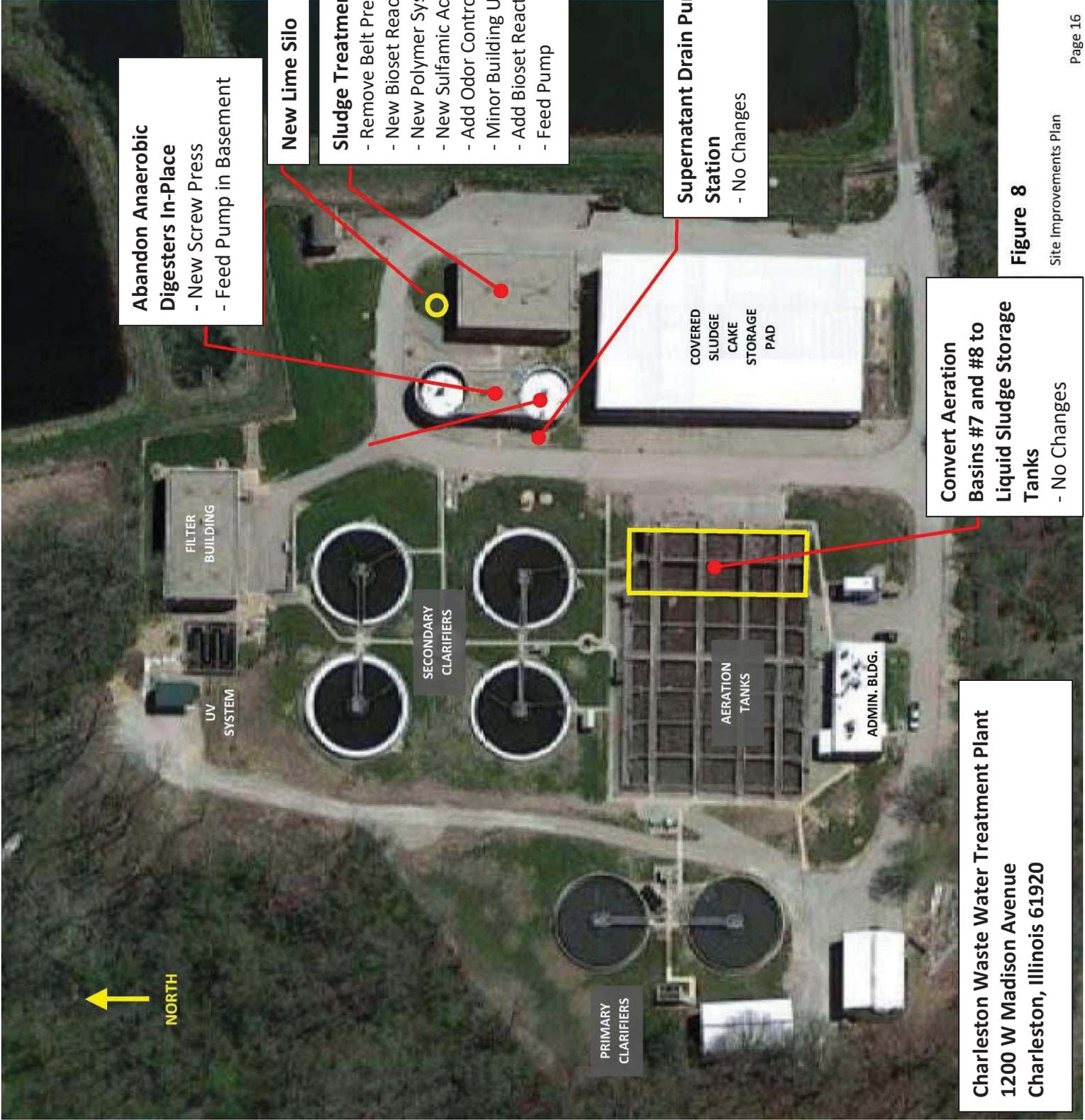
The project site is located in Sections 9 in Township 12 North,
Range 9 East in the Third Principal Meridian.



North



Attachment "A"
Project Location Map



NORTH ↑

UV SYSTEM
 FILTER BUILDING

SECONDARY CLARIFIERS

AERATION TANKS

ADMIN. BLDG.

PRIMARY CLARIFIERS

COVERED SLUDGE CAKE STORAGE PAD

Figure 8

Site Improvements Plan

PART A - SOLIDS HANDLING UPGRADES

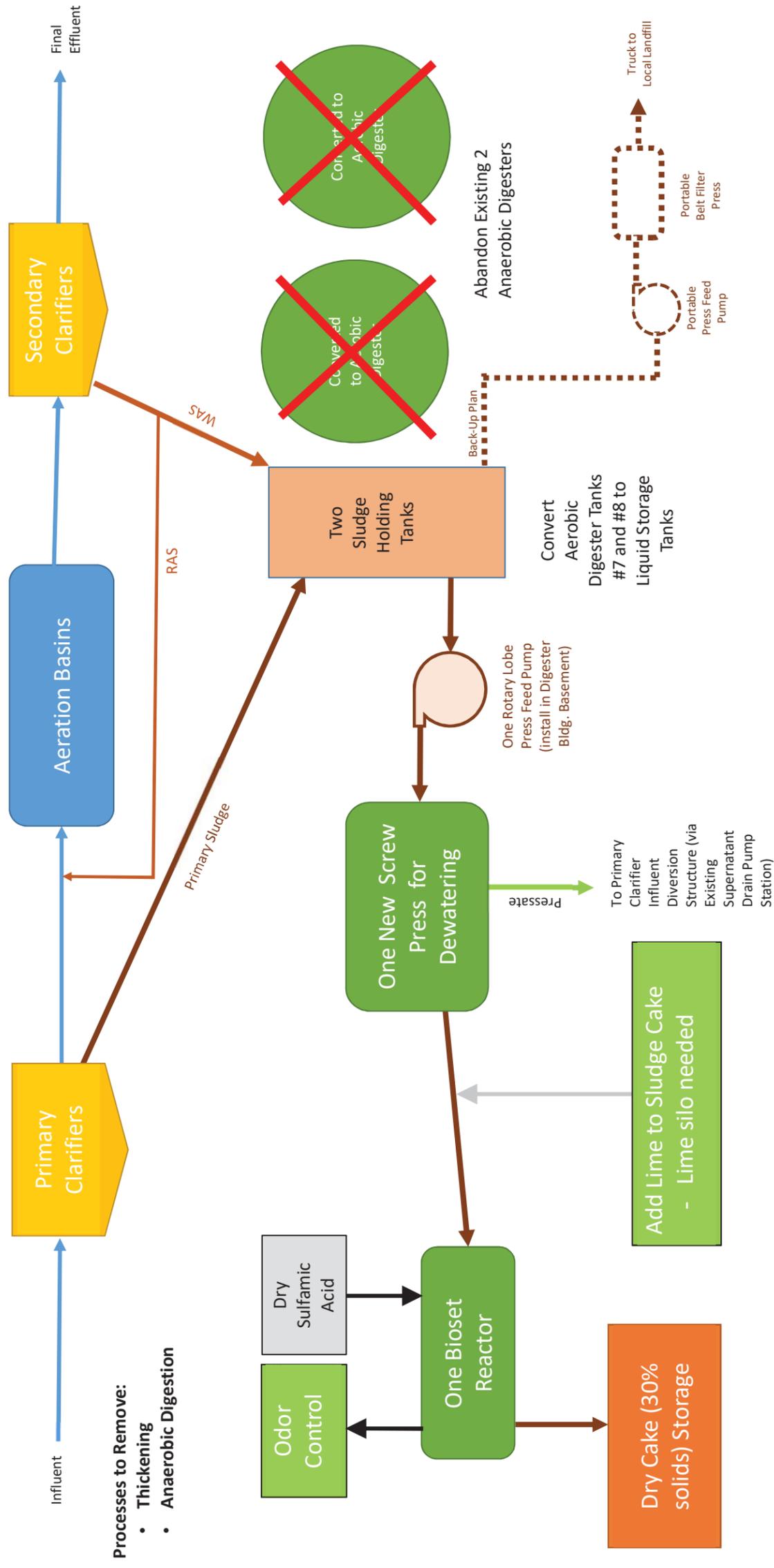


Figure 7

Flow Schematic – Solids Handling Upgrades
Lime Stabilization to Class A via Schwing System

Figure 7 provides a flow schematic of the new Lime Pasteurization sludge handling system.

PART A - SOLIDS HANDLING UPGRADES

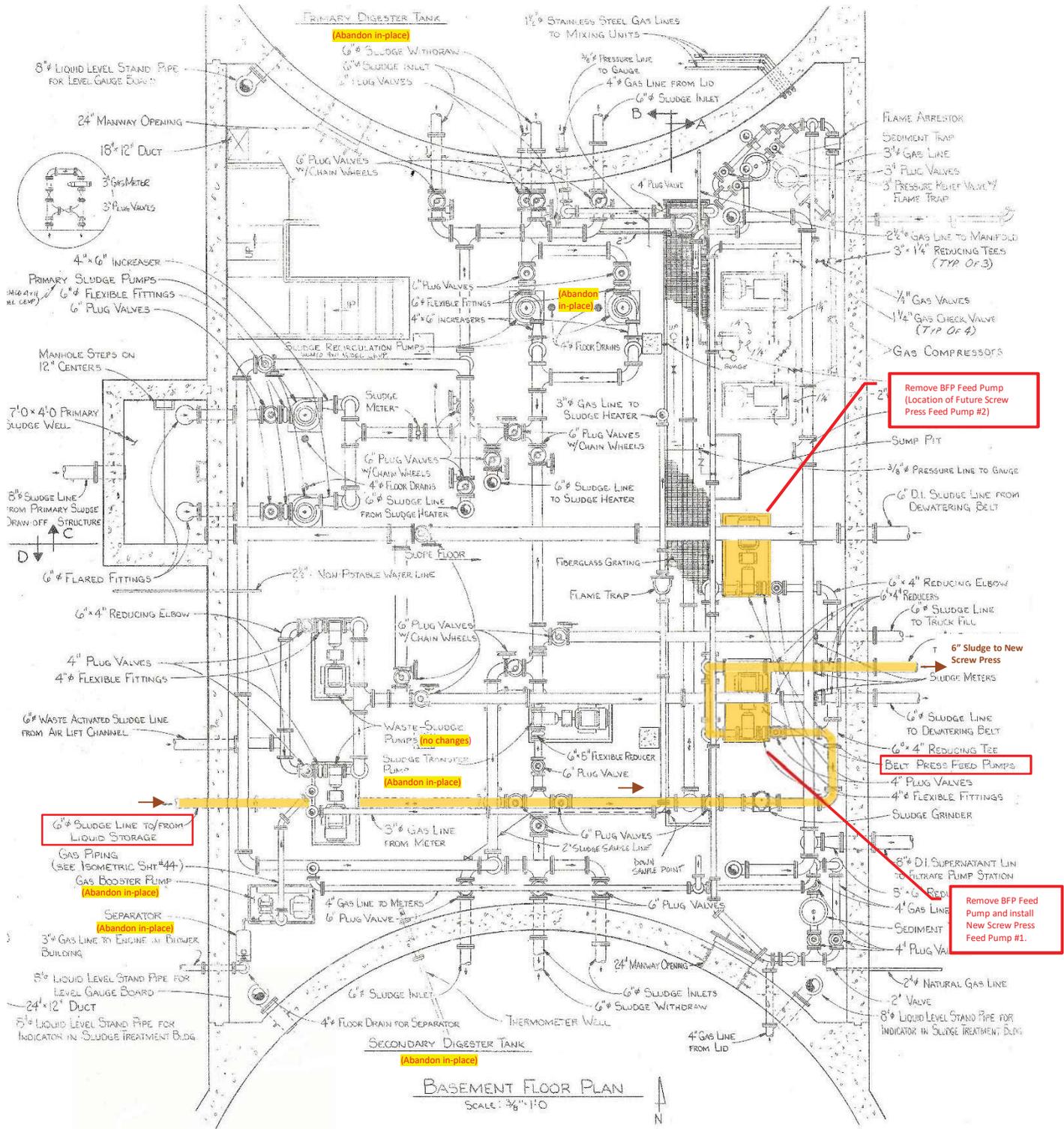


Figure 9: Digester Building Basement Modifications Plan

Figure 9 - The feed to the Screw Press will be achieved via one rotary lobe type Sludge Feed Pump that will be located in the existing Sludge Treatment Building.

PART A - SOLIDS HANDLING UPGRADES

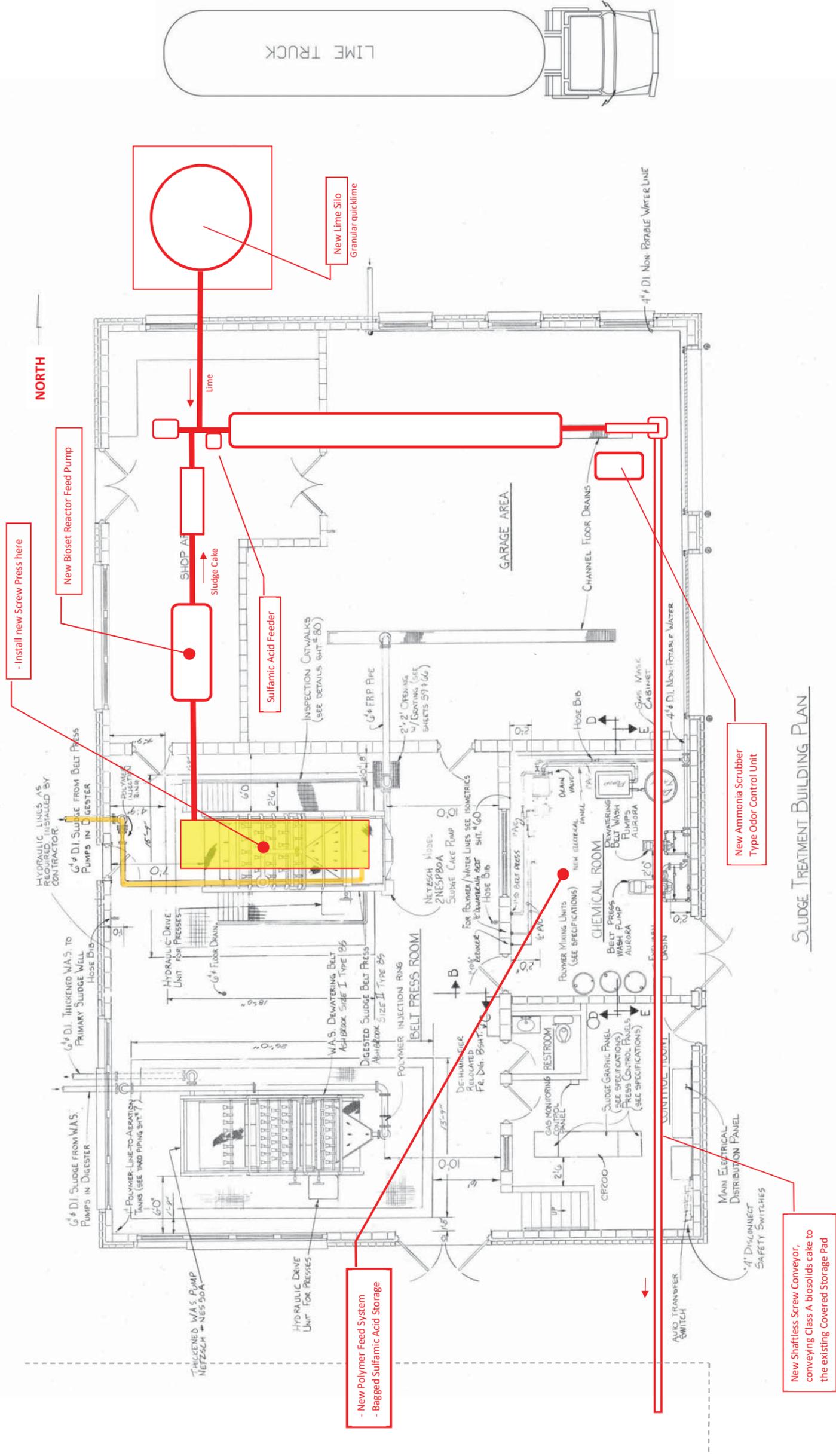


Figure 10 provides a conceptual layout of the Bioset reactor installation inside the existing Sludge Treatment Building.

PART B - BIOLOGICAL PHOSPHORUS REMOVAL



Figure 17 – Site Plan for Chemical Phosphorus Removal

The site plan for the recommended Modified UCT Configuration is shown in **Figure 18** below, with the non-aerated anoxic basins being shown in blue.

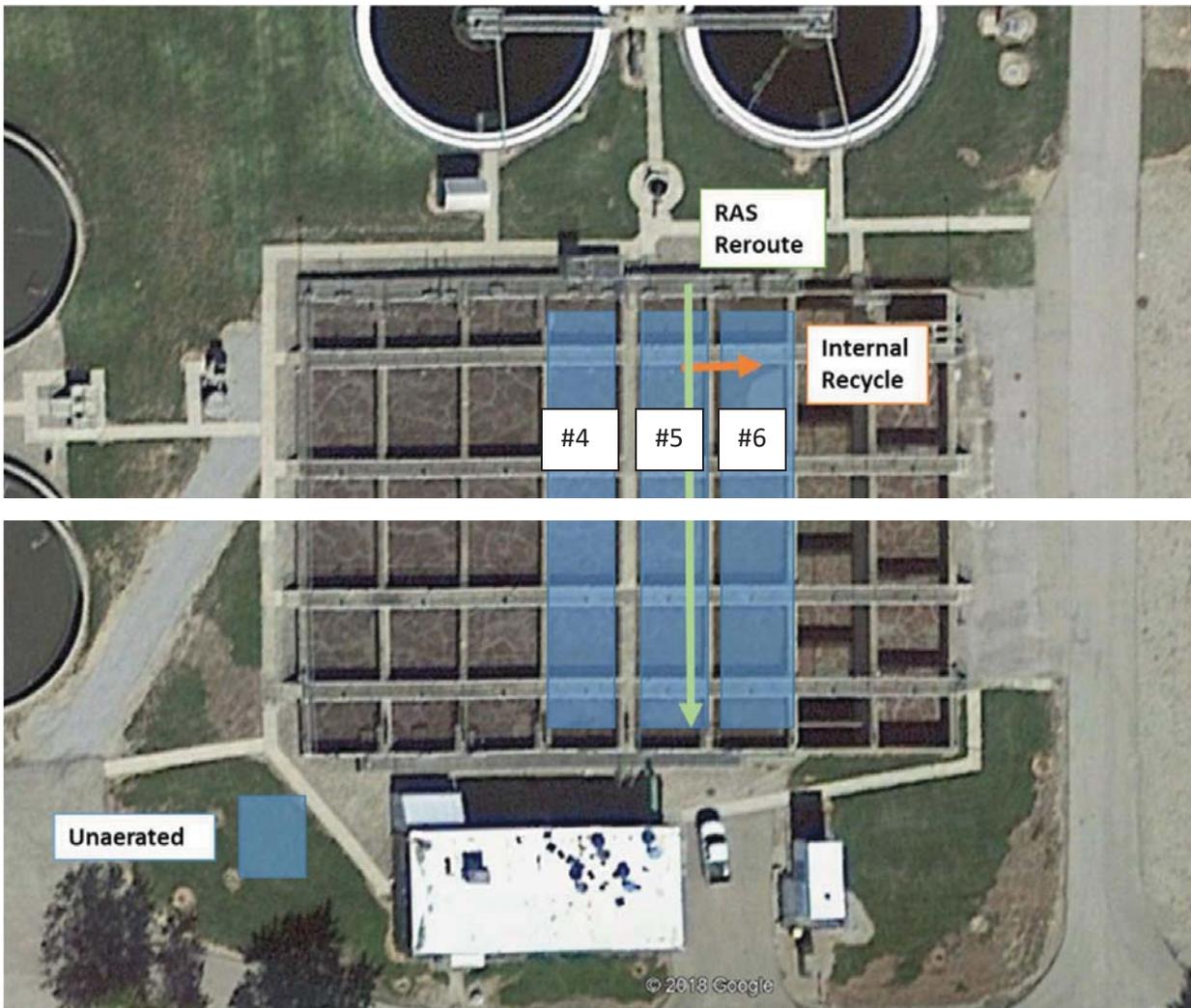
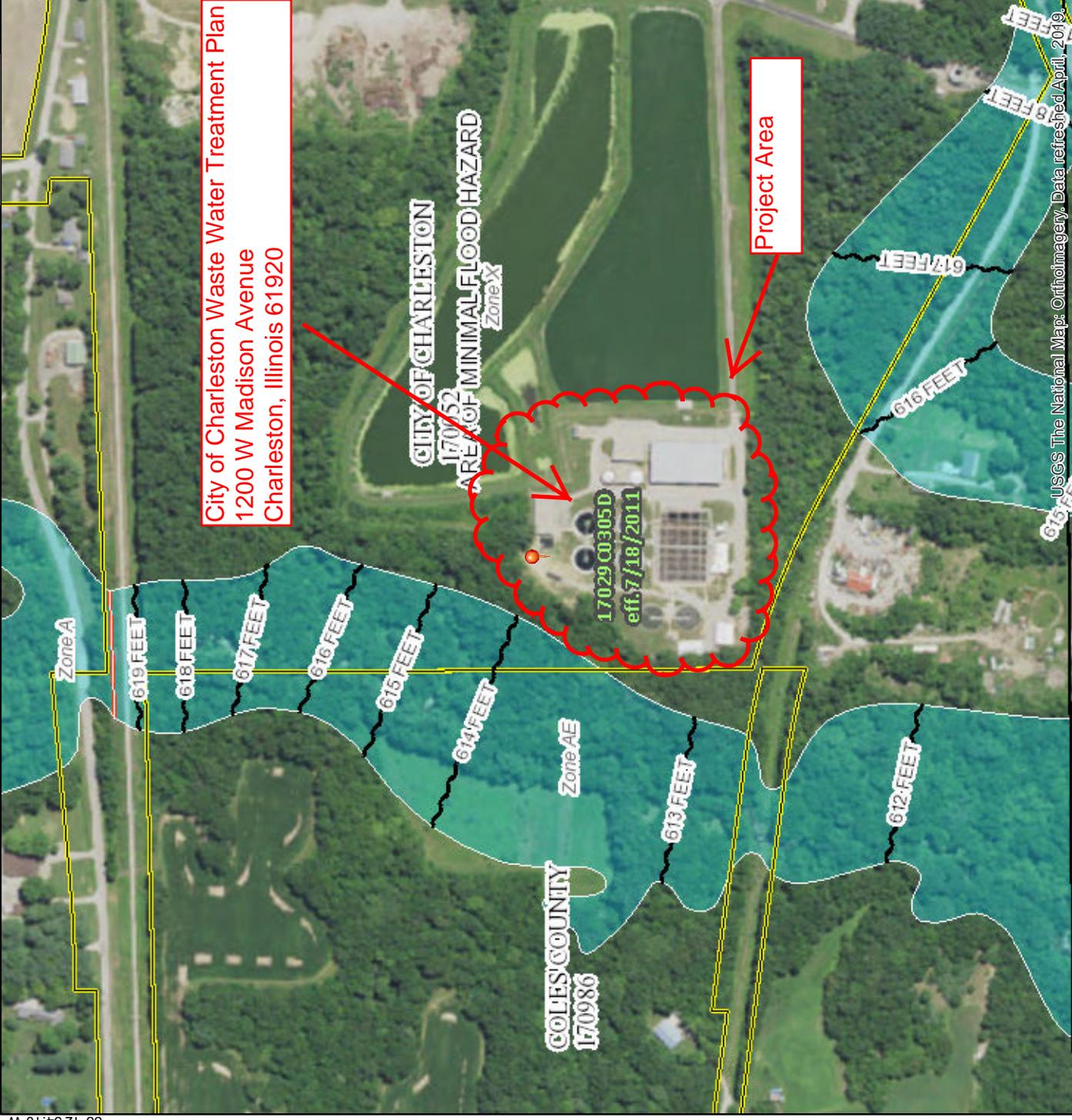


Figure 18 – Site Plan for recommended Modified UCT Process for Bio P removal

National Flood Hazard Layer FIRMette



39°29'57.20"N



88°11'56.64"W

39°29'29.44"N

USGS The National Map: Orthoimagery. Data refreshed April, 2019.

Feet 1:6,000

0 250 500 1,000 1,500 2,000

Legend

SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT

SPECIAL FLOOD HAZARD AREAS

- Without Base Flood Elevation (BFE)
Zone A, V, A99
- With BFE or Depth *Zone AE, AO, AH, VE, AR*
- Regulatory Floodway

OTHER AREAS OF FLOOD HAZARD

- 0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile *Zone X*
- Future Conditions 1% Annual Chance Flood Hazard *Zone X*
- Area with Reduced Flood Risk due to Levee. See Notes. *Zone X*
- Area with Flood Risk due to Levee *Zone D*

OTHER AREAS

- Area of Minimal Flood Hazard *Zone X*
- Effective LOMRS *Zone D*
- Area of Undetermined Flood Hazard *Zone D*

GENERAL STRUCTURES

- Channel, Culvert, or Storm Sewer
- Levee, Dike, or Floodwall

OTHER FEATURES

- Cross Sections with 1% Annual Chance Water Surface Elevation
- Coastal Transect
- Base Flood Elevation Line (BFE)
- Limit of Study
- Jurisdiction Boundary
- Coastal Transect Baseline
- Profile Baseline
- Hydrographic Feature

MAP PANELS

- Digital Data Available
- No Digital Data Available
- Unmapped

The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.

This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards.

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on **3/18/2020 at 9:56:18 AM** and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.

Insert Project Summary here

The Project Summary should consist of an approximately two-page narrative covering all key points of the proposed project to be funded, in part or in full, with RIPI grant funds. This summary must address the following:

1. **Relationship to Governor's Five-Year Economic Plan** – Explain how this project relates to the principles, goals, challenges or key industries identified in the Governor's Five-Year Economic Plan. The Plan can be found at:
<https://www2.illinois.gov/dceo/Pages/EconPlan2019.aspx>
2. **Connections to other capital investments** – Does this project connect to other ongoing projects or planned investments in the region by the State of Illinois, federal or local governments?
3. **Impact Amplification** – Is this project's impact amplified by proximity or connection to other assets, such as public transportation, highways, bodies of water, and industry clusters, among others?
4. **Minority Inclusion Plan** – Provide a Plan or at minimum, a narrative on how minority and women-owned businesses in the area will be included in the project.
5. **Business Infrastructure** – How does this project improve your community's ability to retain or increase jobs? Provide details of how current infrastructure impacts businesses. Cite specifics and provide documentation and/or testimonials from affected businesses.
6. **Key Details:**
 - Describe the project – What is being proposed and why.
 - What is the present condition of the infrastructure for which grant funds are being requested? Is there a lack of infrastructure, or a threat to health and safety being addressed? How long has the problem existed? Address the severity and immediacy of the problem.
 - Describe the project area, including legal boundaries. Who is being affected and how? Provide a detailed explanation of how this specific project area was determined.
 - The project structure (i.e., will the residents be direct customers of the water district or is an agreement needed, what is source of water, who will treat wastewater, etc.).
 - Whether the project is necessary to comply with state or federal regulations.
 - Justification of the local government's need for assistance in relation to its overall financial capability, including discussion of outstanding indebtedness.

PROJECT SUMMARY

Describe the project – What is being proposed and why.

The City of Charleston is proposing a \$4,957,000 project (\$4,867,000 Rebuild Illinois Public Infrastructure Grant “RIPI”) for critical improvements to its Waste Water Treatment Plant (WWTP). Because the WWTP serves the entire community, the entire city population will benefit from these improvements. As a community, according to the HUD LMI Mapping Application website, the City of Charleston has a city-wide LMI percentage of 58.78%. The City of Charleston, in conjunction with Donohue and Associates engineers have completed a Capital Improvements Project Plan (March 13, 2020). WWTP testing / sampling was done and results are part of the Plan pages attached. To save review time, selected summary pages of the Project Plan for the WWTP are attached to this application. The Project Plan includes a summary of the following proposed critical improvements:

Part A - Solids Handling Upgrades to upgrade its existing solids handling facilities in order to improve or replace its antiquated facilities and needed to allow for Biological Nutrient Removal Improvements; and

Part B - Biological Nutrient Removal Improvements to meet more stringent phosphorus limits required and issued in its IEPA NPDES operating permit.

Part A - Solids Handling Upgrades (*Use sludge stabilization process (lime pasteurization process) to replace the existing anaerobic digestion and dewatering process*).

- Convert two aerobic digester tanks to liquid sludge storage tanks
- Replace the belt filter press sludge dewatering equipment with a new Screw Press
- Abandon the anaerobic digesters and pasteurize the sludge via lime, to meet Class A quality

Part B - Biological Phosphorus Removal Improvements (*Convert the plant’s activated sludge system to a Modified University of Cape Town (MUCT) configuration*)

- Implement a modified UCT configuration to achieve biological phosphorus removal

What is the present condition of the infrastructure for which grant funds are being requested? Is there a lack of infrastructure, or a threat to health and safety being addressed? How long has the problem existed?

Address the severity and immediacy of the problem.

There exists a serious threat to health and safety because 1.) the present WWTP infrastructure is antiquated; and 2.) the community public facility is deficient. Deficiencies at WWTP have caused serious environmental pollution issues because the WWTP does not meet the phosphorus limits required by the IEPA in the City’s most recent NPDES permit (operating permit attached). High levels of phosphorus from waste effluent is currently discharging into nearby Cassel Creek. These problems are present, continual and chronic and will continue until these improvements are completed.

The proposed community infrastructure project requires these critical improvements in order to protect the health and safety of its residents and to protect the local and regional ecosystem. The WWTP must operate with systems and processes that are safe and reliable for the wellbeing of the public; and these improvements ensure that will be the case. The current threats to residents and local creeks are severe and immediate and they are happening now.

Part A - Solids Handling Upgrades. According to the engineer’s IEPA Project Plan, “In general, most of the solids handling equipment is past its useful life and in needs to be replaced, repaired or updated” (page 13). In some cases, the existing equipment is over 30 years old and has passed its useful life. These equipment issues are chronic and have existed for several years. Deficiencies will only increase over time exposing people to an unsafe condition. According to the engineer’s report, current Solids Handling deficiencies include:

- The existing gas cannon boxes in the digesters have been removed. There is little-to-no sludge mixing for the anaerobic digesters
- The anaerobes digesters' covers need to be painted and repaired in some places
- The digesters gas flare does not light
- The digesters gas safety equipment needs to be replaced
- Many sludge handling valves and piping segments need replacement/repairing
- Digester foaming is common during high loadings
- The anaerobic digesters' sludge heat exchanger needs to be replaced
- The belt filter press (BFP) is only dewatering sludge to 12-13% but was designed for 20%

According to excerpts from the City's Waste Water Treatment Plant Superintendent and the City's Director of Public Works letter attached: *"The corroded pipes in the system can present an unsafe environment in which simply soldering a small copper water line could be fatal if a methane leak were to develop in the corroded pipes that the operator is not aware of. The digester building currently has no methane detection device installed, and all of the gas safety equipment is old and can foul and not work properly."* *"The plant has found paddles in check valves and unions in piping that have been almost entirely deteriorated by this corrosive gas."*

"Improper mixing inside the digester is a cause of foaming and digester foaming is common during periods of high loading. Our plant has had foaming problems on top of the primary digester. In March 2020, the foam was bad enough to consume about a quarter of the top of the primary digester dome, which is floating on the methane gas. The foaming can cover the entire dome which causes it to be very unstable and very susceptible to tipping. In the past, foaming has created tipping bad enough to break the internal gas piping inside the dome causing a complete failure of the system."

"The anaerobic digester's sludge heat exchanger needs to be replaced. Some of the controls for the heat exchanger are old and replacements are no longer produced."

"Our plant's current sludge dewatering equipment is a belt filter press. The belt filter press (BFP) is only dewatering sludge to 12-13%, even though it was designed for 20% solids. The wet sludge produced by the BFP is only stackable to approximately 3 feet and the sludge tends to spread out on the concrete pad taking up significant amount of storage space." *"The BFP also has corrosion issues and bearing seals that are failing. Holes are present in part of the sludge transport piping. We have remedied this problem temporarily by wrapping rubber around the pipe, which is held on by pipe straps, to keep the sludge from squirting out on the floor"*.



Belt Filter Press Corrosion and Leaking
(2/2/2020)



Wet Sludge Holding Max
(3/17/2020)



Bad Digester Foaming example
(Foaming at Charleston WWTP dome)

Today and throughout the past decade these problems have existed and continue to exist. Sludge production will increase as part of the phosphorus Part B and will make these issue worse if the system is not overhauled. Overall, the proposed system will no longer involve dangerous methane gas; and the finished product will be a lot easier to handle. There will be no more worrying about dangerous pathogens that just the anaerobic process alone could not get rid of.

Part A must be completed and implemented before Part B (below) can proceed.

Part B – Biological Phosphorus Removal. According to the engineer’s IEPA Project Plan, “the City recently received from IEPA renewed NPDES permit (operating permit), for its effluent discharge (Project Plan page 22). Special Conditions #19 on Page 17 of the permit contains an effluent phosphorus limit of 0.5 mg/L under several stipulations”. Currently, the City’s WWTP routinely discharges between 1.36 and 1.69 mg/L of total phosphorus (Project Plan page 23), which is about 3 times the new discharge limit required by the IEPA. If this new phosphorous limit is not met, the City will continue to discharge unsafe levels of phosphorus into its nearby creek and risks losing its next operating permit which is required to keep its WWTP facilities running. When the phosphorus discharge levels are reduced, these proposed improvements will be considered “Green Projects” under Illinois State Statues and may be a model for other municipal waste plant facilities.

This project is being implemented in order to comply with the nutrient reduction requirements of the City’s IEPA NPDES permit. With these improvements, phosphorous loadings into Cassell Creek will measurably decrease which is critical to the health and safety of the City’s residents and local ecosystem.

According to the USGS, “the overabundance of certain nutrients in water can cause a number of adverse health and ecological effects.” Recent toxic algal blooms are caused by phosphorus in the waters. The decay of algal blooms can leave “dead zones” where fish can’t survive. “If ingested, the algae can cause flu-like symptoms in people and death in pets”.

According to Applied Technologies (September 13, 2018), Phosphorus removal during wastewater treatment is vital to ensuring public safety and protecting the environment. Removal of this nutrient from waste streams is key to preventing eutrophication – a natural process inciting algae blooms. Algae blooms can suffocate ecosystems, creating dead zones in which animal life cannot survive. Moreover, this cause other water quality issues threatening our drinking water.”

The US EPA writes, “When too much nitrogen and phosphorus enter the environment – usually from a wide range of human activities – the air and water can become polluted, Nutrient pollution has impacted many streams, rivers, lakes, bays and coastal waters for the past several decades, resulting in serious environmental and human health issues and impacting the economy”. As previously stated, the City’s effluent phosphorus discharge rate is 3 times higher than the new limits mandated for the City by IEPA.

The City received its current IEPA NPDES permit on February 19, 2020 and the nutrient reduction requirements now required by the IEPA are detailed in this permit (less than 2 years old). In addition, the City completed its Wastewater Treatment Plant Upgrade: Solids Handling Upgrades & Biological Phosphorus Removal Improvements Project Plan on March 13, 2020 documenting the aforementioned health and safety issues (less than 2 years old).

Describe the project area, including legal boundaries. Who is being affected and how? Provide a detailed explanation of how this specific project area was determined.

The Charleston WWTP is located at 1200 West Madison Avenue, inside the corporate limits of the City of Charleston and situated on the east side of Cassell Creek, west side of the City (Section 9, Township 12 North, Range 9 East in the Third Principal Meridian / Charleston Township) {39.495 / -88.204}.

All of the residents of the City of Charleston and the local environmental ecosystems, are being affected due to an antiquated waste water treatment facility and high levels of phosphorus effluent being discharged into Cassell Creek.

This project and project area were determined after a comprehensive review of all alternatives and evaluation of the current treatment process. Using its own local funds, the City engaged the engineering services of Donohue and Associates, Inc. to evaluate the City's treatment process and develop an IEPA Project Plan for consideration. The Project Plan details the "Project Benefits" (Project Plan page 40 / Section 7.6) including stating "the digestion equipment is antiquated and has outlived its useful life."; "the digesters are overloaded with excessive amounts of volatile solids, which has caused periodic foaming"; "the belt filter dewatering press system is performing poorly"; and improvements "will produce high quality Class A biosolids that are suitable for public distribution". In addition, "the plant routinely discharges 1.36 and 1.69 mg/L of total phosphorous"; the improvements will "reduce effluent total phosphorus to 0.5 mg/L or less. That improvements should increase the receiving stream's water quality since it will reduce phosphorous load on the receiving stream by 63% to 70" on average". These deficiencies affect residents, businesses, EIU and the local ecosystem and the proposed benefits will improvements for the entire City of Charleston and environment.

The project structure (i.e., will the residents be direct customers of the water district or is an agreement needed, what is source of water, who will treat wastewater, etc.).

The City of Charleston owns its waste water treatment plant facilities and sewer collection infrastructure and is responsible for providing safe sewage treatment systems to its residents. The City of Charleston treats its own wastewater and it owns the land and facilities that are targeted for improvements.

Charleston is home to Eastern Illinois University and is a major contributor to the City's waste water treatment load. These improvements are critical in order for the City to continue to safely maintain these services for EIU, its students, businesses, industries and the community.

Whether the project is necessary to comply with state or federal regulations.

These proposed improvements are **required** to comply with the State IEPA NPDES permit (operating permit). These improvements are necessary for the City to ensure and a safe and reliable waste disposal system and keep its NPDES permit for future operations.

Justification of the local government's need for assistance in relation to its overall financial capability, including discussion of outstanding indebtedness.

In addition to its local commitment of funds to this grant (\$45,000), the City of Charleston is also using its own funds to pay for ALL engineering costs outside of this grant request. The design and construction engineering costs are estimated by the engineer to be \$843,985.00. The City is making this commitment in order to expedite the IEPA permit process. The City of Charleston has qualified in-house staff to manage this grant which will be paid by City funds.

This is a waste disposal system project so we need to evaluate the City's combined water/sewer fund. The water/sewer fund is an enterprise fund and cost justification for this project relies on the water/sewer fund. On page 39 of the City's April 30, 2019 ending audit, it shows the City has \$1,968,691 of "unrestricted" funds in the water/sewer fund. When you subtract out the City's local commitment of \$45,000; AND its commitment to use local dollars to pay engineering services in the amount of \$843,985.00, this will leave a "surplus" in the water/sewer fund of \$1,079,706.00, which is about 22% of the grant request. When you subtract out three months of fund operating costs (\$1,240,683), the City is left in a negative cash position in its water/sewer fund.

In December 2019, the City's bond rating was downgraded by Standard and Poor's. The downgrade reflects "the city's poorly funded pension plans"; and "the city has weak economic indicators and is dependent upon a university's student population. Sales tax is its primary revenue source, which can be affected by economic cycles and is a credit risk for the city". S&P considers "Charleston's economy weak" with "weak budgetary performance". "The City has a projected per capita effective buying income of 62.4% of the national level per capita market value of \$26,869 in 2018, which in our view, indicates a limited tax base supporting the debt and is a negative credit factor". The S&P has "revised our view of Charleston budgetary performance to weak from strong, based on current funding of pension contributions." with "weak budgetary performance".

According to Berns and Clancy's 2019 report, the City's water/sewer rates were the 32nd highest out of 83 area communities. The annual debt service in the water/sewer fund for FY 2021 is \$1,253,490 which is 20% of estimated revenue. Due to the Covid-19 crisis, the City is now facing an even more dire economic time ahead. COVID-19 has completely changed the budget planning and outlook for municipalities. Originally, the City explored adding a new loan to the books from the IEPA for this critical project, but now, a new 30-year loan would be devastating to the City's water/sewer fund and the overall economic health of the City. The city simply cannot afford a new loan of this magnitude due to plummeting revenue forecasts following COVID-19. The Attached Project Plan was done in March 2020, prior to the apex of the COVID-19 outbreak and the plan's financing assumptions are now in the past. Eastern Illinois University students left Charleston on March 6, 2020 and that projected utility revenue is now forever gone. EIU alone accounts for 12% of the City's water/sewer revenues. Local businesses have closed with the Governor's "Shelter in Place" Order and those projected utility revenues are forever lost. Sales tax receipts and income tax receipts (among others) will also be affected dramatically and negatively. Securing this Rebuild Illinois grant for this "Downstate Revitalization" project is the only realistic way these improvements can be made at this critical time when new revenues will be a fraction of what was once anticipated.

The location of the WWTP project and much of the City of Charleston is designated as a Federal Opportunity Zone. This project area will benefit an "Opportunity Zone".

The location of the WWTP project and much of the City of Charleston is designated as an Illinois "Underserved Area". This project area will benefit an "Underserved Area".

Relationship to Governor’s Five-Year Economic Plan – *Explain how this project relates to the principles, goals, challenges or key industries identified in the Governor’s Five-Year Economic Plan.*

According to Governor Pritzger’s “Plan to Revitalize the Illinois Economy and Build the Workforce of the Future” (October 2019), the economic plan is driven by foundational principles including “Downtown Revitalization”. The plan states “we will work with these communities to rehabilitate blighted and historic properties **and re- envision outdated infrastructure** to renew connections between industry and communities”. The Governor’s plan also includes “Strengths to Build On” and this project will ensure a safe environmental ecosystem and our local natural resources and project elements are considered to be a “Green Project” by the project engineer.

Connections to other capital investments – *Does this project connect to other ongoing projects or planned investments in the region by the State of Illinois, federal or local governments?*

As part of this proposed WWTP project, the City has already paid Donohue and Associates approximately \$60,000 of its own funds to complete the attached Project Plan.

The City has been a good steward of community resources and funds and has made many upgrades and connections to its WWTP over the years. In 2018, the City completed its WWTP ultraviolet (UV) disinfection process upgrades in 2018. This \$400,000 project was entirely funded by the City of Charleston with no request for grant dollars. The WWTP UV disinfection project was done to reduce the amount of bacteria and pathogens that the city was dumping into Cassell Creek. With the Covid-19 outbreak, this process is even more important today as UV technology kills many viruses, bacteria and pathogens that would affect the ecosystem. In addition to this work, the City has regularly replaced (about one a year) existing lift station at \$50,000 each, again without asking for grant funds to help.

In regards to other ongoing or planned investments, the State of Illinois has committed to the construction of a new science building at Eastern Illinois University. In January 2020, the State released \$11.8 million in planning funds for the eventual construction of the \$119 million new science building. The City needs to do its part by providing a safe and reliable WWTP infrastructure to handle the additional waste that is collected from these building improvements.

Finally, in 2020, major street resurfacing and infrastructure improvements along State Highway 16 (Lincoln Avenue) have started. It is planned and anticipated these improvements will attract more business to the City. In order to attract and retain businesses, critical infrastructure like the City’s waste disposal service must be guaranteed.

Impact Amplification – *Is this project’s impact amplified by proximity or connection to other assets, such as public transportation, highways, bodies of water, and industry clusters, among others?*

The City of Charleston owns, maintains and manages the entire City’s waste collection system, lift stations, pumps and treatment process. All of the city’s waste water is brought to this WWTP facility for treatment. This project is amplified because the treated effluent enters Cassell Creek and all local creeks are part of the Mississippi River watershed that terminate at the Gulf of Mexico. It has been well documented that significant harmful algae blooms regularly occur every summer in the Mississippi River Delta (hypoxia zone). In a 2015 report to Congress, the US EPA states, “Human activities are the leading cause of increased amount of nutrients delivered to the Gulf”. Critical impacts occur to fish, shellfish, agriculture, wild harvest, and tourism. In this report, the US EPA made a priority to reduce point and nonpoint source inputs and to accelerate the reduction of nutrient pollution. One of those priorities included “**Implement state nutrient strategies, including targeting vulnerable lands and quantifying nutrient reductions.**” The Charleston WWTP is considered a “point source” of nutrient pollution in the Mississippi River watershed.

Successful municipal growth relies on a well thought out planning process and implementation that is coordinated and connection between all sectors of the City. The City's 2020 comprehensive plan update illustrates these incentive programs and provides additional Public Infrastructure and Facilities Policies including specific goals and recommendations. One of these goals is to "Promote environmentally conscience alternatives for waste water management processes, recycling and renewable resources strategies" and the plan specifically recommends these proposed WWTP improvements (Page 133 Charleston Comprehensive Plan).

Minority Inclusion Plan – *Provide a Plan or at minimum, a narrative on how minority and women-owned businesses in the area will be included in the project.*

Based off US Census data, the minority group population residing in the City of Charleston to be around 13%. The City will make its best efforts to include a minimum of 13% of minority and women-owned business in the project. At bid advertising, the City will make sure its bid advertisements include provisions to encourage including these groups in the project by: 1.) local newspaper notice; 2.) notice directly to Minority Business Enterprises (MBE); and 3.) notice directly to Procurement Technical Assistance Centers (PTAC). In addition, the City will include provisions in the bid specifications and contract documents that will encourage the general contractor to subcontract with minority and women owned businesses where possible and/or encourage hiring new employees, if needed, within these classifications. After contact award, these goals will be explained and reviewed during the pre-construction conference with the general contractor.

Business Infrastructure – *How does this project improve your community's ability to retain or increase jobs? Provide details of how current infrastructure impacts businesses. Cite specifics and provide documentation and/or testimonials from affected businesses.*

The City's 2020 comprehensive plan update illustrates these incentive programs and provides additional Economic Development Policies including specific goals and recommendations. One of these goals is to "Promote new business growth by proving attractive incentive packages with quality infrastructure and business support" (Page 53 Charleston Comprehensive Plan).

In 2020 the State of Illinois approved a new Coles County Enterprise Zone (including the City of Charleston) which includes several incentive programs to promote industry and business clusters. The City's hope is these incentive programs will entice additional industries and business that need a safe and reliable waste disposal system and WWTP. In addition to the new EZ, several other incentive programs in the City of Charleston to name a few include: The Opportunity Zone, TIF District, Underserved Areas, and the New Market Tax Credit program all allow the City to be in a position to create more jobs through additional businesses and industries. With more jobs, comes an increased need for a safe and reliable infrastructure including the City's WWTP.

The City's WWTP serves the entire City of Charleston and all of its businesses. In its letter of support, Coles Together's testimonial states: "strong public infrastructure is critical to support the growth of existing businesses and to attract new business to the state. Investments in the facility support the effort Coles Together makes when working with those key employers". The Charleston Area Chamber of Commerce which represents its business members writes: "these improvements...will benefit the residents of the City (including EIU), businesses, industries, jobs and the local / regional environmental ecosystem." Finally, as the largest employer in Charleston, Eastern Illinois University's letter of support is attached and offers their strong support of the application as this project will directly benefit EIU and its students. EIU accounts for over 4,000 jobs in the region (10.3% of jobs in Coles County), \$244 million in labor income to the State of Illinois and \$72 million in tax revenue (2017 EIU Impact Study). The WWTP is critical infrastructure and a deficient plant will be detrimental to the existing business and to businesses wishing to locate in the City. Without a safe, reliable and operating WWTP, businesses would close and new businesses would not locate in Charleston. Expansion of our economic base would be impossible.

MINORITY BENEFIT/AFFIRMATIVE HOUSING STATEMENT

a. What is the percentage of the minority group(s) population residing in the community?	13 %
Identify the characteristics of the population of the project area by specific ethnic group. This information may be obtained from the most recent Census Data for the “applicant community.” If submitting an “on behalf of” application for a project in an unincorporated area, use Census Data for the project’s County.	

Racial Group	Total Persons	# of Hispanic / Latino Ethnicity
White	19,660	407
Black/African American	1416	18
Asian	342	
American Indian/Alaskan Native	0	
Native Hawaiian/Other Pacific Islander	0	
American Indian/Alaskan Native and White	11	
Asian and White	46	
Black/African American and White	82	
American Indian/Alaskan Native and Black/African American	0	
Other Individuals Reporting more than One Race	281	172
# of Female Headed Households	646	

With the exception of "Female Heads of Households", the above numbers should equal the total number of persons to benefit from the project ("targeted" area).	21,838
b. What is the goal for the percentage of funded contracts to be awarded to minority contractors?	13 %
c. If the percentage goal in <i>b</i> is <u>substantially less</u> than the percentage of minorities residing in the community, please explain. _____ _____	
d. The applicant agrees to affirmatively further fair housing by posting Fair Housing Posters and by making HUD Fair Housing Complaint Forms available to the public. In addition, the unit of local government <input checked="" type="checkbox"/> Already has a Fair Housing Resolution on file. (Indicate Number and Date Passed <u>68-O-15 (May 21, 1968)</u>) <input type="checkbox"/> If funded, will pass a Fair Housing Resolution.	

Signature of Chief Elected Official: _____ **Date** _____

IMPACT PER CAPITA DETERMINATION

Please provide the following information relative to the project for which funds are being requested:

- a. **Total Project Cost:** \$ 4,957,000 (must match Total Project Costs indicated on the Uniform Capital Budget Template, Budget Narrative Summary)
- b. **Rebuild Illinois Grant Requested:** \$ 4,867,000 (must match State Request indicated on the Uniform Capital Budget Template, Budget Narrative Summary)
- c. **Total # of Persons Served:** # 21,838 (must match Project Information page, I. Project Benefit Information)
- d. **Cost per Capita:** \$ 222.86 (Line b divided by Line c)

JOB CREATION DOCUMENTATION

Engineer providing cost estimate should assist with this information
(Prepared by Donohue & Associates, Inc. Engineers)

How many days of construction is anticipated? 420 days

Provide a list of all **personnel that will be necessary to complete construction**. Include the Job Title, the total number of people that will hold that job title, and the total number of hours that job title is anticipated to be utilized. Use additional pages as needed.

Job Title	Number in Job Title	Number of Hours Utilized
Superintendent	<u>1</u>	<u>2400</u>
Building Foreman	<u>1</u>	<u>2400</u>
Building Laborer	<u>5</u>	<u>12000</u>
Piping Foreman	<u>1</u>	<u>2400</u>
Piping Laborer	<u>6</u>	<u>14400</u>
Equipment Foreman	<u>1</u>	<u>2400</u>
Equipment Laborer	<u>6</u>	<u>9600</u>
Electrical Foreman	<u>1</u>	<u>2400</u>
Electrical Laborer	<u>4</u>	<u>9600</u>
HVAC Foreman	<u>1</u>	<u>2400</u>
HVAC Laborer	<u>4</u>	<u>4800</u>
Instrumentation Foreman	<u>1</u>	<u>2400</u>
Instrumentation Laborer	<u>2</u>	<u>4800</u>
Civil Foreman	<u>1</u>	<u>2400</u>
Civil Laborer	<u>2</u>	<u>4800</u>
Crane Operator	<u>2</u>	<u>4800</u>
Tool Crib Supervisor	<u>1</u>	<u>2400</u>
Site Safety Coordinator	<u>1</u>	<u>2400</u>
Contractor Office Engineer	<u>1</u>	<u>2400</u>
Contractor Admin	<u>1</u>	<u>2400</u>
Contractor Safety	<u>1</u>	<u>2400</u>
Project Scheduler	<u>1</u>	<u>2400</u>

Provide a list of all **personnel that will be necessary to complete construction**. Include the Job Title, the total number of people that will hold that job title, and the total number of hours that job title is anticipated to be utilized. Use additional pages as needed.

Job Title	Number in Job Title	Number of Hours Utilized
Reactor Equipment Fabrication	<u>6</u>	<u>14400</u>
Conveying Equipment Fabrication	<u>6</u>	<u>14400</u>
Pumping Equipment Fabrication	<u>5</u>	<u>12000</u>
Mixing Equipment Fabrication	<u>5</u>	<u>12000</u>
Blower Equipment Fabrication	<u>3</u>	<u>7200</u>
Electrical MCC Fabrication	<u>2</u>	<u>4800</u>
I&C Panel Fabrication	<u>2</u>	<u>4800</u>
Piping Fabrication	<u>3</u>	<u>7200</u>
HVAC Fabrication	<u>2</u>	<u>4800</u>
Conduit and Wiring Fabrication	<u>2</u>	<u>4800</u>
Material warehouse workers	<u>6</u>	<u>14400</u>
Construction tools suppliers	<u>3</u>	<u>7200</u>
Temporary barriers suppliers	<u>2</u>	<u>4800</u>
Rental equipment clerks	<u>2</u>	<u>4800</u>
Food supply workers	<u>4</u>	<u>9600</u>
Porta Potty supply	<u>1</u>	<u>2400</u>
Material delivery truck drivers	<u>6</u>	<u>14400</u>
Contractor accountant	<u>1</u>	<u>2400</u>
Contractor legal	<u>1</u>	<u>2400</u>
Contractor insurance/bonds	<u>1</u>	<u>2400</u>
<u>TOTAL JOBS</u>	<u>108</u>	<u>259,200</u>

Insert Project Readiness Summary here

Each application must demonstrate that the proposed project is appropriate and achievable and that all actions have been completed to ensure timely implementation of the project. Specifically, the application must address all of the following, if applicable:

- ◆ Status of required permit(s) from the state and or federal agencies. If not applicable, address why;
- ◆ The community must have full control of the right-of-way either by having 100 percent of the necessary private property easements signed or a right-of-way docket. If not applicable, address why;
- ◆ Water/wastewater treatment agreement; If not applicable, address why.
- ◆ Identify the ownership of any property needed to complete the project (including option to purchase); and verify that the project will be shovel-ready;
- ◆ Additional funding commitment(s);
- ◆ Status of written permission from railroad(s), county highway commissioners, IDOT, etc. to proceed with any railroad and/or road borings that are proposed. If not applicable, address why;
- ◆ If a "phased project," indicate the status of all pertinent readiness issues. In addition, the application should include supporting documentation, as appropriate.

Status of required permit(s) from the state and or federal agencies. If not applicable, address why;

The IEPA permit has not yet been secured. The City of Charleston used its own funds to secure the services of Donohue and Associates, Inc. to prepare and complete the Project / Facility Plan as required by the IEPA. The City’s Project Plan was submitted received by IEPA on March 31, 2020 for their review prior to April 30, 2020 (see IEPA letter attached). We anticipate the IEPA will approve the Facility Plan by June 2020. In order to expediate the design process, which is now underway, the City will use its own funds (outside of this grant) to complete the preliminary and final design. Plans and specs will be sent to IEPA by January 1, 2021 with the IEPA permit is to be issued by April 1, 2021. As you can see from the Project Schedule below, even without the IEPA permit in-hand, the City plans to have this project completed within 2 years of an executed grant agreement.

TASK	Start Date	Completion Date
Complete Facility Plan and send to IEPA	01/01/2020	04/01/2020
IEPA approves Facility Plan	04/01/2020	06/30/2020
Complete Preliminary Design	06/01/2020	09/01/2020
Complete Final Design and send plans to IEPA	09/01/2020	01/01/2021
IEPA permit review and approval	01/01/2021	04/01/2021
Advertise and open bids	04/01/2021	05/15/2021
Issue Notice of Award	07/01/2021	08/01/2021
Issue Notice to Proceed	08/01/2021	09/01/2021
Construction to Substantially Complete	09/01/2021	09/30/2022

The community must have full control of the right-of-way either by having 100 percent of the necessary private property easements signed or a right-of-way docket. If not applicable, address why;

The City owns the facility and property at the WWTP where these improvements will be made.

Water/wastewater treatment agreement; If not applicable, address why;

A waste water treatment agreement is not applicable as this is a City owned facility.

Identify the ownership of any property needed to complete the project (including option to purchase); and verify that the project will be shovel-ready;

No new property is needed to be acquired. All work is on City owned property and after IEPA permits are secured, the project is shovel ready.

Additional funding commitment(s);

Additional funding commitment includes two sources:

- 1.) \$45,000 from the City's water/sewer fund (see resolution committing local funds);
- 2.) \$45,000 from the Charleston Area Charitable Foundation (see letter committing funds)

Status of written permission from railroad(s), county highway commissioners, IDOT, etc. to proceed with any railroad and/or road borings that are proposed. If not applicable, address why;

There are no railroad and/or road borings being proposed so this is not applicable. All work on City owned property.

If a "phased project," indicate the status of all pertinent readiness issues. In addition, the application should include supporting documentation, as appropriate.

This is not a phased project. All critical work is to be done with this overall project.



COLES Together

The economic development organization for Coles County

April 13, 2020

Erin Guthrie, Director
Illinois Department of Commerce and Economic Opportunity
c/o Wendy Bell, Deputy Director
Illinois Office of Community Development
500 East Monroe Street, Mail Code: R-2
Springfield, Illinois 62701

Dear Director Guthrie:

Please accept this letter as support for the City of Charleston's application for a Rebuild Illinois Public Infrastructure (RIPI) grant. The City of Charleston seeks funding for much needed improvements at its waste water treatment plant. These improvements include: Solids Handling Upgrades and Biological Phosphorus Removal Improvements as mandated by the Illinois Environmental Protection Agency's NPDES operating permit.

The planned improvements will address an immediate and critical health and safety concern in the community. Additionally, the upgrade will benefit the residents of the City (including Eastern Illinois University), businesses, industries, and the local and regional environmental ecosystem.

As you know, strong public infrastructure is critical to support the growth of existing businesses and to attract new business to the state. Investments in the facility support the effort Coles Together makes when working with those key employers.

Again, I offer my strong support of Charleston's RIPI application and respectfully request full and favorable consideration of this application. Please feel free to reach out to me if you have any questions.

Sincerely,

Angela Griffin

Angela Griffin
President

Office of the President

600 Lincoln Avenue
Charleston, Illinois 61920-3099

Office: (217) 581-2011
Fax: (217) 581-2490



April 19, 2020

Erin Guthrie, Director
Illinois Department of Commerce and Economic Opportunity
c/o Wendy Bell, Deputy Director
Illinois Office of Community Development
500 East Monroe Street, Mail Code: R-2
Springfield, Illinois 62701

Dear Director Guthrie:

I am honored to write in support of the City of Charleston's application for a Rebuild Illinois Public Infrastructure (RIPI) grant. The City of Charleston seeks funding for much needed improvements at its Waste Water Treatment Plant. These improvements include: Solids Handling Upgrades and Biological Phosphorus Removal Improvements as mandated by the Illinois Environmental Protection Agency's NPDES operating permit.

These improvements will address an immediate and critical health and safety concern; and will benefit the residents of the City (including Eastern Illinois University), businesses, industries, jobs and the local / regional environmental ecosystem.

Again, I offer my strong support of Charleston's RIPI application and I respectfully ask for full and favorable consideration of this application. Please feel free to reach out to me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "David Glassman".

David Glassman
President
Eastern Illinois University

April 20, 2020

Erin Guthrie, Director
Illinois Department of Commerce and Economic Opportunity
c/o Wendy Bell, Deputy Director
Illinois Office of Community Development
500 East Monroe Street, Mail Code: R-2
Springfield, Illinois 62701

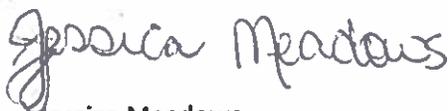
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These improvements will address an immediate and critical health and safety concern; and will benefit the residents of the City (including Eastern Illinois University), businesses, industries, jobs and the local / regional environmental ecosystem. This project connects to the regional planning and development efforts of our organization.

Again, I offer my strong support of Charleston's RIPI application and I politely ask for full and favorable consideration of this application. Please feel free to reach out to me if you have any questions.

Best Regards,



Jessica Meadows
President & CEO
Charleston Area Chamber of Commerce

COLES COUNTY BOARD

COUNTY BOARD OFFICE
3RD FLOOR - COUNTY COURTHOUSE
651 JACKSON, ROOM 326
CHARLESTON, ILLINOIS 61920

(217) 348-0595

Fax: (217) 348-7355

Email: countyboard@co.coles.il.us

Mike ZuHone
Chairman

Brandon Bell
Vice Chairman

April 13, 2020

Erin Guthrie, Director
Illinois Department of Commerce and Economic Opportunity
c/o Wendy Bell, Deputy Director
Illinois Office of Community Development
500 East Monroe Street, Mail Code: R-2
Springfield, Illinois 62701

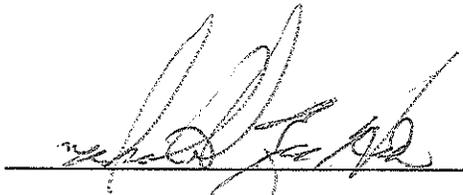
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Again, I offer my strong support of Charleston's RIPI application and I politely ask for full and favorable consideration of this application. Please feel free to reach out to me if you have any questions.

Best Regards,



Mike Zuhone, Coles County Board Chair

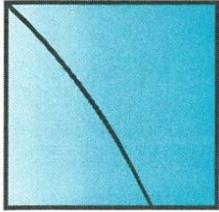
Denise Corray
Nancy Purdy

John Doty
Paul Daily

Stan Metzger
Rick Shook

Jeremy Doughty
Travis Coffey

Brian Marvin
Juan Barron



CCRP & DC

Coles County Regional Planning
& Development Commission

April 13, 2020

Erin Guthrie, Director
Illinois Department of Commerce and Economic Opportunity
c/o Wendy Bell, Deputy Director
Illinois Office of Community Development
500 East Monroe Street, Mail Code: R-2
Springfield, Illinois 62701

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These improvements will address an immediate and critical health and safety concern; and will benefit the residents of the City (including Eastern Illinois University), businesses, industries, jobs and the local / regional environmental ecosystem. This project connects to the regional planning and development efforts of our organization.

Again, I offer my strong support of Charleston's RIPI application and I politely ask for full and favorable consideration of this application. Please feel free to reach out to me if you have any questions.

Best Regards,

Kelly Lockhart, Executive Director
Coles County Regional Planning & Development Commission

District Office:

88 Broadway, Suite 1
Mattoon, IL 61938
217/235-6033
217/235-6052 (Fax)
888/235-6033 (Toll Free)
www.dalerightner.com



General Assembly
State of Illinois

Dale A. Righter

State Senator • 55th District

Springfield Office:

309M State House
Springfield, IL 62706
217/782-6674
217/782-7818 (Fax)
drighner@consolidated.net

April 13, 2020

Erin Guthrie, Director
Illinois Department of Commerce and Economic Opportunity
c/o Wendy Bell, Deputy Director
Illinois Office of Community Development
500 East Monroe Street, Mail Code: R-2
Springfield, Illinois 62701

Dear Director Guthrie:

I am writing in support of the City of Charleston's application for a Rebuild Illinois Public Infrastructure (RIPI) grant. The City of Charleston seeks funding for much needed improvements at its Waste Water Treatment Plant. These improvements include: Solids Handling Upgrades and Biological Phosphorus Removal Improvements as mandated by the Illinois Environmental Protection Agency's NPDES operating permit.

These improvements will address an immediate and critical health and safety concern; and will benefit the residents of the City (including Eastern Illinois University), businesses, industries, jobs and the local / regional environmental ecosystem.

Again, I offer my strong support of Charleston's RIPI application and I politely ask for full and favorable consideration of this application. Please feel free to reach out to me if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Dale A. Righter".

Dale A. Righter
State Senator
55th District of Illinois

COUNCIL RESOLUTION OF SUPPORT

Resolution No. 20-R-56

(The Resolution CANNOT be dated prior to the date of the Public Hearing)

WHEREAS, the City of Charleston is applying to the State of Illinois for a Rebuild Illinois competitive public infrastructure grant to make critical Waste Water Treatment Plant Improvements including: Solids Handling System Improvements and Biological Phosphorus Removal Improvements, and

WHEREAS, it is necessary that an application be made and agreements entered into with the State of Illinois.

NOW, THEREFORE, BE IT RESOLVED as follows:

- 1) that the City of Charleston apply for a grant under the terms and conditions of the State of Illinois and shall enter into and agree to the understandings and assurances contained in said application.
- 2) that the Mayor and City Clerk on behalf of the City execute such documents and all other documents necessary for the carrying out of said application.
- 3) that the Mayor and City Clerk are authorized to provide such additional information as may be required to accomplish the obtaining of such grant.

Passed this 2nd day of June, 2020.

ATTEST: _____
City Clerk

Mayor

RESOLUTION COMMITTING LOCAL FUNDS

Resolution No. 20-R-57

(The Resolution CANNOT be dated prior to the date of the Public Hearing)

WHEREAS, the City Council of the City of Charleston, Illinois has taken action to submit a Rebuild Illinois competitive public infrastructure application; and

WHEREAS, receipt of Rebuild Illinois grant assistance is essential to allow the City of Charleston to undertake the project to make critical Waste Water Treatment Plant Improvements including Solids Handling System Improvements and Biological Phosphorus Removal Improvements; and

WHEREAS, criteria are such that financial participation by the grantee is required in conjunction with Rebuild Illinois funds; and

WHEREAS, the City of Charleston has certain monies allocated for the above-referenced project with cash on hand, as needed.

NOW, THEREFORE, BE IT RESOLVED THAT the City of Charleston does hereby commit funds from the water / sewer fund for use in conjunction with a Rebuild Illinois Public Infrastructure Grant, such funds to equal .9078% of the estimated total project cost of \$4,957,000, or \$45,000.00.

PASSED and APPROVED at its regular City Council Meeting, held on the 2nd day of June, 2020.

Mayor

ATTEST:

City Clerk

PUBLIC HEARING NOTICE

The City of Charleston will hold a public hearing on **Tuesday, June 2, 2020, at 6:15 P.M.**, in **Charleston City Hall City Council Chambers, 520 Jackson Avenue, Charleston, Illinois** to provide interested parties an opportunity to express their views on the proposed Rebuild Illinois Infrastructure Grant (RIPI) project. Persons with disabilities or non-English speaking persons who wish to attend the public hearing and need assistance should contact **Steve Pamperin, City Planner, 520 Jackson Avenue, Charleston, Illinois 61920, 217-345-5650** no later than **Friday, May 29, 2020**. Every effort will be made to make reasonable accommodations for these persons.

On or about **Monday, June 8, 2020**, the **City of Charleston** intends to apply to the Illinois Department of Commerce and Economic Opportunity for a grant from the Rebuild Illinois program. This program is funded by state funds as included in the 2019 Capital Bill. These funds are to be used for a community development project that will include the following activities:

The City is applying for Rebuild Illinois Public Infrastructure Grant (RIPI) Program grant funds to serve the residents and businesses of the City of Charleston. This grant is for waste water treatment plant improvements in the City as follows:

PART A - Solids Handling System Improvements: This portion of the project involves replacing the existing sludge stabilization and dewatering systems with a new Screw Press dewatering device plus a Schwing Bioaset Reactor unit that will lime pasteurize the sludge to produce a Class A biosolids.

PART B - Biological Phosphorus Removal Improvements: This portion of the project consist of converting the WWTP's conventional activated sludge into a Modified University of Cape Town (MUCT) system. This included adding mixers to three Aeration Basins and converting them to non-aerated, anoxic basins. Also included is piping for ML recycle and primary effluent diversions, plus a wall mounted Internal Recycle Pump. A new RAS/WAS pump station would also be provided.

The total amount of Rebuild Illinois funds to be requested is \$4,867,000. The City of Charleston also proposed to expend \$90,000 in non-Rebuild Illinois funds on general construction items for the project. These non-Rebuild Illinois funds will be derived from the following sources: City of Charleston Water and Sewer Fund in the amount of \$45,000; and the Charleston Area Charitable Foundation in the amount of \$45,000. The total project cost is \$4,957,000.

Information related to this project will be available for review prior to the public hearing as of **Tuesday, May 19, 2020** at the office of **City Planner, Steve Pamperin, Charleston City Hall, 520 Jackson Avenue, Charleston, Illinois 61920 (may call ahead by appointment 217-345-5650)** between the hours of **8:00 A.M. and 5:00 P.M.** Information requests related to this application may also be requested via email at cityplanner@co.coles.il.us; and can be viewed on-line at www.charlestonillinois.org. Interested residents are invited to provide comments regarding these issues either at the public hearing or by prior written statement. Written comments should be submitted to **Steve Pamperin, City Planner, Charleston City Hall, 520 Jackson Avenue, Charleston, Illinois 61920** no later than **Tuesday, June 2, 2020** to ensure placement of such comments in the official record of the public hearing proceedings. A plan to minimize displacement and provide assistance to those displaced has been prepared by the City of Charleston and is also available to the public. This project will result in no displacement of any persons or businesses. For additional information concerning the proposed project, please contact **Steve Pamperin, City Planner, 217-345-5650** or write to **Steve Pamperin, City Planner, Charleston City Hall, 520 Jackson Avenue, Charleston, Illinois 61920**.

Insert Seven Day Notice of Hearing here.

The Notice of Public Hearing **must** be published at least once in a newspaper of general circulation at least seven calendar days (excluding the date of publication *and* the date of the hearing) prior to the public hearing. All project information must be available for viewing on the first date of publication at a location within the community.

***Insert Newspaper Clipping and Publisher's
Certification here.***

**REBUILD ILLINOIS PUBLIC INFRASTRUCTURE GRANT PROGRAM (RIPI)
WASTE WATER TREATMENT PLANT IMPROVEMENTS PROJECT
CITY OF CHARLESTON**

**MINUTES OF PUBLIC HEARING / Part 1
Tuesday, June 2, 2020, 6:15 pm**

The City of Charleston Mayor, Brandon Combs, called the public hearing concerning the Rebuild Illinois Public Infrastructure Grant (RIPI) Program proposal to order. He then introduced City Planner Steve Pamperin to detail the proposed project. The mechanics of the proposed waste water treatment plant improvements project as follows:

The City is applying for Rebuild Illinois Public Infrastructure Grant (RIPI) Program grant funds to serve the residents and businesses of the City of Charleston. This grant is for waste water treatment plant improvements in the City. The RIPI grant is funded by state funds as included in the 2019 Capital Bill and The Illinois Department of Commerce and Economic Opportunity (DCEO) administers the program. The State allocates the funds to various local government units on a competitive basis.

The Rebuild Illinois Public Infrastructure Grant (RIPI) Program has \$25,000,000 available for the following eligible activities:

Waste disposal systems, water and sewer line extensions, water distribution and purification facilities, flood and drainage, dredging of waterways, water tower maintenance and painting, rail or air or water port improvements, gas and electric utility extensions, publicly owned industrial and commercial sites and other public infrastructure capital improvements.

The program component has grant funds available up to a grant ceiling of \$5 million per project.

The City of Charleston is proposing a \$4,957,000 construction project (\$4,867,000 Rebuild Illinois Public Infrastructure Grant "RIPI") for critical improvements to its Waste Water Treatment Plant (WWTP). Because the WWTP serves the entire community, the entire city population will benefit from these improvements and is the project area. As a community, according to the HUD LMI Mapping Application website, the City of Charleston has a city-wide LMI percentage of 58.78%. The City of Charleston, in conjunction with Donohue and Associates engineers have completed a Capital Improvements Project Plan for the WWTP that identifies these critical improvements. The City is applying for a grant for Rebuild Illinois Public Infrastructure Grant Program funds to be used for the following activities:

PART A - Solids Handling System Improvements

This portion of the project involves replacing the existing sludge stabilization and dewatering systems with a new Screw Press dewatering device plus a Schwing Bioset Reactor unit that will lime pasteurize the sludge to produce a Class A biosolids. **Part A Cost Estimate: \$3,150,000**

PART B - Biological Phosphorus Removal Improvements

This portion of the project consist of converting the WWTP's conventional activated sludge into a Modified University of Cape Town (MUCT) system. This included adding mixers to three Aeration Basins and converting them to non-aerated, anoxic basins. Also included is piping for ML recycle and primary effluent diversions, plus a wall mounted Internal Recycle Pump. A new RAS/WAS pump station would also be provided. **Part B Cost Estimate: \$1,356,000**

Project Contingency: \$451,000

Total construction cost estimate: \$4,957,000

The Charleston WWTP is located at 1200 West Madison Avenue, inside the corporate limits of the City of Charleston and situated on the east side of Cassell Creek, west side of the City (Section 9, Township 12 North, Range 9 East in the Third Principal Meridian / Charleston Township) {39.495 / -88.204}.

All of the residents of the City of Charleston and the local environmental ecosystems, are being affected due to an antiquated waste water treatment facility and high levels of phosphorus effluent being discharged into Cassell Creek. This project and project area were determined after a comprehensive review of all alternatives and evaluation of the current treatment process.

It was described the preliminary engineer's cost breakdown in terms of sources of project financing for the following project components:

REVENUES

Rebuild Illinois RIPI Grant:	\$4,867,000
City of Charleston Water / Sewer Fund:	\$ 45,000
Charleston Area Charitable Foundation:	<u>\$ 45,000</u>

Total Funds for Project Costs: \$4,957,000

EXPENSES

PART A - Solids Handling System Improvements:	\$3,150,000
PART B - Biological Phosphorus Removal Improvements:	\$1,356,000
<u>Contingency:</u>	<u>\$ 451,000</u>

Total Construction Cost Estimate: \$4,957,000

The City has limited funds and cannot complete this work without an awarded RIPI grant. This is a waste disposal system project so we needed to evaluate the City's combined water/sewer fund. The water/sewer fund is an enterprise fund and cost justification for this project relies on the water/sewer fund. On page 39 of the City's April 30, 2019 ending audit, it shows the City has \$1,968,691 of "unrestricted" funds in the water/sewer fund. When you subtract out the City's local commitment of \$45,000; AND its commitment to use local dollars to for pay engineering services in the amount of \$843,985.00, this will leave a "surplus" in the water/sewer fund of \$1,079,706.00, which is about 22% of the grant request.

When you subtract out three months of fund operating costs (\$1,240,683), the City is left in a negative cash position in its water/sewer fund.

There will be no displacement of occupied households or businesses as a result of the proposed activities.

The floor was opened to questions and comments from the audience.

There were no questions or comments.

It was announced that a copy of the grant application record is available at the City of Charleston City Hall at the office of City Planner, Steve Pamperin, 520 Jackson Avenue, Charleston, Illinois 61920 (please call ahead by appointment 217-345-5650) between the hours of 8:00 A.M. and 5:00 P.M. Information requests related to this application may also be requested via email at cityplanner@co.coles.il.us.

As there were no other questions, the Mayor continued to the Housing and Community Development portion of the RIPI public hearing at 6:25 pm.

**REBUILD ILLINOIS PUBLIC INFRASTRUCTURE GRANT PROGRAM (RIPI)
WASTE WATER TREATMENT PLANT IMPROVEMENTS PROJECT
CITY OF CHARLESTON**

**MINUTES OF PUBLIC HEARING / Part 2
Tuesday, June 2, 2020**

The City of Charleston Mayor, Brandon Combs, called the public hearing concerning the Rebuild Illinois Public Infrastructure Grant “RIPI” - Housing and Community Development needs to order. He then introduced City Planner, Steve Pamperin, for the proposed project. It was explained that the RIPI program requires the City to discuss and prioritize short- and long-term housing and community development needs and activities. After some discussion, these were identified and prioritized as follows:

1. Waste Water Treatment Plant major upgrades to equipment and processes.
2. Continue single-family owner-occupied rehabilitation program – target 5 homes to be rehabilitated annually.
3. Encourage the development of single-family residential projects.
4. Using MFT funds: various oil and chip and other major road resurfacing projects this year.
5. Update the City comprehensive plan and building codes.
6. Major road and infrastructure improvements on Lincoln Avenue and other City streets and sidewalks.
7. Continue sewer and water main replacement and improvement projects.

As there were no other housing and community development needs and plans suggested, the Mayor closed the public hearing at 6:30 pm.

I certify that the foregoing is a true and accurate summary of the above referenced RIPI public hearing held at the City of Charleston on June 2, 2020.

Respectfully submitted,

Brandon Combs, Mayor
City of Charleston

Date

MANDATORY DISCLOSURES

Award applicants and recipients of awards from the State of Illinois (collectively referred to herein as “Grantee”) must disclose, in a timely manner and in writing to the State awarding agency, all violations of State or federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the award. See 30 ILCS 708/40; 44 Ill. Admin Code § 7000.40(b)(4); 2 CFR § 200.113. Failure to make the required disclosures may result in remedial action.

Please describe all violations of State or federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the awarding of a grant to your organization:

Grantee has a continuing duty to disclose to the Department of Commerce and Economic Opportunity (the “Department”) all violations of criminal law involving fraud, bribery or gratuity violations potentially affecting this grant award.

By signing this document, below, as the duly authorized representative of the Grantee, I hereby certify that:

- All of the statements in this Mandatory Disclosure form are true, complete and accurate to the best of my knowledge. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil or administrative penalties. (U.S. Code, Title 18, Section 1001).
- There is no action, suit or proceeding at law or in equity pending, nor to the best of Grantee’s knowledge, threatened, against or affecting the Grantee, before any court or before any governmental or administrative agency, which will have a material adverse effect on the performance required by the grant award.
- Grantee is not currently operating under or subject to any cease and desist order, or subject to any informal or formal regulatory action, and, to the best of the Grantee’s knowledge, it is not currently the subject of any investigation by any state or federal regulatory, law enforcement or legal authority.
- If Grantee becomes the subject of an action, suit or proceeding at law or in equity that would have a material adverse effect on the performance required by an award, or an investigation by any state or federal regulatory, law enforcement or legal authority, Grantee shall promptly notify the Department in writing.

Grantee Organization: **City of Charleston**

By: _____
Signature of Authorized Representative

Printed Name: **Dr. Brandon Combs**

Printed Title: **Mayor**

Date: 06/03/2020

CONFLICT OF INTEREST DISCLOSURE

Award applicants and recipients of awards from the State of Illinois (collectively referred to herein as “Grantee”) must disclose in writing to the awarding State agency any actual or potential conflict of interest that could affect the State award for which the Grantee has applied or has received. See 30 ILCS 708/35; 44 Ill. Admin Code § 7000.40(b)(3); 2 CFR § 200.112. A conflict of interest exists if an organization’s officers, directors, agents, employees and/or their spouses or immediate family members use their position(s) for a purpose that is, or gives the appearance of, being motivated by a desire for a personal gain, financial or nonfinancial, whether direct or indirect, for themselves or others, particularly those with whom they have a family business or other close associations. In addition, the following conflict of interest standards apply to governmental and non-governmental entities.

- a. Governmental Entity.** If the Grantee is a governmental entity, no officer or employee of the Grantee, member of its governing body or any other public official of the locality in which the award objectives will be carried out shall participate in any decision relating to a State award which affects his/her personal interest or the interest of any corporation, partnership or association in which he/she is directly or indirectly interested, or which affects the personal interest of a spouse or immediate family member, or has any financial interest, direct or indirect, in the work to be performed under the State award.
- b. Non-governmental Entity.** If the Grantee is a non-governmental entity, no officer or employee of the Grantee shall participate in any decision relating to a State award which affects his/her personal interest or the interest of any corporation, partnership or association in which he/she is directly or indirectly interested, or which affects the personal interest of a spouse or immediate family member, or has any financial interest, direct or indirect, in the work to be performed under the State award.

The Grantee shall also establish safeguards, evidenced by policies, rules and/or bylaws, to prohibit employees or officers of Grantee from engaging in actions, which create or which appear to create a conflict of interest as described herein.

The Grantee has a continuing duty to immediately notify the Department of Commerce and Economic Opportunity (the “Department”) in writing of any actual or potential conflict of interest, as well as any actions that create or which appear to create a conflict of interest.

Please describe all current potential conflict(s) of interest, as well as, any actions that create or which appear to create a conflict of interest related to the State award for which your organization has applied.

If the Grantee provided information above regarding a current potential conflict of interest or any actions that create or appear to create a conflict of interest, the Grantee must immediately provide documentation to the applicable Department grant manager to support that the potential conflict of interest was appropriately handled by the Grantee’s organization. If at any later time, the Grantee becomes aware of any actual or potential conflict of interest, the Grantee must notify the Department’s grant manager immediately, and

provide the same type of supporting documentation that describes how the conflict situation was or is being resolved.

Supporting documentation should include, but is not limited to, the following: the organization’s bylaws; a list of board members; board meeting minutes; procedures to safeguard against the appearance of personal gain by the organization’s officers, directors, agents, and family members; procedures detailing the proper internal controls in place; timesheets documenting time spent on the award; and bid documents supporting the selection of the contractor involved in the conflict, if applicable.

By signing this document, below, as the duly authorized representative of Grantee, I hereby certify that:

- All of the statements in this Conflict of Interest Disclosure form are true, complete and accurate to the best of my knowledge. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil or administrative penalties. (U.S. Code, Title 18, Section 1001).
- If I become aware of any situation that conflicts with any of the representations herein, or that might indicate a potential conflict of interest or create the appearance of a conflict of interest, I or another representative from my organization will immediately notify the Department’s grant manager for this award.
- I have read and I understand the requirements for the Conflict of Interest Disclosure set forth herein, and I acknowledge that my organization is bound by these requirements.

Grantee Organization: **City of Charleston**

By: _____
Signature of Authorized Representative

Printed Name: **Dr. Brandon Combs**

Printed Title: **Mayor**

Date: 06/03/2020

May 14, 2020

Director's Office
Illinois Department of Commerce and Economic Opportunity
500 East Monroe
Springfield, Illinois 62701

RE: City of Charleston - Waste Water Treatment Plant Proposed Improvements

To Whom It May Concern:

Please consider this supporting documentation for the improvements being proposed at the Charleston WWTP.

The City of Charleston's WWTP currently uses an anaerobic process to digest our sludge. The methane from this process is extremely flammable. Our plant operators do not like working with this process and anytime work is done in the basement of the digester building, safety must be seriously considered. The corroded pipes in the system can present an unsafe environment in which simply soldering a small copper water line could be fatal if a methane leak were to develop in the corroded pipes that the operator is not aware of. The digester building currently has no methane detection device installed, and all of the gas safety equipment is old and can foul and not work properly.

Methane gas created by an anaerobic digestive system is a dirty, moist gas that contains mostly methane and carbon dioxide but also small amounts of water vapor, hydrogen sulfide, and other contaminants that can build up on some metals and degrade them. The plant has found paddles in check valves and unions in piping that have been almost entirely deteriorated by this corrosive gas.

Improper mixing inside the digester is a cause of foaming and digester foaming is common during periods of high loading. Our plant has had foaming problems on top of the primary digester. In March 2020, the foam was bad enough to consume about a quarter of the top of the primary digester dome, which is floating on the methane gas. The foaming can cover the entire dome which causes it to be very unstable and very susceptible to tipping. In the past, foaming has created tipping bad enough to break the internal gas piping inside the dome causing a complete failure of the system.

The anaerobic digester's sludge heat exchanger also needs to be replaced. Some of the controls for the heat exchanger are old and replacements are no longer produced.

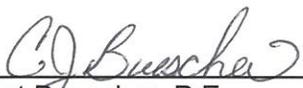
Our plant's current sludge dewatering equipment is a belt filter press. The belt filter press (BFP) is only dewatering sludge to 12-13%, even though it was designed for 20% solids. The wet sludge produced by the BFP is only stackable to approximately 3 feet and the sludge tends to spread out

on the concrete pad taking up a significant amount of storage space. The inability to stack the sludge uses up all of our sludge storage space and significantly decreases the amount of time the plant can store sludge before needing to haul to farm fields. Unfortunately farm fields are not always available due to weather and ground conditions when we run out of storage space.

The BFP also has corrosion issues and bearing seals that are failing. Holes are present in part of the sludge transport piping. We have remedied this problem temporarily by wrapping rubber around the pipe, which is held on by pipe straps, to keep the sludge from squirting out on the floor.

This is some of the information that supports our proposed project. Please consider this information in your review and let me know if you have any questions. We may be contacted anytime at 217-549-3744 or via email at publicworks@co.coles.il.us.

Sincerely,



Curt Buescher, P.E.
Director of Public Works
City of Charleston



Rhett Mason
WWTP Superintendent



1200 West Madison | Charleston, Illinois, 61920

Wastewater Treatment Plant Upgrade: Solids Handling Upgrades & Biological Phosphorus Removal Improvements

PROJECT PLAN

March 13, 2020



License Expiration Date: November 30, 2021

Signature: 

Date Signed: March 13, 2020



Prepared by:

Donohue & Associates, Inc.
1605 S State Street, Suite 1C | Champaign, IL, 61820
donohue-associates.com

Donohue Project No.: 12251.008

4. EXISTING CONDITIONS

The City of Charleston owns and operates the Charleston WWTP. The plant is designed for an average flow of 3.3 MGD and a design maximum flow of 6.0 MGD. The current average daily flow through the plant is 3.0 MGD, slightly lower than the design average flow. The plant is regulated under NPDES Permit No. IL0021644. The full permit is found in Appendix A. There are currently three permitted outfalls; Outfall 001 to the Cassell Creek, Outfall A01 to the Cassell Creek and Outfall 002 to the Town Branch Tributary to Cassell Creek. Outfall 001 is the main plant outfall, Outfall A01 is treated lagoon CSO effluent and 002 is the Main Pump Station CSO. Current effluent limits (monthly average) for the main outfall 001 are shown in below.

CBOD ₅	10 mg/L	
TSS	12 mg/L	
pH	6 to 9	
Fecal Coliform	400 per 100 mL	May-Oct only
Chlorine Residual	0.05 mg/L	
DO		
Mar-Jul	5.0 Daily Min	6.0 Weekly Ave
Aug-Feb	3.5 Daily Min	4.0 Weekly Ave 5.5 Monthly Ave
Ammonia Nitrogen (NH ₃ -N)		
Apr-May/Sep-Oct	0.8 mg/L	
Jun-Aug	0.8 mg/L	
Nov-Mar	4.0 mg/L	
Total Phosphorus (TP)	Monitor Only	
Total Nitrogen (TN)	Monitor Only	

4.1 EXISTING COLLECTION SYSTEM

The City of Charleston's sewage collection system consists of a combination of separate sanitary sewers as well as some combined sewers. Figure 5 provides a map of the City sewer system. The wastewater treatment plant is on the far west end of the City and gravity sewers transport wastewater to the east where it is combined in the influent pump station, as shown in Figure 5.

4.2 EXISTING WASTEWATER TREATMENT PROCESSES

The plant's headworks consists of one JWC Auger Monster Model AMD 4020-AD fine screen, one aerated grit chamber with a grit pump, and an influent pump station. The fine screen was installed in 2006. It is of the inclined-cylinder type that is equipped with a grinder unit. It has ¼-inch openings and is equipped with a washer-compactor section. A portion of the City's wastewater collection system has combined sewers.

When excess flows are encountered, the plant also contains one excess flow lagoon with lagoon drain pumps. Excess flow is diverted to the excess flow lagoon, from there flow can either be pumped to the primary clarifier diversion structure or exit the plant via an excess flow outfall via gravity. The existing headworks unit processes are shown in Table 1 on page 9. This project proposes no changes to the plant's headworks system.

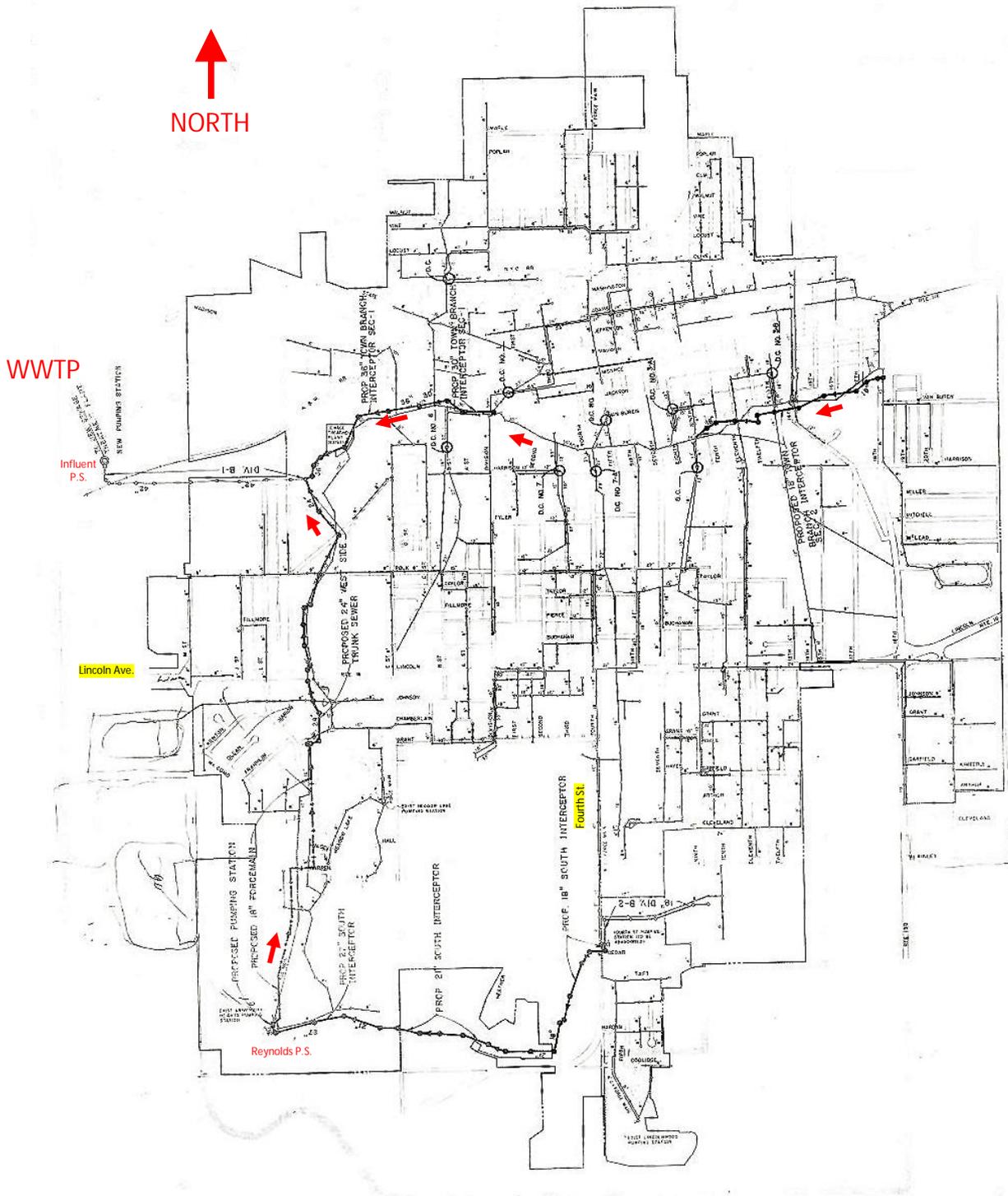


Figure 5: Charleston Sewer Map

4.4 CURRENT SOLIDS HANDLING PROCESSES

Sheet 009-N-2 in Appendix B provides a copy of the Existing Sludge Flow Schematic.

4.5 CURRENT SOLIDS HANDLING DEFICIENCIES

In general, most of the solids handling equipment is past its useful life and needs to be replaced, repaired or updated. Some of the current issues with the existing solids handling equipment are:

- The existing gas cannon boxes in the digesters have been removed. There is little-to-no sludge mixing for the anaerobic digesters.
- The anaerobic digesters' covers need to be painted and repaired in some places.
- The digesters' gas flare does not light.
- The digesters' gas safety equipment needs to be replaced.
- Many sludge handling valves and piping segments need replacement/repairing.
- Digester foaming is common during high loadings.
- The anaerobic digesters' sludge heat exchanger needs to be replaced.
- The belt filter press (BFP) is only dewatering sludge to 12-13%, but was designed for 20%.

5. PART A - SOLIDS HANDLING UPGRADES

5.1 INTRODUCTION

At the early stages of the project, Donohue reviewed numerous solids handling options with the City, in order to sort out which is the optimum upgrade for implementation. Under this project, the City and Donohue considered the following options:

- Thickening Upgrades + Dewatering Upgrades + Anaerobic Digestion Upgrade
- Convert Anaerobic Digesters to Aerobic Digesters
- Sludge Drying with Aerobic Digestion
- Sludge Drying without Digestion
- Lime Stabilization to Class B quality
- Lime Pasteurization to Class A quality
- Split Digestion (combination of aerobic and anaerobic digestion)
- Auto-thermal Aerobic Digesters (ATAD)

5.2 RECOMMENDED OPTION – LIME PASTEURIZATION TO CLASS A QUALITY

5.2.1 DESCRIPTION

After considerable deliberation and investigations, Donohue and the City selected the lime pasteurization process for implementation. This sludge stabilization process will replace the existing anaerobic digestion and dewatering processes. Figure 6 below provides a conceptual diagram of this process. The existing anaerobic digestion process produces Class B biosolids; however, the recommended process will produce the higher quality Class A biosolids, as defined by the 503 regulations. Figure 7 on the following page provides a flow schematic of the new Lime Pasteurization sludge handling system.

Under the recommended solids handling upgrade, all primary sludge and waste activated sludge will be routed to two Liquid Sludge Storage Tanks. These tanks will be existing Aerobic Digester Tanks #7 and #8, which will be converted to completely mixed and aerated holding tanks. Figure 8 on page 16 provides the plant site plan, showing the locations of these tanks. Sludge from the Storage Tanks will then be pumped into one Screw Press that will dewater the sludge to an average of 20% total solids. The feed to the Screw Press will be achieved via one rotary lobe type Sludge Feed Pump that will be located in the existing Sludge Treatment Building. See Figure 9 on page 17. The new Screw Press and feed pump will be rated to handle 95 gpm or 1,200 dry pounds/hour of sludge. The Screw Press will be housed in the west end of the existing Sludge Treatment Building, in the locations where the existing Belt Filter Presses exist. The existing Belt Filter Presses, which are over 30 years old, will be cut up and removed from this building.

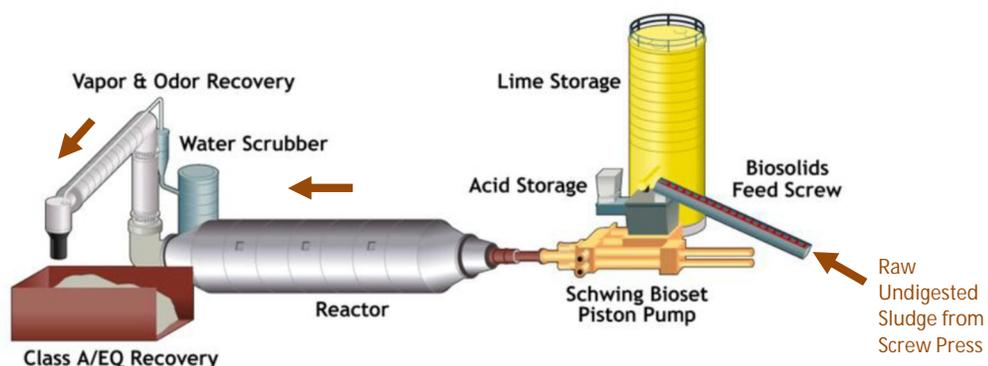


Figure 6: Lime Pasteurization Conceptual Diagram

6. PART B - BIOLOGICAL PHOSPHORUS REMOVAL

6.1 INTRODUCTION

As Appendix A shows, the City recently received from IEPA renewed NPDES permit for its effluent discharge. Special Condition #19 on page 17 of the permit contains an effluent phosphorus limit of 0.5 mg/L under several stipulations. In preparation for this limit, the City in conjunction with Donohue & Associates has investigated both chemical phosphorus precipitation and biological phosphorus removal.

Biological phosphorus removal is achieved by creating anaerobic zones and anoxic (i.e., unaerated) zones in the activated sludge process, in order to encourage the growth of phosphorus-accumulating organisms (PAOs), which biologically uptake the phosphorus. Those PAOs (and therefore the phosphorus within them) are then removed from the wastewater via sludge wasting. As Special Condition #19 states, the target effluent is 0.5 mg/L of total phosphorus (TP) at an annual geometric mean; however, in its investigations, Donohue also analyzed the efforts needed to TP meet limits or 1.0 mg/L monthly.

6.2 SPECIAL SAMPLING

In preparation for its nutrient removal evaluation, the City of Charleston completed two six-day special sampling programs over two weeks in March 2018 and August 2018. This special sampling was used to better characterize the wastewater and to calibrate an accurate BioWin model to complete evaluations for future BOD treatment, biological phosphorus removal and total nitrogen removal. The special sampling focused on phosphorus, COD and BOD/CBOD components at each stage, from raw influent to final effluent. This sampling served as a platform for estimating potential biological nutrient removal performance with modifications such as selectors and recycle streams.

When modeling activated sludge systems, it is necessary to characterize the composition of the wastewater in terms of physical-chemical fractions of COD, phosphorus, and nitrogen. Characterizing the wastewater in this manner makes it possible for a model to account for the various forms in which these constituents (e.g., carbon, nutrients) are present and the expected behavior of those forms throughout the treatment process. For example, a significant portion of particulate COD, particulate phosphorus, and particulate TKN is removed during primary clarification, while soluble, readily biodegradable COD is quickly consumed in selectors or at the front of aerobic zones, affecting denitrification, biological phosphorus uptake, and oxygen utilization rates. Ultimately, site-specific wastewater characteristics determine the performance that can be expected with biological nutrient removal processes.

Average special sampling results for cold weather and warm weather are shown in Tables 11 through Table 14. Aeration basin profiles were also completed and determined that fully treatment is likely achieved at the end of the third pass. Therefore, the last three passes of aeration basins could be taken offline or become un-aerated, with no decline in nitrification.

The special sampling effort also indicated that primary effluent dissolved oxygen (DO) concentrations in the tanks is extremely high due to over aerating and that the RAS airlift pumps introduce approximately 2.0 mg/L more D.O. into RAS stream. The WAS rates are not shown in the solids sampling tables as it was determined that the measured flow rates during special sampling are inaccurate. Aeration basin profiles were also completed.

Table 11 Cold Weather Special Sampling

		Influent	Primary Effluent	Final Effluent
Flow	(mgd)	2.33		2.9
Temp.	C	11.3	9.4	10.4
pH	S.U.	7.8	5.8	7.3
CBOD5	(mg/l)	88	56	3.0
BOD5	(mg/l)	109	62	-
BOD5	(mg/l)	16.6	16	-
COD	(mg/l)	288	155	23
COD	(mg/l)	94	76	19
ffCOD	(mg/l)	98	50	13
Ammonia	(mg/l)	10.8	11	0.01
TKN	(mg/l)	16.5	16	2.2
+NO3-N	(mg/l)	1.3	1.3	11.9
Total P	(mg/l)	2.17	2.08	1.36
Ortho-P	(mg/l)	-	-	-
TSS	(mg/l)	147	51	7.2
VSS	(mg/l)	82	38	5.6
Alkalinity	(mg/l)	257	253	156

Table 12 Cold Weather Special Sampling Solids

		Aeration Basins	RAS
Flow	(mgd)	-	6.4
TSS	(mg/l)	5,210	7,850
VSS	(mg/l)	4,001	6,118

Table 13 Warm Weather Special Sampling

		Influent	Primary Effluent	Final Effluent
Flow	(mgd)	1.7	0.0	1.7
Temp.	C	23	23	24
pH	S.U.	7.4	0.7	7.3
CBOD5	(mg/l)	151	91	1.8
BOD5	(mg/l)	186	95	0.0
BOD5	(mg/l)	41	55	0.0
COD	(mg/l)	532	239	15
COD	(mg/l)	142	151	19
ffCOD	(mg/l)	97	125	17
Ammonia	(mg/l)	20	25	0.01
TKN	(mg/l)	33	27	-
+NO3-N	(mg/l)	0.7	0.3	23
Total P	(mg/l)	3.95	2.45	1.69
Ortho-P	(mg/l)	2.51	2.25	0.82
TSS	(mg/l)	198	51	4.3
VSS	(mg/l)	-	38	-
Alkalinity	(mg/l)	233	237	89

Table 14 Warm Weather Special Sampling Solids

		Aeration Basins	RAS
Flow	(mgd)	-	7.0
TSS	(mg/l)	3,796	4,635
VSS	(mg/l)	2,505	3,105

6.3 BIOLOGICAL PHOSPHORUS REMOVAL DESCRIPTION

Enhanced biological phosphorus removal (EBPR) uses phosphorus-accumulating organisms (PAOs) to uptake phosphorus from the wastewater, and is most commonly used when phosphorus effluent limits are below 1 mg/L or when there is a significant amount of phosphorus in the influent flow. The organisms and cellular phosphorus is then removed from the system via sludge wasting. PAOs are organisms that uptake and store excess phosphorus beyond what is required for normal cell growth. An activated sludge system must be set up to select for these particular organisms.

Selecting for PAOs involves alternating mixed liquor exposure to anaerobic (i.e. no common electron acceptors i.e., oxygen or nitrates) and aerobic conditions. To achieve this selection an anaerobic zone (also referred to as a selector) is placed in front of the typical aerobic zone. Because typical electron acceptors are not available in the selector zone PAOs cannot complete typical cellular respiration. Therefore, the PAOs use readily biodegradable chemical oxygen demand (rbCOD) to produce polyhydroxybutyrate (PHB), a product that can be stored and metabolized under aerobic conditions. Transforming rbCOD into PHB requires the breakdown of poly-phosphates stored within the cells. The breakdown of poly-phosphates leads to a release of soluble phosphorus. Once the PAOs reach the aerobic zone the process will essentially reverse with the organisms creating and storing large amounts of poly-phosphates through soluble phosphate uptake to ensure the ability to produce energy during anaerobic conditions. In a properly functioning EBPR system, soluble phosphorus will increase above influent levels in the selector zone and then drop well below influent levels in the aerobic zone. The PAOs are then recycled back to the selector zone or removed from the system via sludge wasting. This is demonstrated in Figure 11 below.

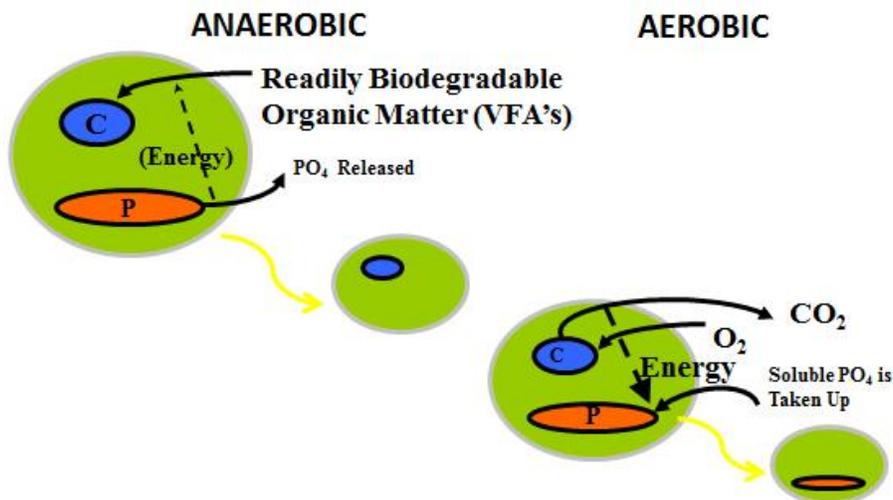


Figure 11 Enhanced Biological Phosphorus Removal Using Phosphorus Accumulating Organisms

7. RECOMMENDED IMPROVEMENTS

7.1 SUMMARY OF RECOMMENDED PROJECT COSTS

As noted previously, Part A of the project (the Solids Handling Upgrades) consists of replacing the plant's belt filter press system and anaerobic digestion system with a new Screw Press and a Class A Lime Pasteurization System. Part B of the project is to convert the plant's activated sludge system to a Modified University of Cape Town (MUCT) configuration, in order to achieve biological phosphorus removal down to 0.5 mg/l. The MUCT system conversion under Part B includes chemical back-up facilities. Table 27 on page 38 shows that the total project cost to be funded adds up to just over \$5.8 million.

7.2 GREEN PROJECT RESERVE ELIGIBILITY

IEPA's rules for its Water Pollution Control Loan Program are defined in 35 Ill. Adm. Code 365. Under this code, IEPA has created the Green Project Reserve, which provides certain incentives for "Green Infrastructure" related projects. Beginning in October 2019, the loan rules under 35 Ill. Adm. Code 365.110 and 365.210, and 365.345 provided these incentives for Green Infrastructure projects. These projects are defined as those that result in or contains any of the following:

- Reduce water or energy usage.
- Resiliency components, including facilities built for redundancy, or if the project assists a loan applicant with planning for potential service disruptions, natural or manmade.
- Constructs green roofs, pervious pavement, rainwater harvesting or cisterns, sustainable landscaping, storm water control, constructed wetlands, LEED-certified buildings, and/or riparian buffers.
- Implements agricultural Best Management Practices (BMPs).
- Nutrient removal or nutrient loss reduction projects.
- Providing treatment to un-sewered areas.

Donohue has reviewed the project components and all of Part B – Biological Phosphorus Removal should be considered for Green Project Reserve funding. As Table 27 shows, the Biological Phosphorus Removal portion of the project constitutes 29% of the overall project cost. However, under 35 Ill. Adm. Code 365.210-d-2, the 0.2% discount in the loan interest rate available under the "Environmental Impact Discount" part of the loan rules does not apply, since Biological Phosphorus Removal portion is less than 50% of the total project cost. *Therefore, no Green Infrastructure Project loan incentives are expected for this project.*

7.3 APPLICABILITY OF ANTI-DEGRADATION RULE

This section of the Project Plan addresses the anti-degradation aspects and requirements of the project, which are regulated by 35 Ill. Adm. Code 302.105 under Title 35 Part 302 – Water Quality Standards. This section of the code was added to Title 35 in December 2002 in order to " ... protect the existing uses of all waters of the State of Illinois and to maintain the quality of waters with quality that is better than water quality standards, and to prevent unnecessary deterioration of waters of the State."

It should be noted that the project, as proposed, does not propose any increases flows or pollutant loadings into the receiving stream. In part, the project is being implemented in order to comply with the nutrient reduction requirements of a NPDES permit that is already in place. Furthermore, once the project is implemented, it is expected that the phosphorus loadings into Cassell Creek will measurably decrease, due to the biological phosphorus removal aspects of the project. For these reasons, the Anti-Degradation requirements of 35 Ill. Adm. Code 302.105 do not apply to this project.

The following calculation computes what percentage the current average water and sewer bill is when compared to the Median Household Income (MHI) in Charleston:

$$\$80.48 \text{ per month} \times 12 \text{ months/year} \div \text{MHI of } \$29,968 \times 100 = 3.22\%$$

The above calculation demonstrates that Charleston's current average water and sewer bill constitutes 3.22% of the MHI. USEPA's stated view on the cost of drinking water is that it is affordable if it costs less than 2.5% of the MHI. For system with combined water and wastewater bills, it is commonly inferred that USEPA considers a combined annual water and wastewater bill of less than 4.5% of MHI to be affordable (2.5% for drinking water plus an additional 2% for wastewater services and CSO controls when applicable). *Based on this criteria, the current Charleston average water and sewer bill is considered affordable.* As noted previously, the City intends to repay the loan's principal and interest using existing revenues, with no further increases in water and sewer bills. With that, the affordability analysis for existing rates remains unchanged.

7.6 PROJECT BENEFITS

Currently, the City's WWTF anaerobically digests and dewateres its sludge solids and the City applies these biosolids to local farmland. The digestion equipment is antiquated and has outlived its useful life. In addition, as Table 9 on page 12 demonstrates, the digesters are overloaded with excessive amounts of volatile solids, which has caused periodic foaming. In addition, the belt filter press dewatering system is performing poorly, dewatering the sludge to only 12 to 13%. The result is that excessive volumes of sludge has to be trucked to the land application sites.

The Solids Handling Upgrades, as proposed, will replace the poorly-performing belt filter press dewatering system with a new Screw Press unit, which will dewater the sludge to a 20% total solids concentration. This represents an 8.6% reduction in the water content of the sludge. In addition, the antiquated anaerobic digestion system, which marginally produces Class B biosolids, will be replaced with a modern lime pasteurization system that will produce high quality Class A biosolids that are suitable for public distribution, if so desired.

As Tables 11 and 13 on page 23 showed, the plant routinely discharges between 1.36 and 1.69 mg/L of total phosphorus. The Biological Phosphorus Removal Improvements part of the project, once put into operation, will reduce effluent total phosphorus to 0.5 mg/L or less. That improvement should increase the receiving stream's water quality since it will reduce the phosphorus load on the receiving stream by 63% to 70% on average.

Appendix A
Current NPDES Permit



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

217/782-0610

February 19, 2020

City of Charleston
520 Jackson Avenue
Charleston, Illinois 61920

Re: City of Charleston
City of Charleston STP
NPDES Permit No. IL0021644
Bureau ID W0290100001
Final Permit

Gentlemen:

Attached is the final NPDES Permit for your discharge. The Permit as issued covers discharge limitations, monitoring, and reporting requirements. Failure to meet any portion of the Permit could result in civil and/or criminal penalties. The Illinois Environmental Protection Agency is ready and willing to assist you in interpreting any of the conditions of the Permit as they relate specifically to your discharge.

Please note that Special Condition 10 on page 8 has been updated since the public notice period to include the correct language.

Pursuant to the Final NPDES Electronic Reporting Rule, all permittees must report DMRs electronically unless a waiver has been granted by the Agency. The Agency utilizes NetDMR, a web based application, which allows the submittal of electronic Discharge Monitoring Reports instead of paper Discharge Monitoring Reports (DMRs). More information regarding NetDMR can be found on the Agency website, <https://www2.illinois.gov/epa/topics/water-quality/surface-water/netdmr/pages/quick-answer-guide.aspx>. If your facility has received a waiver from the NetDMR program, a supply of preprinted paper DMR Forms will be sent to your facility. Additional information and instructions will accompany the preprinted DMRs. Please see the attachment regarding the electronic reporting rule.

The attached Permit is effective as of the date indicated on the first page of the Permit. Until the effective date of any re-issued Permit, the limitations and conditions of the previously-issued Permit remain in full effect. You have the right to appeal any condition of the Permit to the Illinois Pollution Control Board within a 35 day period following the issuance date.

Should you have questions concerning the Permit, please contact Keith Runge at 217/782-0610.

Sincerely,

Amy L. Dragovich, P.E.
Manager, Permit Section
Division of Water Pollution Control

ALD:kar11012018

Attachment: Final Permit

cc: Records
Compliance Assurance Section
Champaign Region
Billing
USEPA(email)

4302 N. Main St., Rockford, IL 61103 (815) 987-7760
595 S. State St., Elgin, IL 60123 (847) 608-3131
2125 S. First St., Champaign, IL 61820 (217) 278-5800
2009 Mall St., Collinsville, IL 62234 (618) 346-5120

9511 Harrison St., Des Plaines, IL 60016 (847) 294-4000
412 SW Washington St., Suite D, Peoria, IL 61602 (309) 671-3022
2309 W. Main St., Suite 116, Marion, IL 62959 (618) 993-7200
100 W. Randolph St., Suite 4-500, Chicago, IL 60601

NPDES Permit No. IL0021644

Illinois Environmental Protection Agency

Division of Water Pollution Control

1021 North Grand Avenue East

Post Office Box 19276

Springfield, Illinois 62794-9276

NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM

Reissued (NPDES) Permit

Expiration Date: February 28, 2025

Issue Date: February 19, 2020

Effective Date: March 1, 2020

Name and Address of Permittee:

City of Charleston
520 Jackson Avenue
Charleston, Illinois 61920

Facility Name and Address:

City of Charleston STP
1200 West Madison Avenue
Charleston, Illinois
(Coles County)

Receiving Waters: Cassell Creek

In compliance with the provisions of the Illinois Environmental Protection Act, Title 35 of the Ill. Adm. Code, Subtitle C, Chapter I, and the Clean Water Act (CWA), the above-named Permittee is hereby authorized to discharge at the above location to the above-named receiving stream in accordance with the Effluent Limitations, Monitoring, and Reporting requirements; Special Conditions and Attachment H Standard Conditions attached herein.

Permittee is not authorized to discharge after the above expiration date. In order to receive authorization to discharge beyond the expiration date, the Permittee shall submit the proper application as required by the Illinois Environmental Protection Agency (IEPA) not later than 180 days prior to the expiration date.



Amy L. Dragovich, P.E.
Manager, Permit Section
Division of Water Pollution Control

ALD:kar11012018

NPDES Permit No. IL0021644

Effluent Limitations, Monitoring, and Reporting

FINAL

Discharge Number(s) and Name(s): B01 STP Outfall

Load limits computed based on a design average flow (DAF) of 3.3 MGD (design maximum flow (DMF) of 6.0 MGD).

From the effective date of this Permit until the expiration date, the effluent of the above discharge(s) shall be monitored and limited at all times as follows:

Parameter	LOAD LIMITS lbs/day DAF (DMF)*			CONCENTRATION LIMITS mg/L			Sample Frequency	Sample Type	
	Monthly Average	Weekly Average	Daily Maximum	Monthly Average	Weekly Average	Daily Maximum			
Flow (MGD)							Continuous		
CBOD ₅ ** , ***	275 (500)		550 (1001)	10		24	2 Days/Week	Composite	
Suspended Solids***	330 (600)		661 (1201)	12		24	2 Days/Week	Composite	
pH	Shall be in the range of 6 to 9 Standard Units							2 Days/Week	Grab
Fecal Coliform	Daily Maximum shall not exceed 400 per 100mL (May through October)							2 Days/Week	Grab
Chlorine Residual						0.05	****	Grab	
Ammonia Nitrogen:									
As (N)									
March-May/Sept.-Oct.	22 (40)	----	83 (150)	0.8	----	3.0	2 Days/Week	Composite	
June-August	22 (40)	55 (100)	83 (150)	0.8	2.0	3.0	2 Days/Week	Composite	
Nov.-Feb.	41 (75)	----	94 (170)	1.5	----	3.4	2 Days/Week	Composite	
Total Nitrogen as N	Monitor Only							1 Day/Month	Composite
Total Phosphorus as P	Monitor Only							1 Day/Month	Composite
				Monthly Average not less than	Weekly Average not less than	Daily Minimum			
Dissolved Oxygen									
March-July				----	6.25	5.0	1 Day/Month	Grab	
August-February				6.0	4.5	4.0	1 Day/Month	Grab	

*Load limits based on design maximum flow shall apply only when flow exceeds design average flow.

**Carbonaceous BOD₅ (CBOD₅) testing shall be in accordance with 40 CFR 136.

***BOD₅ and Suspended Solids (85% removal required) For Discharge No. 001 and B01: In accordance with 40 CFR 133, the 30-day average percent removal shall not be less than 85 percent. The percent removal need not be reported to the IEPA on DMRs but influent and effluent data must be available, as required elsewhere in this Permit, for IEPA inspection and review. For measuring compliance with this requirement, 5 mg/L shall be added to the effluent CBOD₅ concentration to determine the effluent BOD₅ concentration. Percent removal is a percentage expression of the removal efficiency across a treatment plant for a given pollutant parameter, as determined from the 30-day average values of the raw wastewater influent concentrations to the facility and the 30-day average values of the effluent pollutant concentrations for a given time period.

****See Special Condition 10.

NPDES Permit No. IL0021644

Effluent Limitations, Monitoring, and Reporting

FINAL

Flow shall be reported on the Discharge Monitoring Report (DMR) as monthly average and daily maximum.

pH shall be reported on the DMR as minimum and maximum value.

Chlorine Residual shall be reported on the DMR as daily maximum value.

Dissolved oxygen shall be reported on the DMR as a minimum value.

Fecal Coliform shall be reported on the DMR as a daily maximum value.

Total Phosphorus shall be reported on the DMR as monthly average and daily maximum value.

NPDES Permit No. IL0021644

Effluent, Limitations, Monitoring, and Reporting

Discharge Number(s) and Name(s): A01 Treated CSO Lagoon Outfall

Shall not be utilized until the main treatment facility is receiving a design maximum flow (DMF)* of 4,167gpm.

From the effective date of this Permit until the expiration date, the effluent of the above discharge(s) shall be monitored and limited at all times as follows:

<u>Parameter</u>	<u>CONCENTRATION LIMITS (mg/L)</u>		<u>Sample Frequency</u>	<u>Sample Type</u>
		<u>Monthly Average</u>		
Total Flow (MG)	See Below		Daily When Discharging	Continuous
BOD ₅		Report	Daily When Discharging	Grab
Suspended Solids		Report	Daily When Discharging	Grab
Fecal Coliform	Daily Maximum Shall not Exceed 400 per 100 mL		Daily When Discharging	Grab
pH	Shall be in the range of 6 to 9 Standard Units		Daily When Discharging	Grab
Chlorine Residual		0.75	Daily When Discharging	Grab
Ammonia Nitrogen (as N)		Monitor Only	Daily When Discharging	Grab
Total Phosphorus (as P)		Monitor Only	Daily When Discharging	Grab

Total flow in million gallons shall be reported on the Discharge Monitoring Report (DMR) in the quantity maximum column. The main treatment facility flows at the time that Outfall A01 is first utilized shall be reported in the comment section of the DMR in gallons per minute (gpm).

Report the number of days of discharge in the comments section of the DMR.

Fecal Coliform shall be reported on the DMR as daily maximum.

Chlorine Residual shall be reported on the DMR as monthly average.

pH shall be reported on the DMR as a minimum and a maximum.

Total Phosphorus shall be reported on the DMR as monthly average and daily maximum value.

BOD₅ and Suspended Solids shall be reported on the DMR as a monthly average concentration.

*An explanation shall be provided in the comment section of the DMR should these facilities be used when the main treatment facility is not receiving Design Maximum Flow (DMF). The explanation shall identify the reasons the main facility is at a diminished treatment capacity. Additionally, the Permittee shall comply with the provisions of Special Condition 7.

NPDES Permit No. IL0021644

Effluent Limitations, Monitoring, and Reporting

FINAL

Discharge Number(s) and Names(s): 001 Combined Discharge from A01 and B01 Outfall*

From the effective date of this Permit until the expiration date, the effluent of the above discharge(s) shall be monitored and limited at all time as follows:

<u>Parameter</u>	<u>CONCENTRATION LIMITS (mg/L)</u>		<u>Sample Frequency</u>	<u>Sample Type</u>
	<u>Monthly Average</u>	<u>Weekly Average</u>		
Total Flow (MG)			Daily When A01 is Discharging	Continuous
BOD ₅ **	30	45	Daily When A01 is Discharging	Grab
Suspended Solids**	30	45	Daily When A01 is Discharging	Grab
pH	Shall be in the range of 6 to 9 Standard Units		Daily When A01 is Discharging	Grab
Chlorine Residual	0.75		Daily When A01 is Discharging	Grab
Ammonia Nitrogen (as N)	Monitor only		Daily When A01 is Discharging	Grab
Total Phosphorus (as P)	Monitor only		Daily When A01 is Discharging	Grab
Dissolved Oxygen	Monitor only		Daily When A01 is Discharging	Grab

*An explanation shall be provided in the comment section of the DMR should these facilities be used when the main treatment facility is not receiving Design Maximum Flow (DMF). The explanation shall identify the reasons the main facility is at a diminished treatment capacity. Additionally, the Permittee shall comply with the provisions of Special Condition 7.

**BOD₅ and Suspended Solids (85% removal required): In accordance with 40 CFR 133, the 30-day average percent removal shall not be less than 85 percent. The percent removal need not be reported to the IEPA on DMRs but influent and effluent data must be available, as required elsewhere in this Permit, for IEPA inspection and review. For measuring compliance with this requirement, 5 mg/L shall be added to the effluent CBOD₅ concentration to determine the effluent BOD₅ concentration. Percent removal is a percentage expression of the removal efficiency across a treatment plant for a given pollutant parameter, as determined from the 30-day average values of the raw wastewater influent concentrations to the facility and the 30-day average values of the effluent pollutant concentrations for a given time period.

Total flow in million gallons shall be reported on the Discharge Monitoring Report (DMR) in the quantity maximum column.

Report the number of days of discharge in the comments section of the DMR.

Chlorine Residual shall be reported on the DMR as monthly average value.

pH shall be reported on the DMR as a minimum and a maximum value.

Total Phosphorus shall be reported on the DMR as monthly average and daily maximum value.

BOD₅ and Suspended Solids shall be reported on the DMR as a monthly and weekly average concentration.

A monthly average value for ammonia shall be computed for each month that A01 discharges beginning one month after the effective date of the permit. A monthly average concentration shall be determined by combining data collected from A01 and B01 (only B01 data from days when A01 is not discharging) for the reporting period. These monitoring results shall be submitted to the Agency on the DMR. Ammonia Nitrogen shall also be reported on the DMR as a maximum value.

A monthly and weekly average value for Dissolved Oxygen (DO) shall be computed for each month that A01 discharges beginning one month after the effective date of the permit. The monthly and weekly average concentrations for 001 shall be determined by combining data collected from A01 and B01 (only B01 data from days when A01 is not discharging) for the reporting period. These monitoring results shall be submitted to the Agency on the DMR. DO shall also be reported on the DMR as a minimum value.

NPDES Permit No. IL0021644

Influent Monitoring, and Reporting

The influent to the plant shall be monitored as follows:

<u>Parameter</u>	<u>Sample Frequency</u>	<u>Sample Type</u>
Flow (MGD)	Continuous	
BOD ₅	2 Days/Week	Composite
Suspended Solids	2 Days/Week	Composite

Influent samples shall be taken at a point representative of the influent.

Flow (MGD) shall be reported on the Discharge Monitoring Report (DMR) as monthly average and daily maximum.

BOD₅ and Suspended Solids shall be reported on the DMR as a monthly average concentration.

Special Conditions

SPECIAL CONDITION 1. This Permit may be modified to include different final effluent limitations or requirements which are consistent with applicable laws and regulations. The IEPA will public notice the permit modification.

SPECIAL CONDITION 2. The use or operation of this facility shall be by or under the supervision of a Certified Class 1 operator.

SPECIAL CONDITION 3. The IEPA may request in writing submittal of operational information in a specified form and at a required frequency at any time during the effective period of this Permit.

SPECIAL CONDITION 4. The IEPA may request more frequent monitoring by permit modification pursuant to 40 CFR § 122.63 and Without Public Notice.

SPECIAL CONDITION 5. The effluent, alone or in combination with other sources, shall not cause a violation of any applicable water quality standard outlined in 35 Ill. Adm. Code 302 and 303.

SPECIAL CONDITION 6. The Permittee shall record monitoring results on Discharge Monitoring Report (DMR) electronic forms using one such form for each outfall each month.

In the event that an outfall does not discharge during a monthly reporting period, the DMR Form shall be submitted with no discharge indicated.

The Permittee is required to submit electronic DMRs (NetDMRs) instead of mailing paper DMRs to the IEPA unless a waiver has been granted by the Agency. More information, including registration information for the NetDMR program, can be obtained on the IEPA website, <https://www2.illinois.gov/epa/topics/water-quality/surface-water/netdmr/pages/quick-answer-guide.aspx>.

The completed Discharge Monitoring Report forms shall be submitted to IEPA no later than the 25th day of the following month, unless otherwise specified by the permitting authority.

Permittees that have been granted a waiver shall mail Discharge Monitoring Reports with an original signature to the IEPA at the following address:

Illinois Environmental Protection Agency
Division of Water Pollution Control
Attention: Compliance Assurance Section, Mail Code # 19
1021 North Grand Avenue East
Post Office Box 19276
Springfield, Illinois 62794-9276

SPECIAL CONDITION 7. The provisions of 40 CFR Section 122.41(m) & (n) are incorporated herein by reference.

SPECIAL CONDITION 8. Samples taken in compliance with the effluent monitoring requirements shall be taken:

- A. For Outfall Number B01 shall be taken at a point:
 1. Representative of the discharge of fully treated wastewater effluent, and
 2. When discharges are occurring from Outfall Number A01, prior to admixture with discharges from Outfall Number A01.
- B. For Outfall Number A01 shall be taken at a point:
 1. Representative of the discharge from the excess flow treatment unit(s) to Outfall Number 001, and
 2. Prior to admixture with discharges from Outfall Number B01.
- C. For Outfall Number 001 shall be taken at a point:
 1. Representative of the discharge from Outfall Number 001 but prior to entry into the receiving water, and
 2. Representative of the admixture of all flow from Outfall Numbers A01 and B01.
 - a. On days when there are no discharges through Outfall Number A01 samples for all effluent limitations and monitoring parameters applicable to Outfall Number 001 can be taken at the location of sampling for Outfall Number B01. When this occurs, sample results for Outfall Number B01 must be reported on the DMRs for Outfall Number B01 and Outfall Number 001.
 - b. On days when there are discharges through Outfall A01, samples for all effluent limitations and monitoring parameters applicable to Outfall 001 shall be representative of the discharge through Outfall 001 to the receiving water; and shall be taken at a point representative of the admixture of flows from Outfall Numbers A01 and B01.

SPECIAL CONDITION 9. This Permit may be modified to include requirements for the Permittee on a continuing basis to evaluate and detail its efforts to effectively control sources of infiltration and inflow into the sewer system and to submit reports to the IEPA if necessary.

Special Conditions

SPECIAL CONDITION 10. Any use of chlorine to control slime growths, odors or as an operational control, etc. shall not exceed the limit of 0.05 mg/L (daily maximum) total residual chlorine in the effluent. Sampling is required on a daily grab basis during the chlorination process. Reporting shall be submitted on the DMR's on a monthly basis.

SPECIAL CONDITION 11. The Permittee shall conduct semi-annual monitoring of the effluent and report concentrations (in mg/L) of the following listed parameters. Monitoring shall begin three (3) months from the effective date of this permit. The sample shall be a 24-hour effluent composite except as otherwise specifically provided below and the results shall be submitted on Discharge Monitoring Report Forms to IEPA unless otherwise specified by the IEPA. The parameters to be sampled and the minimum reporting limits to be attained are as follows:

<u>STORET</u> <u>CODE</u>	<u>PARAMETER</u>	<u>Minimum</u> <u>reporting limit</u>
01002	Arsenic	0.05 mg/L
01007	Barium	0.5 mg/L
01027	Cadmium	0.001 mg/L
01032	Chromium (hexavalent) (grab)	0.01 mg/L
01034	Chromium (total)	0.05 mg/L
01042	Copper	0.005 mg/L
00720	Cyanide (total) (grab)***	5.0 µg/L
00722	Cyanide (grab) (available**** or amenable to chlorination)***	5.0 µg/L
00951	Fluoride	0.1 mg/L
01045	Iron (total)	0.5 mg/L
01046	Iron (Dissolved)	0.5 mg/L
01051	Lead	0.05 mg/L
01055	Manganese	0.5 mg/L
71900	Mercury (grab)**	1.0 ng/L*
01067	Nickel	0.005 mg/L
00556	Oil (hexane soluble or equivalent) (Grab Sample only)	5.0 mg/L
32730	Phenols (grab)	0.005 mg/L
01147	Selenium	0.005 mg/L
01077	Silver (total)	0.003 mg/L
01092	Zinc	0.025 mg/L

Minimum Reporting Limits are defined as – (1) The minimum value below which data are documented as non-detects. (2) Three to ten times the method detection limit. (3) The minimum value of the calibration range.

All sample containers, preservative, holding times, analyses, method detection limit determinations and quality assurance/quality control requirements shall be in accordance with 40 CFR 136.

Unless otherwise indicated, concentrations refer to the total amount of the constituent present in all phases, whether solid, suspended or dissolved, elemental or combined, including all oxidation states.

*1.0 ng/L = 1 part per trillion.

**Utilize USEPA Method 1631E and the digestion procedure described in Section 11.1.1.2 of 1631E.

***Analysis for cyanide (available or amenable to chlorination) is only required if cyanide (total) is detected at or above the minimum reporting limit.

****USEPA Method OIA-1677.

The Permittee shall provide a report briefly describing the permittee's pretreatment activities and an updated listing of the Permittee's significant industrial users. The list should specify which categorical pretreatment standards, if any, are applicable to each Industrial User. Permittees who operate multiple plants may provide a single report. Such report shall be submitted within six (6) months of the effective date of this Permit to the following addresses:

U.S. Environmental Protection Agency
 Region 5
 77 West Jackson Blvd.
 Chicago, Illinois 60604
 Attention: Water Assurance Branch Enforcement and Compliance

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Illinois Environmental Protection Agency
Division of Water Pollution Control
Attention: Compliance assurance Section, Mail Code #19
1021 North Grand Avenue East
Post Office Box 19276
Springfield, Illinois 62794-9276
Springfield, Illinois 62794-9276

SPECIAL CONDITION 12. The Permittee has undergone a Monitoring Reduction review and the influent and effluent sample frequency has been reduced for parameters due to sustained compliance. The IEPA may require that the influent and effluent sampling frequency for these parameters be increased without Public Notice. This provision does not limit EPA's authority to require additional monitoring, information or studies pursuant to Section 308 of the CWA.

SPECIAL CONDITION 13. During January of each year the Permittee shall submit annual fiscal data regarding sewerage system operations to the Illinois Environmental Protection Agency/Division of Water Pollution Control/Compliance Assurance Section. The Permittee may use any fiscal year period provided the period ends within twelve (12) months of the submission date.

Submission shall be on forms provided by IEPA titled "Fiscal Report Form For NPDES Permittees".

SPECIAL CONDITION 14. The Permittee shall conduct biomonitoring of the effluent from Discharge Number(s) B01.

Biomonitoring

- A. Acute Toxicity - Standard definitive acute toxicity tests shall be run on at least two trophic levels of aquatic species (fish, invertebrate) representative of the aquatic community of the receiving stream. Testing must be consistent with Methods for Measuring the Acute Toxicity of Effluents and Receiving Waters to Freshwater and Marine Organisms (Fifth Ed.) EPA/821-R-02-012. Unless substitute tests are pre-approved; the following tests are required:
1. Fish 96-hour static LC₅₀ Bioassay using fathead minnows (*Pimephales promelas*).
 2. Invertebrate 48-hour static LC₅₀ Bioassay using *Ceriodaphnia*.
- B. Testing Frequency - The above tests shall be conducted using 24-hour composite samples unless otherwise authorized by the IEPA. Sample collection and testing must be conducted in the 18th, 15th, 12th, and 9th month prior to the expiration date of this Permit. When possible, bioassay sample collection should coincide with sample collection for metals analysis or other parameters that may contribute to effluent toxicity.
- C. Reporting - Results shall be reported according to EPA/821-R-02-012, Section 12, Report Preparation, and shall be mailed to IEPA, Bureau of Water, Compliance Assurance Section or emailed to EPA.PrmtSpecCondtns@Illinois.gov within one week of receipt from the laboratory. Reports are due to the IEPA no later than the 16th, 13th, 10th, and 7th month prior to the expiration date of this Permit.
- D. Toxicity – Should a bioassay result in toxicity to >20% of organisms tested in the 100% effluent treatment, the IEPA may require, upon notification, six (6) additional rounds of monthly testing on the affected organism(s) to be initiated within 30 days of the toxic bioassay. Results shall be submitted to IEPA within one (1) week of becoming available to the Permittee. Should any of the additional bioassays result in toxicity to ≥50% of organisms tested in the 100% effluent treatments, the Permittee must contact the IEPA within one (1) day of the results becoming available to the Permittee and begin the toxicity identification and reduction evaluation process as outlined below.
- E. Toxicity Identification and Reduction Evaluation - Should any of the additional bioassays result in toxicity to ≥50% of organisms tested in the 100% effluent treatment, the Permittee must contact the IEPA within one (1) day of the results becoming available to the Permittee and begin the toxicity identification evaluation process in accordance with Methods for Aquatic Toxicity Identification Evaluations, EPA/600/6-91/003. The IEPA may also require, upon notification, that the Permittee prepare a plan for toxicity reduction evaluation to be developed in accordance with Toxicity Reduction Evaluation Guidance for Municipal Wastewater Treatment Plants, EPA/833B-99/002, which shall include an evaluation to determine which chemicals have a potential for being discharged in the plant wastewater, a monitoring program to determine their presence or absence and to identify other compounds which are not being removed by treatment, and other measures as appropriate. The Permittee shall submit to the IEPA its plan for toxicity reduction evaluation within ninety (90) days following notification by the IEPA. The Permittee shall implement the plan within ninety (90) days or other such date as contained in a notification letter received from the IEPA.

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The IEPA may modify this Permit during its term to incorporate additional requirements or limitations based on the results of the biomonitoring. In addition, after review of the monitoring results, the IEPA may modify this Permit to include numerical limitations for specific toxic pollutants. Modifications under this condition shall follow public notice and opportunity for hearing.

SPECIAL CONDITION 15. For the duration of this Permit, the Permittee shall determine the quantity of sludge produced by the treatment facility in dry tons or gallons with average percent total solids analysis. The Permittee shall maintain adequate records of the quantities of sludge produced and have said records available for U.S. EPA and IEPA inspection. The Permittee shall submit to the IEPA, at a minimum, a semi-annual summary report of the quantities of sludge generated and disposed of, in units of dry tons or gallons (average total percent solids) by different disposal methods including but not limited to application on farmland, application on reclamation land, landfilling, public distribution, dedicated land disposal, sod farms, storage lagoons or any other specified disposal method. Said reports shall be submitted to the IEPA by January 31 and July 31 of each year reporting the preceding January thru June and July thru December interval of sludge disposal operations.

Duty to Mitigate. The Permittee shall take all reasonable steps to minimize any sludge use or disposal in violation of this Permit.

Sludge monitoring must be conducted according to test procedures approved under 40 CFR 136 unless otherwise specified in 40 CFR 503, unless other test procedures have been specified in this Permit.

Planned Changes. The Permittee shall give notice to the IEPA on the semi-annual report of any changes in sludge use and disposal.

The Permittee shall retain records of all sludge monitoring, and reports required by the Sludge Permit as referenced in Standard Condition 25 for a period of at least five (5) years from the date of this Permit.

If the Permittee monitors any pollutant more frequently than required by this permit or the Sludge Permit, the results of this monitoring shall be included in the reporting of data submitted to the IEPA.

The Permittee shall comply with existing federal regulations governing sewage sludge use or disposal and shall comply with all existing applicable regulations in any jurisdiction in which the sewage sludge is actually used or disposed.

The Permittee shall comply with standards for sewage sludge use or disposal established under section 405(d) of the CWA within the time provided in the regulations that establish the standards for sewage sludge use or disposal even if the permit has not been modified to incorporate the requirement.

The Permittee shall ensure that the applicable requirements in 40 CFR Part 503 are met when the sewage sludge is applied to the land, placed on a surface disposal site, or fired in a sewage sludge incinerator.

Monitoring reports for sludge shall be reported on the form titled "Sludge Management Reports" to the following address:

Illinois Environmental Protection Agency
Bureau of Water
Compliance Assurance Section
Mail Code #19
1021 North Grand Avenue East
Post Office Box 19276
Springfield, Illinois 62794-9276

SPECIAL CONDITION 16.

AUTHORIZATION OF
COMBINED SEWER AND TREATMENT PLANT DISCHARGES

The IEPA has determined that at least a portion of the collection system consists of combined sewers. References to the collection system and the sewer system refer only to those parts of the system which are owned and operated by the Permittee unless otherwise indicated. The Permittee is authorized to discharge from the overflow(s)/bypass(es) listed below provided the diversion structure is located on a combined sewer and the following terms and conditions are met:

<u>Discharge Number</u>	<u>Location</u>	<u>Receiving Water</u>
002	Main Pump Station CSO	Creek Town Branch tributary to Cassell Creek

Special ConditionsA. CSO Monitoring, Reporting and Notification Requirements

1. The Permittee shall monitor the frequency of discharge (number of discharges per month) and estimate the duration (in hours) of each discharge from each outfall listed in this Special Condition. Estimates of storm duration and total rainfall shall be provided for each storm event.

<u>Start Date</u>	<u>Rainfall Duration (hrs.)</u>	<u>Rainfall Amount (in.)</u>	<u>CSO Outfall #</u>	<u>Outfall Description</u>	<u>Estimated Duration of CSO Discharge (hrs.)</u>	<u>Estimated Volume of CSO Discharge (MG)</u>
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For frequency reporting, all discharges from the same storm, or occurring within 24 hours, shall be reported as one. The date that a discharge commences shall be recorded for each outfall. Reports shall be in the form specified by the IEPA and on forms provided by the IEPA (e.g., Form IL 532-2471, or updated form of same). These forms shall be submitted to the IEPA monthly with the DMRs and covering the same reporting period as the DMRs. Parameters (other than flow frequency and volume), if required in this Permit, shall be sampled and reported as indicated in the transmittal letter for such report forms.

2. All Submittals listed in this Special Condition can be submitted electronically to EPA.PrmtSpecCondtns@illinois.gov with IL0021644 Special Condition 16 as the subject of the email.

B. CSO Treatment Requirements

1. All combined sewer overflows and treatment plant bypasses shall be given sufficient treatment to prevent pollution and the violation of applicable water quality standards. Sufficient treatment consists of the following:

All dry weather flows and the first flush of storm flows shall meet all applicable effluent standards and the effluent limitations as required for the main STP outfall;

- a. Additional flows, but not less than ten times the average dry weather flow for the design year, shall receive a minimum of primary treatment and disinfection with adequate retention time; and
 - b. Any additional treatment, necessary to comply with all applicable water quality based requirements of this Permit including, but not limited to, the requirement that discharges from CSOs not cause or contribute to violations of applicable water quality standards or cause use impairment in the receiving waters.
2. All CSO discharges authorized by this Permit shall be treated, in whole or in part, to the extent necessary to prevent accumulations of sludge deposits, floating debris and solids in accordance with 35 Ill. Adm. Code 302.203 and to prevent depression of oxygen levels below the applicable water quality standards.
 3. Overflows during dry weather are prohibited. Dry weather overflows shall be reported to the IEPA pursuant to Standard Condition 12(f) of this Permit (24 hour notice).
 4. The collection system shall be operated to optimize transport of wastewater flows and to minimize CSO discharges and the treatment system shall be operated to maximize treatment of wastewater flows.

C. CSO Nine Minimum Controls

1. The Permittee shall comply with the nine minimum controls contained in the National CSO Control Policy published in the Federal Register on April 19, 1994. The nine minimum controls are:
 - a. Proper operation and maintenance programs for the sewer system and the CSOs;
 - b. Maximum use of the collection system for storage;
 - c. Review and modification of pretreatment requirements to assure CSO impacts are minimized;
 - d. Maximization of flow to the POTW for treatment;
 - e. Prohibition of CSOs during dry weather;
 - f. Control of solids and floatable materials in CSOs;

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- g. Pollution prevention programs which focus on source control activities;
- h. Public notification to ensure that citizens receive adequate information regarding CSO occurrences and CSO impacts; and,
- i. Monitoring to characterize impacts and efficiency of CSO controls.

A CSO pollution prevention plan (PPP) shall be developed by the Permittee unless one has already been prepared for this collection system. Any previously-prepared PPP shall be reviewed, and revised if necessary, by the Permittee to address the items contained in Chapter 8 of the U.S. EPA guidance document, Combined Sewer Overflows, Guidance For Nine Minimum Controls, and any items contained in previously-sent review documents from the IEPA concerning the PPP. Combined Sewer Overflows, Guidance For Nine Minimum Controls is available on line at <http://www.epa.gov/npdes/pubs/owm0030.pdf>. The PPP (or revised PPP) shall be presented to the general public at a public information meeting conducted by the Permittee annually during the term of this Permit. The Permittee shall submit documentation that the pollution prevention plan complies with the requirements of this Permit and that the public information meeting was held. Such documentation shall be submitted to the IEPA within twelve (12) months of the effective date of this Permit and shall include a summary of all significant issues raised by the public, the Permittee's response to each issue, and two (2) copies of the "CSO Pollution Prevention Plan Certification" one (1) with original signatures. This certification form is available online at <http://www.epa.state.il.us/water/permits/waste-water/forms/cso-pol-prev.pdf>. Following the public meeting, the Permittee shall implement the pollution prevention plan and shall maintain a current pollution prevention plan, updated to reflect system modifications, on file at the sewage treatment works or other acceptable location and made available to the public. The pollution prevention plan revisions shall be submitted to the IEPA one (1) month from the revision date.

D. Sensitive Area Considerations

1. Pursuant to Section II.C.3 of the federal CSO Control Policy of 1994, sensitive areas are any water likely to be impacted by a CSO discharge which meet one or more of the following criteria: (1) designated as an Outstanding National Resource Water; (2) found to contain shellfish beds; (3) found to contain threatened or endangered aquatic species or their habitat; (4) used for primary contact recreation; (5) National Marine Sanctuaries; or, (6) within the protection area for a drinking water intake structure.

The IEPA has tentatively determined that none of the outfalls listed in this Special Condition discharge to sensitive areas. However, if information becomes available that causes the IEPA to reverse this determination, the IEPA will notify the Permittee in writing. Upon the date contained in the notification letter, the Permittee shall revise the LTCP and schedule to eliminate or relocate these outfalls. If elimination or relocation is not economically feasible or technically achievable the Permittee shall submit a revised plan and schedule for treating the discharge. Such justification shall be in accordance with Section II.C.3 of the National CSO Control Policy.

E. CSO Operational and Maintenance Plans

1. The Permittee shall implement measures to reduce, to the greatest extent practicable, the total loading of pollutants and floatables entering the receiving stream to ensure that the Permittee ultimately achieves compliance with water quality standards. These measures shall include, but not be limited to developing and implementing a CSO O & M plan, tailored to the permittee's collection and waste treatment systems, which shall include mechanisms and specific procedures where applicable to ensure:
 - a. Collection system inspection on a scheduled basis;
 - b. Sewer, catch basin, and regulator cleaning and maintenance on a scheduled basis;
 - c. Inspections are made and preventive maintenance is performed on all pump/lift stations;
 - d. Collection system replacement, where necessary;
 - e. Detection and elimination of illegal connections;
 - f. Detection, prevention, and elimination of dry weather overflows;
- g. The collection system is operated to maximize storage capacity and the combined sewer portions of the collection system are operated to delay storm entry into the system; and,

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- h. The treatment and collection systems are operated to maximize treatment.

The IEPA reviewed and accepted a CSO operational and maintenance plan "CSO O&M plan" on October 28, 2007 prepared for this sewerage system. The Permittee shall fully implement the approved plan and review and revise, if needed, the CSO O&M plan to reflect system changes.

The CSO O&M plan shall be presented to the general public at a public information meeting conducted by the Permittee within nine (9) months of the effective date of this Permit or within nine (9) months of the CSO system being modified. The Permittee shall submit documentation that the CSO O&M plan complies with the requirements of this Permit and that the public information meeting was held. Such documentation shall be submitted to the IEPA within twelve (12) months of the effective date of this Permit or within three (3) months of the public meeting and shall include a summary of all significant issues raised by the public, the Permittee's response to each issue, and two (2) copies of the "CSO Operational Plan Checklist and Certification", one (1) with original signatures. Copies of the "CSO Operational Plan Checklist and Certification" are available online at <http://www.epa.state.il.us/water/permits/waste-water/forms/cso-checklist.pdf>. Following the public meeting, the Permittee shall maintain a current CSO O&M plan, updated to reflect system modifications, on file at the sewage treatment works and made available to the public. The CSO O&M plan revisions shall be submitted to the IEPA one (1) month from the revision date.

F. Sewer Use Ordinances

1. The Permittee, within six (6) months of the effective date of this Permit, shall review and where necessary, modify its existing sewer use ordinance to ensure it contains provisions addressing the conditions below. If no ordinance exists, such ordinance shall be developed and implemented within six (6) months from the effective date of this Permit. Upon completion of the review of the sewer use ordinance(s), the Permittee shall submit two (2) copies of a completed "Certification of Sewer Use Ordinance Review", one (1) with original signatures. Copies of the certification form can be obtained on line at <http://www.epa.state.il.us/water/permits/waste-water/forms/sewer-use.pdf>. The Permittee shall submit copies of the sewer use ordinance(s) to the IEPA one (1) month from the revision date. Sewer use ordinances are to contain specific provisions to:
 - a. Prohibit introduction of new inflow sources to the sanitary sewer system;
 - b. Require that new construction tributary to the combined sewer system be designed to minimize and/or delay inflow contribution to the combined sewer system;
 - c. Require that inflow sources on the combined sewer system be connected to a storm sewer, within a reasonable period of time, if a storm sewer becomes available;
 - d. Provide that any new building domestic waste connection shall be distinct from the building inflow connection, to facilitate disconnection if a storm sewer becomes available;
 - e. Assure that CSO impacts from non-domestic sources are minimized by determining which non-domestic discharges, if any, are tributary to CSOs and reviewing, and, if necessary, modifying the sewer use ordinance to control pollutants in these discharges; and,
 - f. Assure that the owners of all publicly owned systems with combined sewers tributary to the Permittee's collection system have procedures in place adequate to ensure that the objectives, mechanisms, and specific procedures given in Paragraph 9 of this Special Condition are achieved.

The Permittee shall enforce the applicable sewer use ordinances.

G. Long-Term Control Planning and Compliance with Water Quality Standards

1.
 - a. Pursuant to Section 301 of the federal Clean Water Act, 33 U.S.C. § 1311 and 40 CFR § 122.4, discharges from the CSOs, including the outfalls listed in this Special Condition and any other outfall listed as a "Treated Combined Sewage Outfall", shall not cause or contribute to violations of applicable water quality standards or cause use impairment in the receiving waters. In addition, discharges from CSOs shall comply with all applicable parts of 35 Ill. Adm. Code 306.305(a), (b), (c), and (d).
 - b. The Permittee shall develop and implement a water quality monitoring program adequate to verify compliance with water quality standards and to verify protection of designated uses in the receiving water(s) and to ascertain the effectiveness

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of CSO controls. Guidance on monitoring plans is available at: http://www.epa.gov/npdes/pubs/final_cso_pccm_guidance.pdf. This program shall contain a plan that details the monitoring protocols to be followed, including any necessary effluent and ambient monitoring, and if appropriate, other monitoring protocols such as biological assessments, whole effluent toxicity testing, and sediment sampling. This plan shall be submitted to the IEPA and be presented to the public at an informational meeting within nine (9) months of the effective date of this Permit. Within twelve (12) months of the effective date of this Permit, the Permittee shall submit to IEPA a summary of all significant issues raised by the public, the Permittee's response to each issue, and three (3) copies of the proposed plan (revised following the public meeting, if necessary). The Permittee shall respond to an IEPA review letter in writing within ninety (90) days of the date of such an initial review letter and within thirty (30) days of any subsequent review letter(s), if any. The monitoring plan shall be implemented within six (6) months of the date of IEPA approval. Within thirty (30) months of the approval of the plan, the results shall be submitted to the IEPA along with recommendations and conclusions as to whether or not the discharges from any of the CSOs (treated or untreated) authorized by this Permit are causing or contributing to violations of applicable water quality standards or causing use impairment in the receiving water(s).

- c. Should the results of the water quality monitoring plan or if information becomes available that causes IEPA to conclude that the discharges from any of the CSOs (treated or untreated) authorized to discharge under this Permit are causing or contributing to violations of water quality standards or are causing use impairment in the receiving water(s) (and so do not comply with the provisions of Paragraph G.1.a, above), the Permittee shall develop and submit to IEPA three copies of a CSO Long-Term Control Plan (LTCP) that includes measures for assuring that the discharges from the CSOs (treated or untreated) authorized in this Permit comply with the provisions of Paragraph G.1.a above. The LTCP shall include a schedule for implementation and provisions for re-evaluating compliance with applicable standards and regulations after complete implementation.

If IEPA notifies the Permittee in writing that it has concluded that discharges from any of the CSOs are causing or contributing to violations of water quality standards or are causing use impairment in the receiving waters, then the Permittee shall develop and submit to IEPA three copies of a LTCP within twelve (12) months of receiving the IEPA written notice. The LTCP shall include measures necessary for assuring that the discharges from the CSOs (treated or untreated) authorized in this Permit comply with the provisions of Paragraph G.1.a above.

Following submittal of the LTCP, the Permittee shall respond to any initial IEPA review letter in writing within ninety (90) days of the date of such a review letter, and within thirty (30) days of any subsequent review letter(s), if any. The Permittee may be required to implement the LTCP, or another remedy for addressing CSOs, through an enforcement action, permit modification or other enforceable mechanism.

2. A public notification program in accordance with Section II.B.8 of the federal CSO Control Policy of 1994 shall be developed employing a process that actively informs the affected public. The program shall include at a minimum public notification of CSO occurrences and CSO impacts, with consideration given to including mass media and/or Internet notification. The Permittee shall post and maintain signs in waters likely to be impacted by CSO discharges at the point of discharge and at points where these waters are used for primary contact recreation. The sign's message should be visible from both shoreline and water vessel approach (if appropriate), respectively. Provisions shall be made to include modifications of the program when necessary and notification to any additional member of the affected public. The program shall be presented to the general public at a public information meeting conducted by the Permittee. The Permittee shall conduct the public information meeting providing a summary and status of the CSO control program annually during the term of this Permit. The Permittee shall submit documentation that the public information meeting was held, shall submit a summary of all significant issues raised by the public and the Permittee's response to each issue and shall identify any modifications to the program as a result of the public information meeting within 60 days of holding the public meeting. The Permittee shall submit copies of the public notification program to the IEPA upon written request.
3. If any of the CSO discharge points listed in this Special Condition are eliminated, or if additional CSO discharge points, not listed in this Special Condition, are discovered, the Permittee shall notify the IEPA in writing within one (1) month of the respective outfall elimination or discovery. Such notification shall be in the form of a request for the appropriate modification of this NPDES Permit.

H. Summary of Compliance Dates in this CSO Special Condition

1. a. The following summarizes the dates that submittals contained in this Special Condition are due at the IEPA (unless otherwise indicated):

Submission of CSO Monitoring Data (Paragraph A.1)

25th of every month

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Submission of Revised CSO O&M Plan (Paragraph E.1)	1 month from revision date
Elimination of a CSO or Discovery of Additional CSO Locations (Paragraph G.3)	1 month from discovery or elimination
Control (or Justification for No Control) of CSOs to Sensitive Areas (Paragraph D.1)	Upon date contained in IEPA notification letter
Certification of Sewer Use Ordinance Review (Paragraph F.1)	6 months from the effective date of this Permit
Conduct Pollution Prevention, and PN Public Information meeting (Paragraphs C.1 and G.2) No Submittal Due with this Milestone	Annually
Submit Pollution Prevention Certification and OMP Certification (Paragraphs C.1 and E.1)	12 months from the effective date of this Permit
Conduct OMP Public Information Meeting (Paragraph E.1) No Submittal Due with this Milestone	9 months from the effective date of this Permit
Submit PN Information Meeting Summary (Paragraph G.2)	60 days after the public meeting
Submit CSO Long-Term Control Plan (Paragraph G.1)	12 months from the date of IEPA notification

b. Additional Action Items and Required Reporting

Submit Results of Monitoring Plan (Paragraph G.1)	30 months from the date of IEPA plan approval
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All Submittals listed in this Special Condition can be submitted electronically to EPA.PrmtSpecCondtns@illinois.gov with "IL0021644 Special Condition 16" as the subject of the email.

I. Reopening and Modifying this Permit

- The IEPA may initiate a modification for this Permit at any time to include requirements and compliance dates which have been submitted in writing by the Permittee and approved by the IEPA, or other requirements and dates which are necessary to carry out the provisions of the Illinois Environmental Protection Act, the Clean Water Act, or regulations promulgated under those Acts. Public Notice of such modifications and opportunity for public hearing shall be provided.

SPECIAL CONDITION 17. This Permit may be modified to include alternative or additional final effluent limitations pursuant to an approved Total Maximum Daily Load (TMDL) Study or upon completion of an alternate Water Quality Study.

SPECIAL CONDITION 18. The Permittee shall work towards the goals of achieving no discharges from sanitary sewer overflows or basement back-ups and ensuring that overflows or back-ups, when they do occur do not cause or contribute to violations of applicable standards or cause impairment in any adjacent receiving water. Overflows from sanitary sewers are expressly prohibited by this permit and by Ill. Adm. Code 306.304. As part of the process to ultimately achieve compliance through the elimination of and mitigating the adverse impacts of any such overflows if they do occur, the Permittee shall (A) identify and report to IEPA all SSOs that do occur, and (B) update the existing Capacity, Management, Operations, and Maintenance (CMOM) plan at least annually and maintain it at the facility for review during Agency Field Operations Section inspections. The Permittee shall submit copies of the CMOM to the IEPA upon written request. The Permittee shall modify the Plan to incorporate any comments that it receives from IEPA and shall implement the modified plan as soon as possible. The Permittee should work as appropriate, in consultation with affected authorities at the local, county, and/or state level to develop the plan components involving third party notification of overflow events. The Permittee may be required to construct additional sewage transport and/or treatment facilities in future permits or other enforceable documents should the implemented CMOM plan indicate that the Permittee's facilities are not capable of conveying and treating the flow for which they are designed.

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The CMOM plan shall include the following elements:

A. Measures and Activities:

1. A complete map and system inventory for the collection system owned and operated by the Permittee;
2. Organizational structure; budgeting; training of personnel; legal authorities; schedules for maintenance, sewer system cleaning, and preventative rehabilitation; checklists, and mechanisms to ensure that preventative maintenance is performed on equipment owned and operated by the Permittee;
3. Documentation of unplanned maintenance;
4. An assessment of the capacity of the collection and treatment system owned and operated by the Permittee at critical junctions and immediately upstream of locations where overflows and backups occur or are likely to occur; use flow monitoring and/or sewer hydraulic modeling, as necessary;
5. Identification and prioritization of structural deficiencies in the system owned and operated by the Permittee. Include preventative maintenance programs to prevent and/or eliminate collection system blockages from roots or grease, and prevent corrosion or negative effects of hydrogen sulfide which may be generated within collection system;
6. Operational control, including documented system control procedures, scheduled inspections and testing, list of scheduled frequency of cleaning (and televising as necessary) of sewers;
7. The Permittee shall develop and implement an Asset Management strategy to ensure the long-term sustainability of the collection system. Asset Management shall be used to assist the Permittee in making decisions on when it is most appropriate to repair, replace or rehabilitate particular assets and develop long-term funding strategies; and
8. Asset Management shall include but is not limited to the following elements:
 - a. Asset Inventory and State of the Asset;
 - b. Level of Service;
 - c. Critical Asset Identification;
 - d. Life Cycle Cost; and
 - e. Long-Term Funding Strategy.

B. Design and Performance Provisions:

1. Monitor the effectiveness of CMOM;
2. Upgrade the elements of the CMOM plan as necessary; and
3. Maintain a summary of CMOM activities.

C. Overflow Response Plan:

1. Know where overflows and back-ups within the facilities owned and operated by the Permittee occur;
2. Respond to each overflow or back-up to determine additional actions such as clean up; and
3. Locations where basement back-ups and/or sanitary sewer overflows occur shall be evaluated as soon as practicable for excessive inflow/infiltration, obstructions or other causes of overflows or back-ups as set forth in the System Evaluation Plan.
4. Identify the root cause of the overflow or basement backup, and document to files;
5. Identify actions or remediation efforts to reduce risk of reoccurrence of these overflows or basement backups in the future, and document to files.

D. System Evaluation Plan:

1. Summary of existing SSO and Excessive I/I areas in the system and sources of contribution;
2. Evaluate plans to reduce I/I and eliminate SSOs;
3. Evaluate the effectiveness and performance in efforts to reduce excessive I/I in the collection system;
4. Special provisions for Pump Stations and force mains and other unique system components; and
5. Construction plans and schedules for correction.

E. Reporting and Monitoring Requirements:

1. Program for SSO detection and reporting; and
2. Program for tracking and reporting basement back-ups, including general public complaints.

F. Third Party Notice Plan:

1. Describes how, under various overflow scenarios, the public, as well as other entities, would be notified of overflows within the Permittee's system that may endanger public health, safety or welfare;

Special Conditions

2. Identifies overflows within the Permittee's system that would be reported, giving consideration to various types of events including events with potential widespread impacts;
3. Identifies who shall receive the notification;
4. Identifies the specific information that would be reported including actions that will be taken to respond to the overflow;
5. Includes a description of the lines of communication; and
6. Includes the identities and contact information of responsible POTW officials and local, county, and/or state level officials.

For additional information concerning USEPA CMOM guidance and Asset Management please refer to the following web site addresses. http://www.epa.gov/npdes/pubs/cmom_guide_for_collection_systems.pdf and http://water.epa.gov/type/watersheds/wastewater/upload/guide_smallsystems_assetmanagement_bestpractices.pdf

SPECIAL CONDITION 19.

- A. Subject to paragraph B below, an effluent limit of 0.5 mg/L Total Phosphorus 12 month rolling geometric mean (calculated monthly) basis (hereinafter "Limit"), shall be met by the Permittee by January 1, 2030, unless the Permittee demonstrates that meeting such Limit is not technologically or economically feasible in one of the following manners:
 1. the Limit is not technologically feasible through the use of biological phosphorus removal (BPR) process(es) at the treatment facility; or
 2. the Limit would result in substantial and widespread economic or social impact. Substantial and widespread economic impacts must be demonstrated using applicable USEPA guidance, including but not limited to any of the following documents:
 - a. Interim Economic Guidance for Water Quality Standards, March 1995, EPA-823-95-002;
 - b. Combined Sewer Overflows – Guidance for Financial Capability Assessment and Schedule Development, February 1997, EPA-832—97-004;
 - c. Financial Capability Assessment Framework for Municipal Clean Water Act Requirements, November 24, 2014; and
 - d. any additional USEPA guidance on affordability issues that revises, supplements or replaces those USEPA guidance documents; or
 3. the Limit can only be met by chemical addition for phosphorus removal at the treatment facility in addition to those processes currently contemplated; or
 4. the Limit is demonstrated not to be feasible by January 1, 2030, but is feasible within a longer timeline, then the Limit shall be met as soon feasible and approved by the Agency; or
 5. the Limit is demonstrated not to be achievable, then an effluent limit that is achievable by the Permittee (along with associated timeline) will apply instead, except that the effluent limit shall not exceed 0.6 mg/L Total Phosphorus 12 month rolling geometric mean (calculated monthly).
- B. The Limit shall be met by the Permittee by January 1, 2030, except in the following circumstances:
 1. If the Permittee develops a written plan, preliminary engineering report or facility plan no later than January 1, 2025, to rebuild or replace the secondary treatment process(es) of the treatment facility, the Limit shall be met by December 31, 2035; or
 2. If the Permittee decides to construct/operate biological nutrient removal (BNR) process(es), incorporating nitrogen reduction, the Limit shall be met by December 31, 2035; or
 3. If the Permittee decides to use chemical addition for phosphorus removal instead of BPR, the Limit and the effluent limit of 1.0 mg/L Total Phosphorus monthly average shall be met by December 31, 2025; or
 4. If the Permittee has already installed chemical addition for phosphorus removal instead of BPR, and has a 1.0 mg/L Total Phosphorus monthly average effluent limit in its permit, or the Permittee is planning to install chemical addition with an IEPA construction permit that is issued on or before July 31, 2018, the 1.0 mg/L Total Phosphorus monthly average effluent limit (and associated compliance schedule) shall apply, and the Limit shall not be applicable.
 5. The NARP determines that a limit lower than the Limit is necessary and attainable. The lower limit and timeline identified in the NARP shall apply to the Permittee.
 6. If the Permittee participates in a watershed group that is developing a NARP for an impairment related to phosphorus or a risk of eutrophication, and IEPA determines that the group has the financial and structural capability to develop the NARP by the deadline specified in the NARP provisions below
- C. The Permittee shall identify and provide adequate justification of any exception identified in paragraph A or circumstance identified in paragraph B, regarding meeting the Limit. The justification shall be submitted to the Agency at the time of renewal of this permit or by December 31, 2023, whichever date is first. Any justification or demonstration performed by the Permittee pursuant to paragraph A or circumstance pursuant to paragraph B must be reviewed and approved by the Agency. The Agency will renew or modify the NPDES permit as necessary. No date deadline modification or effluent limitation modification for any of the exceptions or circumstances specified in paragraphs A or B will be effective until it is included in a modified or reissued NPDES Permit.
- D. For purposes of this permit, the following definitions are used:

Special Conditions

1. BPR (Biological Phosphorus Removal) is defined herein as treatment processes which do not require use of supplemental treatment processes at the treatment facilities before or after the biological system, such as but not limited to, chemical addition, carbon supplementation, fermentation, or filtration. The use of filtration or additional equipment to meet other effluent limits is not prohibited, but those processes will not be considered part of the BPR process for purposes of this permit; and
 2. BNR (Biological Nutrient Removal) is defined herein as treatment processes used for nitrogen and phosphorus removal from wastewater before it is discharged. BNR treatment processes, as defined herein, do not require use of supplemental treatment processes at the treatment facilities before or after the biological system, such as but not limited to, chemical addition, carbon supplementation, fermentation or filtration. The use of filtration or additional equipment to meet other effluent limits is not prohibited, but those processes will not be considered part of the BNR process for purposes of this permit.
- E. The 0.5 mg/L Total Phosphorus 12 month rolling geometric mean (calculated monthly) effluent limit applies to the effluent from the treatment plant.

SPECIAL CONDITION 20.

The Agency has determined that the Permittee's treatment plant effluent is located upstream of a waterbody or stream segment that has been determined to be at risk of eutrophication. This determination was made upon reviewing available information concerning the characteristics of the relevant waterbody/segment and the relevant facility (such as quantity of discharge flow and nutrient load relative to the stream flow).

A waterbody or segment is at risk of eutrophication if there is available information that plant, algal or cyanobacterial growth is causing or will cause violation of a water quality standard.

The Permittee shall develop, or be a part of a watershed group that develops, a Nutrient Assessment Reduction Plan (NARP) that will meet the following requirements:

- A. The NARP shall be developed and submitted to the Agency by December 31, 2023. This requirement can be accomplished by the Permittee, by participation in an existing watershed group or by creating a new group. The NARP shall be supported by data and sound scientific rationale.
- B. The Permittee shall cooperate with and work with other stakeholders in the watershed to determine the most cost-effective means to address the risk of eutrophication. If other stakeholders in the watershed will not cooperate in developing the NARP, the Permittee shall develop its own NARP for submittal to the Agency to comply with this condition.
- C. In determining the target levels of various parameters necessary to address the risk of eutrophication, the NARP shall either utilize the recommendations by the Nutrient Science Advisory Committee or develop its own watershed-specific target levels.
- D. The NARP shall identify phosphorus input reductions from point sources and non-point sources in addition to other measures necessary to remove the risk of eutrophication characteristics that will cause or may cause violation of a water quality standard. The NARP may determine, based on an assessment of relevant data, that the watershed does not have a risk of eutrophication related to phosphorus, in which case phosphorus input reductions or other measures would not be necessary. Alternatively, the NARP could determine that phosphorus input reductions from point sources are not necessary, or that phosphorus input reductions from both point and nonpoint sources are necessary, or that phosphorus input reductions are not necessary and that other measures, besides phosphorus input reductions, are necessary.
- E. The NARP shall include a schedule for the implementation of the phosphorus input reductions and other measures. The NARP schedule shall be implemented as soon as possible and shall identify specific timelines applicable to the permittee.
- F. The NARP can include provisions for water quality trading to address the phosphorus related risk of eutrophication characteristics in the watershed. Phosphorus/Nutrient trading cannot result in violations of water quality standards or applicable antidegradation requirements.
- G. The Permittee shall request modification of the permit within 90 days after the NARP has been completed to include necessary phosphorus input reductions identified within the NARP. The Agency will modify the permit if necessary.
- H. If the Permittee does not develop or assist in developing the NARP and such a NARP is developed for the watershed, the Permittee will become subject to effluent limitations necessary to address the risk of eutrophication. The Agency shall calculate these effluent limits by using the NARP and any applicable data. If no NARP has been developed, the effluent limits shall be determined for the Permittee on a case-by-case basis, so as to ensure that the Permittee's discharge will not cause or contribute to violations of the dissolved oxygen or narrative offensive condition water quality standards.

Attachment H
Standard Conditions

Definitions

Act means the Illinois Environmental Protection Act, 415 ILCS 5 as Amended.

Agency means the Illinois Environmental Protection Agency.

Board means the Illinois Pollution Control Board.

Clean Water Act (formerly referred to as the Federal Water Pollution Control Act) means Pub. L 92-500, as amended. 33 U.S.C. 1251 et seq.

NPDES (National Pollutant Discharge Elimination System) means the national program for issuing, modifying, revoking and reissuing, terminating, monitoring and enforcing permits, and imposing and enforcing pretreatment requirements, under Sections 307, 402, 318 and 405 of the Clean Water Act.

USEPA means the United States Environmental Protection Agency.

Daily Discharge means the discharge of a pollutant measured during a calendar day or any 24-hour period that reasonably represents the calendar day for purposes of sampling. For pollutants with limitations expressed in units of mass, the "daily discharge" is calculated as the total mass of the pollutant discharged over the day. For pollutants with limitations expressed in other units of measurements, the "daily discharge" is calculated as the average measurement of the pollutant over the day.

Maximum Daily Discharge Limitation (daily maximum) means the highest allowable daily discharge.

Average Monthly Discharge Limitation (30 day average) means the highest allowable average of daily discharges over a calendar month, calculated as the sum of all daily discharges measured during a calendar month divided by the number of daily discharges measured during that month.

Average Weekly Discharge Limitation (7 day average) means the highest allowable average of daily discharges over a calendar week, calculated as the sum of all daily discharges measured during a calendar week divided by the number of daily discharges measured during that week.

Best Management Practices (BMPs) means schedules of activities, prohibitions of practices, maintenance procedures, and other management practices to prevent or reduce the pollution of waters of the State. BMPs also include treatment requirements, operating procedures, and practices to control plant site runoff, spillage or leaks, sludge or waste disposal, or drainage from raw material storage.

Aliquot means a sample of specified volume used to make up a total composite sample.

Grab Sample means an individual sample of at least 100 milliliters collected at a randomly-selected time over a period not exceeding 15 minutes.

24-Hour Composite Sample means a combination of at least 8 sample aliquots of at least 100 milliliters, collected at periodic intervals during the operating hours of a facility over a 24-hour period.

8-Hour Composite Sample means a combination of at least 3 sample aliquots of at least 100 milliliters, collected at periodic intervals during the operating hours of a facility over an 8-hour period.

Flow Proportional Composite Sample means a combination of sample aliquots of at least 100 milliliters collected at periodic intervals such that either the time interval between each aliquot or the volume of each aliquot is proportional to either the stream flow at the time of sampling or the total stream flow since the collection of the previous aliquot.

- (1) **Duty to comply.** The permittee must comply with all conditions of this permit. Any permit noncompliance constitutes a violation of the Act and is grounds for enforcement action, permit termination, revocation and reissuance, modification, or for denial of a permit renewal application. The permittee shall comply with effluent standards or prohibitions established under Section 307(a) of the Clean Water Act for toxic pollutants within the time provided in the regulations that establish these standards or prohibitions, even if the permit has not yet been modified to incorporate the requirements.
- (2) **Duty to reapply.** If the permittee wishes to continue an activity regulated by this permit after the expiration date of this permit, the permittee must apply for and obtain a new permit. If the permittee submits a proper application as required by the Agency no later than 180 days prior to the expiration date, this permit shall continue in full force and effect until the final Agency decision on the application has been made.
- (3) **Need to halt or reduce activity not a defense.** It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.
- (4) **Duty to mitigate.** The permittee shall take all reasonable steps to minimize or prevent any discharge in violation of this permit which has a reasonable likelihood of adversely affecting human health or the environment.
- (5) **Proper operation and maintenance.** The permittee shall at all times properly operate and maintain all facilities and systems of treatment and control (and related appurtenances) which are installed or used by the permittee to achieve compliance with conditions of this permit. Proper operation and maintenance includes effective performance, adequate funding, adequate operator staffing and training, and adequate laboratory and process controls, including appropriate quality assurance procedures. This provision requires the operation of back-up, or auxiliary facilities, or similar systems only when necessary to achieve compliance with the conditions of the permit.
- (6) **Permit actions.** This permit may be modified, revoked and reissued, or terminated for cause by the Agency pursuant to 40 CFR 122.62 and 40 CFR 122.63. The filing of a request by the permittee for a permit modification, revocation and reissuance, or termination, or a notification of planned changes or anticipated noncompliance, does not stay any permit condition.
- (7) **Property rights.** This permit does not convey any property rights of any sort, or any exclusive privilege.
- (8) **Duty to provide information.** The permittee shall furnish to the Agency within a reasonable time, any information which the Agency may request to determine whether cause exists for modifying, revoking and reissuing, or terminating this permit, or to determine compliance with the permit. The permittee shall also furnish to the Agency upon request, copies of records required to be kept by this permit.

(9) **Inspection and entry.** The permittee shall allow an authorized representative of the Agency or USEPA (including an authorized contractor acting as a representative of the Agency or USEPA), upon the presentation of credentials and other documents as may be required by law, to:

- (a) Enter upon the permittee's premises where a regulated facility or activity is located or conducted, or where records must be kept under the conditions of this permit;
- (b) Have access to and copy, at reasonable times, any records that must be kept under the conditions of this permit;
- (c) Inspect at reasonable times any facilities, equipment (including monitoring and control equipment), practices, or operations regulated or required under this permit; and
- (d) Sample or monitor at reasonable times, for the purpose of assuring permit compliance, or as otherwise authorized by the Act, any substances or parameters at any location.

(10) **Monitoring and records.**

- (a) Samples and measurements taken for the purpose of monitoring shall be representative of the monitored activity.
- (b) The permittee shall retain records of all monitoring information, including all calibration and maintenance records, and all original strip chart recordings for continuous monitoring instrumentation, copies of all reports required by this permit, and records of all data used to complete the application for this permit, for a period of at least 3 years from the date of this permit, measurement, report or application. Records related to the permittee's sewage sludge use and disposal activities shall be retained for a period of at least five years (or longer as required by 40 CFR Part 503). This period may be extended by request of the Agency or USEPA at any time.
- (c) Records of monitoring information shall include:
 - (1) The date, exact place, and time of sampling or measurements;
 - (2) The individual(s) who performed the sampling or measurements;
 - (3) The date(s) analyses were performed;
 - (4) The individual(s) who performed the analyses;
 - (5) The analytical techniques or methods used; and
 - (6) The results of such analyses.
- (d) Monitoring must be conducted according to test procedures approved under 40 CFR Part 136, unless other test procedures have been specified in this permit. Where no test procedure under 40 CFR Part 136 has been approved, the permittee must submit to the Agency a test method for approval. The permittee shall calibrate and perform maintenance procedures on all monitoring and analytical instrumentation at intervals to ensure accuracy of measurements.

(11) **Signatory requirement.** All applications, reports or information submitted to the Agency shall be signed and certified.

- (a) **Application.** All permit applications shall be signed as follows:
 - (1) For a corporation: by a principal executive officer of at least the level of vice president or a person or position having overall responsibility for environmental matters for the corporation;
 - (2) For a partnership or sole proprietorship: by a general partner or the proprietor, respectively; or
 - (3) For a municipality, State, Federal, or other public agency: by either a principal executive officer or ranking elected official.
- (b) **Reports.** All reports required by permits, or other information requested by the Agency shall be signed by a person described in paragraph (a) or by a duly authorized representative of that person. A person is a duly

authorized representative only if:

- (1) The authorization is made in writing by a person described in paragraph (a); and
 - (2) The authorization specifies either an individual or a position responsible for the overall operation of the facility, from which the discharge originates, such as a plant manager, superintendent or person of equivalent responsibility; and
 - (3) The written authorization is submitted to the Agency.
- (c) **Changes of Authorization.** If an authorization under (b) is no longer accurate because a different individual or position has responsibility for the overall operation of the facility, a new authorization satisfying the requirements of (b) must be submitted to the Agency prior to or together with any reports, information, or applications to be signed by an authorized representative.
- (d) **Certification.** Any person signing a document under paragraph (a) or (b) of this section shall make the following certification:

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

(12) **Reporting requirements.**

- (a) **Planned changes.** The permittee shall give notice to the Agency as soon as possible of any planned physical alterations or additions to the permitted facility. Notice is required when:
 - (1) The alteration or addition to a permitted facility may meet one of the criteria for determining whether a facility is a new source pursuant to 40 CFR 122.29 (b); or
 - (2) The alteration or addition could significantly change the nature or increase the quantity of pollutants discharged. This notification applies to pollutants which are subject neither to effluent limitations in the permit, nor to notification requirements pursuant to 40 CFR 122.42 (a)(1).
 - (3) The alteration or addition results in a significant change in the permittee's sludge use or disposal practices, and such alteration, addition, or change may justify the application of permit conditions that are different from or absent in the existing permit, including notification of additional use or disposal sites not reported during the permit application process or not reported pursuant to an approved land application plan.
- (b) **Anticipated noncompliance.** The permittee shall give advance notice to the Agency of any planned changes in the permitted facility or activity which may result in noncompliance with permit requirements.
- (c) **Transfers.** This permit is not transferable to any person except after notice to the Agency.
- (d) **Compliance schedules.** Reports of compliance or noncompliance with, or any progress reports on, interim and final requirements contained in any compliance schedule of this permit shall be submitted no later than 14 days following each schedule date.
- (e) **Monitoring reports.** Monitoring results shall be reported at the intervals specified elsewhere in this permit.
 - (1) Monitoring results must be reported on a Discharge Monitoring Report (DMR).

- (2) If the permittee monitors any pollutant more frequently than required by the permit, using test procedures approved under 40 CFR 136 or as specified in the permit, the results of this monitoring shall be included in the calculation and reporting of the data submitted in the DMR.
- (3) Calculations for all limitations which require averaging of measurements shall utilize an arithmetic mean unless otherwise specified by the Agency in the permit.
- (f) **Twenty-four hour reporting.** The permittee shall report any noncompliance which may endanger health or the environment. Any information shall be provided orally within 24-hours from the time the permittee becomes aware of the circumstances. A written submission shall also be provided within 5 days of the time the permittee becomes aware of the circumstances. The written submission shall contain a description of the noncompliance and its cause; the period of noncompliance, including exact dates and time; and if the noncompliance has not been corrected, the anticipated time it is expected to continue; and steps taken or planned to reduce, eliminate, and prevent reoccurrence of the noncompliance. The following shall be included as information which must be reported within 24-hours:
- (1) Any unanticipated bypass which exceeds any effluent limitation in the permit.
 - (2) Any upset which exceeds any effluent limitation in the permit.
 - (3) Violation of a maximum daily discharge limitation for any of the pollutants listed by the Agency in the permit or any pollutant which may endanger health or the environment.
The Agency may waive the written report on a case-by-case basis if the oral report has been received within 24-hours.
- (g) **Other noncompliance.** The permittee shall report all instances of noncompliance not reported under paragraphs (12) (d), (e), or (f), at the time monitoring reports are submitted. The reports shall contain the information listed in paragraph (12) (f).
- (h) **Other information.** Where the permittee becomes aware that it failed to submit any relevant facts in a permit application, or submitted incorrect information in a permit application, or in any report to the Agency, it shall promptly submit such facts or information.
- (13) **Bypass.**
- (a) Definitions.
 - (1) Bypass means the intentional diversion of waste streams from any portion of a treatment facility.
 - (2) Severe property damage means substantial physical damage to property, damage to the treatment facilities which causes them to become inoperable, or substantial and permanent loss of natural resources which can reasonably be expected to occur in the absence of a bypass. Severe property damage does not mean economic loss caused by delays in production.
 - (b) Bypass not exceeding limitations. The permittee may allow any bypass to occur which does not cause effluent limitations to be exceeded, but only if it also is for essential maintenance to assure efficient operation. These bypasses are not subject to the provisions of paragraphs (13)(c) and (13)(d).
 - (c) Notice.
 - (1) Anticipated bypass. If the permittee knows in advance of the need for a bypass, it shall submit prior notice, if possible at least ten days before the date of the bypass.
 - (2) Unanticipated bypass. The permittee shall submit notice of an unanticipated bypass as required in paragraph (12)(f) (24-hour notice).
 - (d) Prohibition of bypass.
 - (1) Bypass is prohibited, and the Agency may take enforcement action against a permittee for bypass, unless:
 - (i) Bypass was unavoidable to prevent loss of life, personal injury, or severe property damage;
 - (ii) There were no feasible alternatives to the bypass, such as the use of auxiliary treatment facilities, retention of untreated wastes, or maintenance during normal periods of equipment downtime. This condition is not satisfied if adequate back-up equipment should have been installed in the exercise of reasonable engineering judgment to prevent a bypass which occurred during normal periods of equipment downtime or preventive maintenance; and
 - (iii) The permittee submitted notices as required under paragraph (13)(c).
 - (2) The Agency may approve an anticipated bypass, after considering its adverse effects, if the Agency determines that it will meet the three conditions listed above in paragraph (13)(d)(1).
- (14) **Upset.**
- (a) Definition. Upset means an exceptional incident in which there is unintentional and temporary noncompliance with technology based permit effluent limitations because of factors beyond the reasonable control of the permittee. An upset does not include noncompliance to the extent caused by operational error, improperly designed treatment facilities, inadequate treatment facilities, lack of preventive maintenance, or careless or improper operation.
 - (b) Effect of an upset. An upset constitutes an affirmative defense to an action brought for noncompliance with such technology based permit effluent limitations if the requirements of paragraph (14)(c) are met. No determination made during administrative review of claims that noncompliance was caused by upset, and before an action for noncompliance, is final administrative action subject to judicial review.
 - (c) Conditions necessary for a demonstration of upset. A permittee who wishes to establish the affirmative defense of upset shall demonstrate, through properly signed, contemporaneous operating logs, or other relevant evidence that:
 - (1) An upset occurred and that the permittee can identify the cause(s) of the upset;
 - (2) The permitted facility was at the time being properly operated; and
 - (3) The permittee submitted notice of the upset as required in paragraph (12)(f)(2) (24-hour notice).
 - (4) The permittee complied with any remedial measures required under paragraph (4).
 - (d) Burden of proof. In any enforcement proceeding the permittee seeking to establish the occurrence of an upset has the burden of proof.
- (15) **Transfer of permits.** Permits may be transferred by modification or automatic transfer as described below:
- (a) Transfers by modification. Except as provided in paragraph (b), a permit may be transferred by the permittee to a new owner or operator only if the permit has been modified or revoked and reissued pursuant to 40 CFR 122.62 (b) (2), or a minor modification made pursuant to 40 CFR 122.63 (d), to identify the new permittee and incorporate such other requirements as may be necessary under the Clean Water Act.
 - (b) Automatic transfers. As an alternative to transfers under paragraph (a), any NPDES permit may be automatically

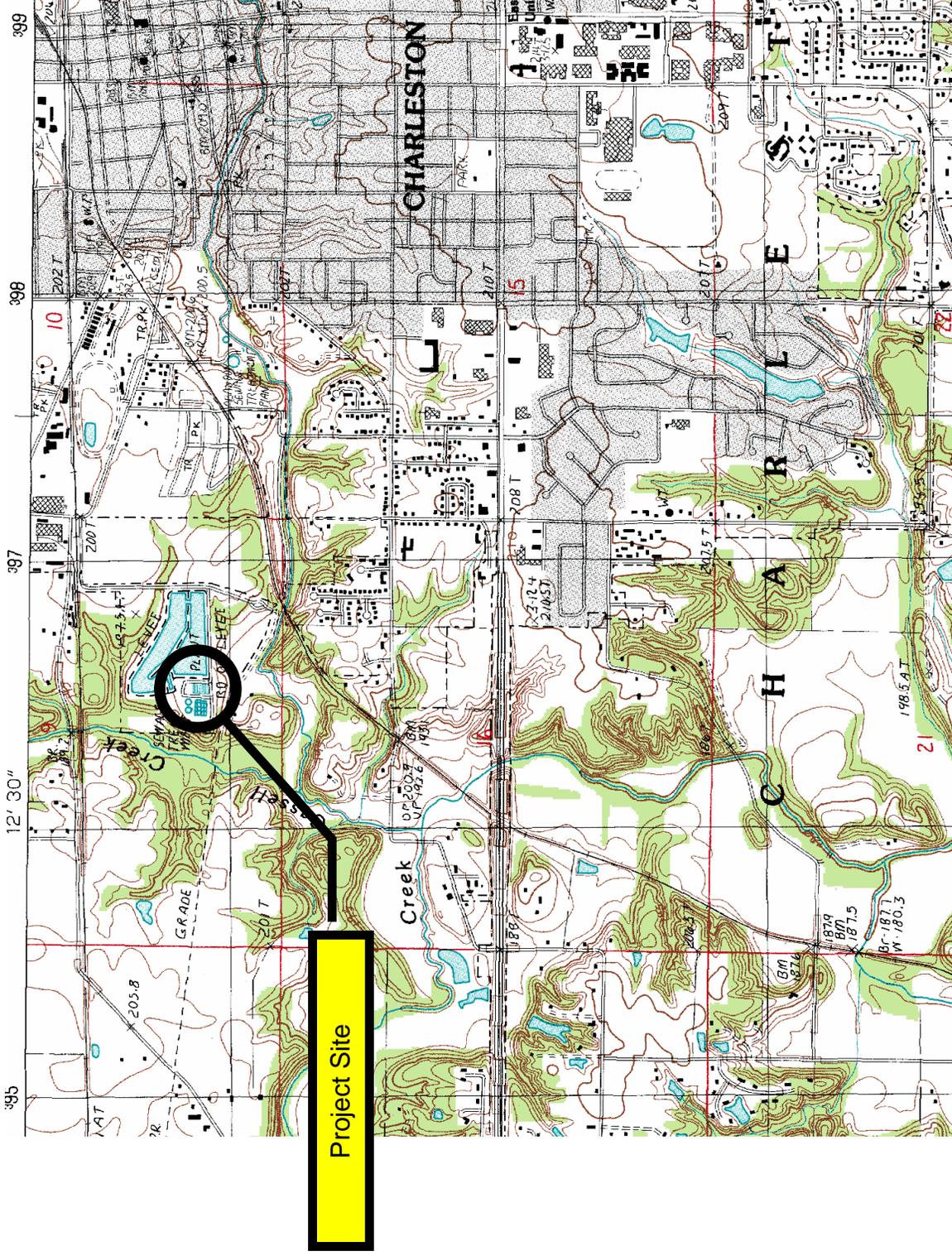
transferred to a new permittee if:

- (1) The current permittee notifies the Agency at least 30 days in advance of the proposed transfer date;
 - (2) The notice includes a written agreement between the existing and new permittees containing a specified date for transfer of permit responsibility, coverage and liability between the existing and new permittees; and
 - (3) The Agency does not notify the existing permittee and the proposed new permittee of its intent to modify or revoke and reissue the permit. If this notice is not received, the transfer is effective on the date specified in the agreement.
- (16) All manufacturing, commercial, mining, and silvicultural dischargers must notify the Agency as soon as they know or have reason to believe:
- (a) That any activity has occurred or will occur which would result in the discharge of any toxic pollutant identified under Section 307 of the Clean Water Act which is not limited in the permit, if that discharge will exceed the highest of the following notification levels:
 - (1) One hundred micrograms per liter (100 ug/l);
 - (2) Two hundred micrograms per liter (200 ug/l) for acrolein and acrylonitrile; five hundred micrograms per liter (500 ug/l) for 2,4-dinitrophenol and for 2-methyl-4,6 dinitrophenol; and one milligram per liter (1 mg/l) for antimony.
 - (3) Five (5) times the maximum concentration value reported for that pollutant in the NPDES permit application; or
 - (4) The level established by the Agency in this permit.
 - (b) That they have begun or expect to begin to use or manufacture as an intermediate or final product or byproduct any toxic pollutant which was not reported in the NPDES permit application.
- (17) All Publicly Owned Treatment Works (POTWs) must provide adequate notice to the Agency of the following:
- (a) Any new introduction of pollutants into that POTW from an indirect discharge which would be subject to Sections 301 or 306 of the Clean Water Act if it were directly discharging those pollutants; and
 - (b) Any substantial change in the volume or character of pollutants being introduced into that POTW by a source introducing pollutants into the POTW at the time of issuance of the permit.
 - (c) For purposes of this paragraph, adequate notice shall include information on (i) the quality and quantity of effluent introduced into the POTW, and (ii) any anticipated impact of the change on the quantity or quality of effluent to be discharged from the POTW.
- (18) If the permit is issued to a publicly owned or publicly regulated treatment works, the permittee shall require any industrial user of such treatment works to comply with federal requirements concerning:
- (a) User charges pursuant to Section 204 (b) of the Clean Water Act, and applicable regulations appearing in 40 CFR 35;
 - (b) Toxic pollutant effluent standards and pretreatment standards pursuant to Section 307 of the Clean Water Act; and
 - (c) Inspection, monitoring and entry pursuant to Section 308 of the Clean Water Act.
- (19) If an applicable standard or limitation is promulgated under Section 301(b)(2)(C) and (D), 304(b)(2), or 307(a)(2) and that effluent standard or limitation is more stringent than any effluent limitation in the permit, or controls a pollutant not limited in the permit, the permit shall be promptly modified or revoked, and reissued to conform to that effluent standard or limitation.
- (20) Any authorization to construct issued to the permittee pursuant to 35 Ill. Adm. Code 309.154 is hereby incorporated by reference as a condition of this permit.
- (21) The permittee shall not make any false statement, representation or certification in any application, record, report, plan or other document submitted to the Agency or the USEPA, or required to be maintained under this permit.
- (22) The Clean Water Act provides that any person who violates a permit condition implementing Sections 301, 302, 306, 307, 308, 318, or 405 of the Clean Water Act is subject to a civil penalty not to exceed \$25,000 per day of such violation. Any person who willfully or negligently violates permit conditions implementing Sections 301, 302, 306, 307, 308, 318 or 405 of the Clean Water Act is subject to a fine of not less than \$2,500 nor more than \$25,000 per day of violation, or by imprisonment for not more than one year, or both. Additional penalties for violating these sections of the Clean Water Act are identified in 40 CFR 122.41 (a)(2) and (3).
- (23) The Clean Water Act provides that any person who falsifies, tampers with, or knowingly renders inaccurate any monitoring device or method required to be maintained under this permit shall, upon conviction, be punished by a fine of not more than \$10,000, or by imprisonment for not more than 2 years, or both. If a conviction of a person is for a violation committed after a first conviction of such person under this paragraph, punishment is a fine of not more than \$20,000 per day of violation, or by imprisonment of not more than 4 years, or both.
- (24) The Clean Water Act provides that any person who knowingly makes any false statement, representation, or certification in any record or other document submitted or required to be maintained under this permit, including monitoring reports or reports of compliance or non-compliance shall, upon conviction, be punished by a fine of not more than \$10,000 per violation, or by imprisonment for not more than 6 months per violation, or by both.
- (25) Collected screening, slurries, sludges, and other solids shall be disposed of in such a manner as to prevent entry of those wastes (or runoff from the wastes) into waters of the State. The proper authorization for such disposal shall be obtained from the Agency and is incorporated as part hereof by reference.
- (26) In case of conflict between these standard conditions and any other condition(s) included in this permit, the other condition(s) shall govern.
- (27) The permittee shall comply with, in addition to the requirements of the permit, all applicable provisions of 35 Ill. Adm. Code, Subtitle C, Subtitle D, Subtitle E, and all applicable orders of the Board or any court with jurisdiction.
- (28) The provisions of this permit are severable, and if any provision of this permit, or the application of any provision of this permit is held invalid, the remaining provisions of this permit shall continue in full force and effect.

The project site is located in Sections 9 in Township 12 North,
Range 9 East in the Third Principal Meridian.



North



Attachment "A"
Project Location Map

K. DOCUMENTATION OF PRIOR NON-AGRICULTURAL SITE DISTURBANCES

See the photos of the site, which were taken in March 2020. The east end of the site (where the work will take place) appears to have been previously disturbed when the wastewater treatment facility was updated in 1987. The facility was also upgraded in 2013.





**Sludge Treatment Building –
Looking Southwest
(no exterior changes)**



**Covered Biosolids Storage Pad –
Looking Northwest
(no exterior changes)**



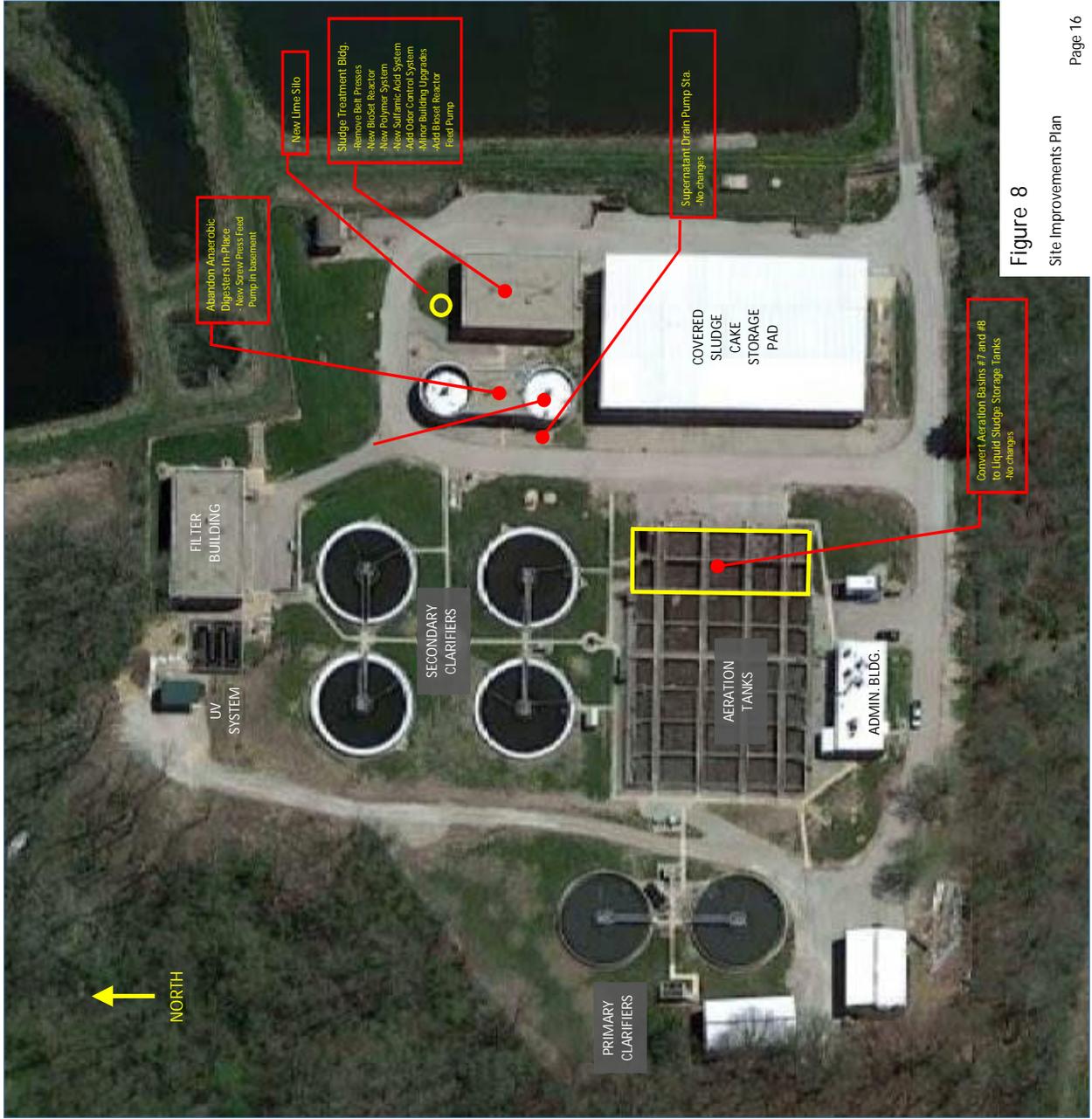


Figure 8
Site Improvements Plan

CHARLESTON AREA CHARITABLE FOUNDATION

6029 Park Drive - Suite A, P.O. Box 677
Charleston, Illinois 61920

May 4, 2020

Erin Guthrie, Director
Illinois Department of Commerce and Economic Opportunity
c/o Wendy Bell, Deputy Director
Illinois Office of Community Development
500 East Monroe Street, Mail Code: R-2
Springfield, Illinois 62701

Dear Director Guthrie:

We are honored to write in support of the City of Charleston's application for a Rebuild Illinois Public Infrastructure (RIPI) grant. The City of Charleston seeks funding for much needed improvements at its Waste Water Treatment Plant. These improvements include: Solids Handling Upgrades and Biological Phosphorus Removal Improvements as mandated by the Illinois Environmental Protection Agency's NPDES operating permit.

These improvements will address an immediate and critical health and safety concern; and will benefit the residents of the City (including Eastern Illinois University), businesses, industries, jobs and the local / regional environmental ecosystem.

Again, we offer our strong support of Charleston's RIPI application and we respectfully ask for full and favorable consideration of this application. Please feel free to reach out to me if you have any questions.

WHEREAS, the City Council of the City of Charleston, Illinois has taken action to submit a Rebuild Illinois competitive public infrastructure application,

WHEREAS, receipt of Rebuild Illinois grant assistance is essential to allow the City of Charleston to undertake the project to make critical improvements to its Waste Water Treatment Plant,

WHEREAS, criteria are such that financial participation by the grantee is required in conjunction with Rebuild Illinois funds, and

WHEREAS, the Charleston Area Charitable Foundation has certain monies allocated for the above-referenced project with cash on hand, as needed.

NOW, THEREFORE, BE IT RESOLVED THAT the Charleston Area Charitable Foundation does hereby commit funds for use in conjunction with a Rebuild Illinois Public Infrastructure Grant, such funds to equal .9078% of the estimated total project cost of \$4,957,000, or \$45,000.00.

PASSED and APPROVED at the regular meeting of the Charleston Area Charitable Foundation on the 4th day of May, 2020.

Best Regards,

A handwritten signature in black ink, appearing to read "Michael J. Metzger". The signature is stylized with large, overlapping loops and a long horizontal stroke at the end.

Michael J. Metzger
President
Charleston Area Charitable Foundation



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

217-782-2027

APR - 2 2020

Mr. Curt Buescher, Director
Public Works Department
520 Jackson Avenue
Charleston, IL 61920

Re: City of Charleston – Wastewater Treatment Plant Improvements
IEPA Project No. L175808

Dear Mr. Buescher:

The City's Project Plan prepared by Donohue & Associates, Inc. was received by our Agency on March 31, 2020. Your assigned project manager is Bill Jankousky. All questions and correspondence regarding this project should be directed to your project manager.

Enclosed is a list of basic program requirements including information regarding the use of American iron and steel (AIS) products. Federal AIS requirements include properly documenting the country of origin for all applicable iron and steel products used in projects funded by the loan program. Additional information regarding AIS is available on the IEPA website.

Funds are specifically reserved for projects either appearing on the annual Intended Funding List (IFL) or having a Letter of Commitment (LOC) from the Agency. Please do not bid construction contracts without a LOC or until the project appears on the annual IFL; otherwise, the project may have to be funded without Agency assistance. All projects including equipment must be competitively bid.

We look forward to working with your municipality. If you would like to schedule a meeting to discuss the loan program requirements or project implementation, please call your project manager at 217-782-2027.

Sincerely,

Heidi Allen
Pre-Construction Unit Manager
Infrastructure Financial Assistance Section
Bureau of Water

Enclosures: Program Requirements
Signage Guidance
AIS Requirements
Funding Cycle Explanation

cc: Donohue & Associates, Inc. (no enclosures)

4302 N. Main Street, Rockford, IL 61103 (815) 987-7760
595 S. State Street, Elgin, IL 60123 (847) 608-3131
2125 S. First Street, Champaign, IL 61820 (217) 278-5800
2009 Mall Street Collinsville, IL 62234 (618) 346-5120

9511 Harrison Street, Des Plaines, IL 60016 (847) 294-4000
412 SW Washington Street, Suite D, Peoria, IL 61602 (309) 671-3022
2309 W. Main Street, Suite 116, Marion, IL 62959 (618) 993-7200
100 W. Randolph Street, Suite 4-500, Chicago, IL 60601

COLES COUNTY, ILLINOIS

Document No. 336924 Filed and Recorded April 29, 1969 at 2:40 o'clock P. M.
VOL. 426 PAGE 594

W. Harry F. Bradford
Recorder.

THIS INDENTURE WITNESSETH THAT THE GRANTOR, GLADYS TALBOTT WALDEN, a divorced person, never having remarried

of the City of Charleston in the County of Coles and State of Illinois for and in consideration of TEN DOLLARS and other good and valuable consideration in hand paid, CONVEY AND WARRANT to CITY OF CHARLESTON, ILLINOIS, a Municipal Corporation

of the County of Coles and State of Illinois, the following described Real Estate, to-wit:

A part of the Southeast Quarter (SE. 1/4) of Section Nine (9), Township Twelve (12) North, Range Nine (9) East of the Third Principal Meridian, described as follows: Beginning at an iron pipe in the West line of the Southeast Quarter (SE. 1/4) of said Section Nine (9), 851' Northerly of the Southwest Corner of the Southeast Quarter (SE. 1/4) of said Section Nine; thence continuing Northerly along the said West line of Section Nine (9), 1200.0'; thence Easterly making an interior angle of 90° 00' with the last described course, 1800.0' to an iron pipe; thence Southerly making an interior angle of 90° 00' with the last described course, 1881.9' to an iron pipe in the approximate Northerly ROW Line of the Norfolk and Western Railroad; thence in a Southwesterly direction along the said Northerly ROW line, 264.25' to an iron pipe at the approximate intersection of the said Northerly ROW line of the Norfolk and Western Railroad and the Northerly ROW line of the Central Illinois Public Service property (formerly the Central Illinois Traction Company); thence in a Northwesterly direction, along the Northerly line of said Central Illinois Public Service property, to the place of beginning, all situated in Charleston Township, Coles County, Illinois, and containing 67.153 acres, more or less

situated in the County of Coles in the State of Illinois, hereby releasing and waiving all rights under and by virtue of the Homestead Exemption Laws of this State.

Dated this 28th day of April A. D. 1969

Signed, Sealed and Delivered in the presence of Gladys Walden (SEAL) (SEAL) (SEAL)

STATE OF ILLINOIS, County of COLES I, the undersigned, a notary public in and for said County, in the State aforesaid, do hereby certify that GLADYS TALBOTT WALDEN, a divorced person, never having remarried personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that she signed, sealed, and delivered, the said instrument, as her free and voluntary act, for the uses and purposes therein set forth, including the release and waiver of the right of homestead.

Given under my hand and notarial seal, this 29th day of April A. D. 1969 *Betty Alice ...*

Charleston Waste Water Treatment Plant
1200 W Madison Avenue
Charleston, Illinois 61920

Chapter 5 FAIR HOUSING

5-5-1: DEFINITIONS:

5-5-2: DISCRIMINATION PROHIBITED:

5-5-3: PROPERTY OWNER PREFERENCES:

5-5-4: INTERPRETATION AND EFFECT:

5-5-5: PENALTY:

5-5-1: DEFINITIONS:

As used in this chapter, unless a different meaning appears clearly from its context, the following terms shall have the meanings provided in this section:

DISCRIMINATE OR DISCRIMINATION: To differentiate in treatment between individuals or groups of individuals on the basis of color, geographical or national ancestry or origin, race or religion, or any combination thereof, or on the friends or associates of an individual or group of individuals.

DWELLING: Any building or structure, or portion thereof, which is arranged, designed or used as a home, residence or living quarters of one or more human beings.

HOUSING ACCOMMODATION: Any building, structure or things, or portion thereof, used or occupied, or intended, arranged or designed to be used or occupied, as a home, residence, or living quarters for one or more human beings, including any vacant land appropriately zoned and intended to be used for the construction or emplacement of any such building, structure or thing.

PERSON: Any person, including associations, firms, partnerships and corporations, as well as natural persons, both in these definitions and elsewhere herein; and as to partnerships, includes all partners thereof individually; and as to corporations, all officers thereof individually.

TRANSFER: To sell, rent, lease, barter, sublease, purchase, exchange or assign real property or any interest therein or possession thereof. (Ord. 68-O-15, 5-21-1968)

5-5-2: DISCRIMINATION PROHIBITED:

- A. No person shall "discriminate", as defined in section 5-5-1 of this chapter, against any other person in regard to the sale, lease, rental or transfer of any housing accommodation.
- B. No person shall "discriminate", as defined in section 5-5-1 of this chapter, against any other person in regard to the financing of, or dealings concerning the sale, lease, rental or transfer of any housing accommodation.
- C. No person shall circulate or publish any statement or advertise in any manner or way to indicate an intent to "discriminate", as defined in section 5-5-1 of this chapter, against any person or group of

persons in the sale, lease, rental, or transfer of any housing accommodation, or the financing of or dealings concerning such sale, lease, rental or transfer thereof. (Ord. 68-O-15, 5-21-1968)

5-5-3: PROPERTY OWNER PREFERENCES:

Nothing in this chapter shall require an owner of the legal or equitable title to property to offer the same to the public at large before selling or renting it, nor shall any provision of this chapter be deemed to prohibit a person from giving preference to others for any reason other than those based upon color, geographical or national ancestry or origin, race or religion. (Ord. 68-O-15, 5-21-1968)

5-5-4: INTERPRETATION AND EFFECT:

A. The provisions of this chapter shall be liberally construed according to the fair import of the terms therein contained to further the purposes and policy expressed.

B. Nothing in this chapter shall be deemed to repeal or restrict the existing powers of the building official to work through conciliation, discussion and education to eliminate discrimination in housing and all other matters. (Ord. 68-O-15, 5-21-1968; amd. 1991 Code)

5-5-5: PENALTY:

Any person who shall violate any provisions of this chapter shall be fined not to exceed five hundred dollars (\$500.00). (Ord. 68-O-15, 5-21-1968)

Request for Taxpayer Identification Number and Certification

**Give Form to the
 requester. Do not
 send to the IRS.**

▶ Go to www.irs.gov/FormW9 for instructions and the latest information.

Print or type. See Specific Instructions on page 3.	1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank. City of Charleston	2 Business name/disregarded entity name, if different from above	3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes. <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____ Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner. <input checked="" type="checkbox"/> Other (see instructions) ▶ _____ Municipality	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) <u> 3 </u> Exemption from FATCA reporting code (if any) _____ <i>(Applies to accounts maintained outside the U.S.)</i>
	5 Address (number, street, and apt. or suite no.) See instructions. 520 Jackson Ave	Requester's name and address (optional)		
	6 City, state, and ZIP code Charleston, IL 61920			
	7 List account number(s) here (optional)			

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number										
or										
Employer identification number										
3	7		-	6	0	0	0	6	3	7

Part II Certification

- Under penalties of perjury, I certify that:
- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
 - I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
 - I am a U.S. citizen or other U.S. person (defined below); and
 - The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here	Signature of U.S. person ▶ <i>Heather Kumpfendall, Comptroller</i>	Date ▶ <i>4-7-20</i>
------------------	--	----------------------

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
 - Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
 - Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
 - Form 1099-S (proceeds from real estate transactions)
 - Form 1099-K (merchant card and third party network transactions)
 - Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
 - Form 1099-C (canceled debt)
 - Form 1099-A (acquisition or abandonment of secured property)
- Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.



A NEW WAY TO SIGN IN - If you already have a SAM account, use your **SAM email** for login.gov.



Log In

[Login.gov FAQs](#)

ALERT: SAM.gov will be down for scheduled maintenance Saturday, 06/13/2020 from 8:00 AM to 1:00 PM

Search Results

Quick Search Results

Total records:1

Save PDF

Export Results

Print

Result Page: 1

Sort by Relevance

Order by Descending

Your search returned the following results...

Entity	CHARLESTON, CITY OF	Status: Active +
DUNS: 038401881	CAGE Code: 4BXJ8	View Details
Has Active Exclusion?: No	DoDAAC:	
Expiration Date: 02/12/2021	Debt Subject to Offset?: No	
Purpose of Registration:		

Result Page: 1

Save PDF

Export Results

Print



IBM-P-20200424-1037
WWW1

- [Search Records](#)
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- [GSA.gov/IAE](#)
- [GSA.gov](#)
- [USA.gov](#)

This is a U.S. General Services Administration Federal Government computer system that is "FOR OFFICIAL USE ONLY." This system is subject to monitoring. Individuals found performing unauthorized activities are subject to disciplinary action including criminal prosecution.



Department of the Treasury
Internal Revenue Service
Ogden, UT 84201

In reply refer to: 0458951520
Sep 28, 2016 LTR 147C
37-6000637

CITY OF CHARLESTON
% CITY COMPTROLLER
520 JACKSON AVE
CHARLESTON IL 61920-2030 205

Taxpayer Identification Number: 37-6000637

Form(s):

Dear Taxpayer:

Thank you for your telephone inquiry of September 28th, 2016.

Your Employer Identification Number (EIN) is 37-6000637. Please keep this letter in your permanent records. Enter your name and your EIN on all business federal tax forms and on related correspondence.

If you have any questions regarding this letter, please call our Customer Service Department at 1-800-829-0115 between the hours of 7:00 AM and 7:00 PM. If you prefer, you may write to us at the address shown at the top of the first page of this letter. When you write, please include a telephone number where you may be reached and the best time to call.

Sincerely,

Mrs.White
0247501
Customer Service Representative

NOTE: An updated 147C letter was requested on April 7, 2020, but due to COVID-19 the request has been delayed in processing.

CITY OF CHARLESTON, ILLINOIS

FINANCIAL STATEMENTS
For the Year Ended April 30, 2019

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GILBERT, METZGER & MADIGAN, LLP
CERTIFIED PUBLIC ACCOUNTANTS

Michael J. Metzger, CPA
Kelsey D. Swing, CPA

6029 Park Drive, Suite A
P.O. Box 677
Charleston, Illinois 61920

phone (217) 345-2128
fax (217) 345-2315
website gmmcpa.com

Joyce A. Madigan, CPA, Principal

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Commissioners
City of Charleston
Charleston, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Charleston, Illinois, as of and for the year ended April 30, 2019, and the related notes to the financial statements, which collectively comprise the City of Charleston, Illinois' basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Charleston, Illinois, as of April 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note A to the financial statements, in 2019 the City adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 6 through 19 and other required supplementary information on pages 86 through 98 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Charleston, Illinois' basic financial statements. The combining and individual nonmajor fund financial statements and other information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The other information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 19, 2020 on our consideration of the City of Charleston, Illinois' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Charleston, Illinois' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Charleston, Illinois' internal control over financial reporting and compliance.

Gilbert, Metzger & Madigan, LLP

February 19, 2020

GILBERT, METZGER & MADIGAN, LLP
CERTIFIED PUBLIC ACCOUNTANTS

Michael J. Metzger, CPA
Kelsey D. Swing, CPA

6029 Park Drive, Suite A
P.O. Box 677
Charleston, Illinois 61920

phone (217) 345-2128
fax (217) 345-2315
website gmmcpa.com

Joyce A. Madigan, CPA, Principal

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

Honorable Mayor and City Commissioners
City of Charleston
Charleston, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Charleston, Illinois, as of and for the year ended April 30, 2019, and the related notes to the financial statements, which collectively comprise the City of Charleston, Illinois' basic financial statements and have issued our report thereon dated February 19, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Charleston, Illinois' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City of Charleston, Illinois' internal control. Accordingly, we do not express an opinion on the effectiveness of City of Charleston, Illinois' internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Charleston, Illinois' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Gilbert, Metzger & Madigan, LLP

February 19, 2020

City of Charleston, Illinois
Management's Discussion and Analysis
For the Fiscal Year Ended April 30, 2019

As the management of the City of Charleston, we offer the readers of the City's financial statements this narrative analysis and overview of the financial activities of the City for the fiscal year ended April 30, 2019. We encourage readers to consider the information presented here in conjunction with the additional information furnished in the financial statements which begin on page 20.

Financial Highlights

- At April 30, 2019, the City's total assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$3.3 million. In accordance with governmental accounting standards, this includes all of the City's infrastructure assets (net of depreciation).
- Most of the City's net position consists of \$42.5 million in capital assets, net of related debt. Restricted net position of \$1.5 million may be used for the City's ongoing obligations related to programs with external restrictions. The remaining amount of (\$40.67) million in unrestricted net position includes funds that may be used to meet the City's ongoing obligations to citizens and creditors along with the net pension liabilities of the City's pension plans.
- Expenses of \$22.6 million during the year exceeded revenues of \$21.1 million, decreasing the City's total net position by \$1.5 million. The decrease in net position consists of a \$2.3 million decrease in net position of the City's governmental activities and an \$862,761 increase in net position related to the City's business-type activities.
- At the end of the fiscal year, the City's total fund balances in its governmental funds were \$6.8 million, a \$206,357 decrease from the prior year balances of \$7 million.
- At April 30, 2019, approximately \$5.3 million (or 78%) of the total fund balance in governmental funds is available for spending at the government's discretion (unassigned). Unassigned fund balance increased \$55,272 from prior year. Of the restricted fund balances, 34% (\$404,116) is restricted for highways and streets and 44% (\$530,618) is restricted for culture and recreation. Governmental funds have a committed or assigned fund balance of \$256,051 and nonspendable fund balance of \$68,616.
- The City had \$66.3 million in long-term liabilities at the end of the year, including bonded general obligation debt of \$3.5 million, bonded alternative revenue debt of \$2.5 million, and \$51.4 million net pension liability. Outstanding long-term liabilities increased by \$7.2 million from prior year due to an increase in pension liabilities of \$7.5 million.

Overview of the Financial Statements

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

- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements.

This report also contains supplementary information in addition to the basic financial statements.

This financial report includes not only the City of Charleston itself (known as the "primary government"), but also one additional entity, the Library Fund which operates the Carnegie Public Library. Although legally separate, the City of Charleston includes this component unit in its financial report in accordance with governmental accounting standards. The Library Fund's governing board is appointed by the City's governing body (City Council). Separately issued financial statements of the Library may be obtained by writing to Carnegie Public Library, 712 6th Street, Charleston, IL 61920.

Government-Wide Financial Statements:

The government-wide financial statements are designed to provide readers with a broad overview of the City of Charleston's finances, in a manner similar to a private-sector business and are presented on the full accrual basis of accounting.

Government-wide financial statements distinguish functions of the City of Charleston that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

The governmental activities of the City of Charleston include activities such as general government, public safety, highways and streets, health and welfare, culture and recreation, urban redevelopment and housing, and economic development and assistance. The business-type activities of the City include water and sewer utility services.

The following two statements make up the government-wide financials:

The *Statement of Net Position* presents information on all of the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the City of Charleston is improving or deteriorating.

The *Statement of Activities* presents information to show how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event which gives rise to the event occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes, earned but unused vacation leave).

The government-wide financial statements may be found on pages 20-23 of this report.

Fund Financial Statements:

The fund financial statements provide supplementary detailed information about the City's most significant funds, but not the City as a whole. A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Charleston, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The City has three types of funds: Governmental, Proprietary, and Fiduciary.

Governmental funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, governmental fund financial statements focus on near-term inflows and outflows of spendable resources as well as on balances of spendable resources available at the end of the fiscal year. This information is useful to evaluate a government's near-term financing requirements.

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

The City of Charleston has presented eight governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balance for the general fund and pensions tax levy fund which are considered major funds. The remaining governmental funds are combined into a single, aggregated presentation termed non-major governmental funds. Individual fund data for each non-major governmental fund is provided in the form of combining statements elsewhere in this report.

The City adopts an annual budget for its governmental funds. This report includes a budgetary comparison statement for the major funds to demonstrate compliance with the budget. The basic governmental fund financial statements can be found on pages 24-37 of this report.

Proprietary funds – The City of Charleston maintains two different types of proprietary funds: enterprise and internal service. Enterprise funds are used to report the same functions presented as business-type funds to account for its water and sewer utility. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City of Charleston's various functions.

The City of Charleston uses internal service funds to account for employee and retiree group healthcare. Because these services benefit the governmental and business-type functions, these services have been allocated between governmental and business-type activities in the government-wide financial statements.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The City adopts an annual budget for its proprietary fund.

The basic proprietary fund financial statements can be found on pages 38-44 of this report.

Fiduciary funds – Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of the funds are not available to support the City of Charleston’s own programs. The accounting used for fiduciary funds is similar to the procedures used by proprietary funds. The City has numerous fiduciary funds including the police pension and firefighter’s pension funds and several agency funds affiliated with the Playground and Recreation Fund. The City is the trustee for these two pension funds and it is responsible to ensure the assets reported in these funds are used only for the purpose intended. The affiliate agency funds are purely custodial in nature.

The basic fiduciary fund financial statements can be found on pages 45-46 of this report.

Notes to the Financial Statements:

The notes provide additional information essential for the user to acquire a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the financial statements can be found on pages 47-85 of this report.

Required Supplementary Information:

In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information in regards to the City of Charleston’s progress in funding obligation to provide benefits to its employees.

Required supplemental information can be found on pages 86-98 of this report.

Other Information:

The combining statements referred to earlier in connection with the non-major governmental funds and fiduciary funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 99-109 of this report.

Government-Wide Financial Analysis

Net Position - As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred inflows of resources exceed liabilities and deferred inflows of resources by \$3.3 million at year ended April 30, 2019. The following table reflects the condensed Statement of Net Position of the current year as compared to the previous year.

Table 1- Statement of Net Position as of April 30, 2019

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Assets:						
Current assets and other	\$ 12,116,071	\$ 11,896,550	\$ 4,097,693	\$ 3,631,564	\$ 16,213,764	\$ 15,528,114
Capital assets	20,705,258	21,232,853	32,577,739	33,415,503	53,282,997	54,648,356
Total assets	32,821,329	33,129,403	36,675,432	37,047,067	69,496,761	70,176,470
Deferred Outflows of Resources	10,379,782	8,892,982	2,066,649	528,433	12,446,431	9,421,415
Liabilities:						
Current liabilities	904,080	812,755	280,687	391,139	1,184,767	1,203,894
Noncurrent liabilities	56,641,699	50,288,741	9,632,009	8,766,945	66,273,708	59,055,686
Total liabilities	57,545,779	51,101,496	9,912,696	9,158,084	67,458,475	60,259,580
Deferred Inflows of Resources	10,065,514	11,595,097	1,096,601	1,397,051	11,162,115	12,992,148
Net position:						
Net investment in capital assets, net of related debt	16,929,223	16,725,028	25,577,531	25,207,794	42,506,754	41,932,822
Restricted	1,238,340	1,535,082	243,750	237,500	1,482,090	1,772,582
Unrestricted	(42,577,745)	(38,934,318)	1,911,503	1,575,071	(40,666,242)	(37,359,247)
Total net position	\$ (24,410,182)	\$ (20,674,208)	\$ 27,732,784	\$ 27,020,365	\$ 3,322,602	\$ 6,346,157

The City's governmental total net position decreased from \$(20.7) million in 2018 to \$(24.4) million in 2019 which is a decrease in net position of \$3.7 million. Business-type activities saw an increase of \$712,419. The City's combined net position decreased by \$3 million from prior year balances.

City of Charleston's net position includes \$42.5 million as investment in capital assets (e.g. land, buildings, equipment, and infrastructure); less any related debt still outstanding that was used to acquire those assets. The City of Charleston uses these capital resources to provide services to citizens. Thus, these resources are not available for future spending. Although the City's investment in capital assets is reported net of related debt in the net position section, the reader must bear in mind the resources to repay the debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional \$1.5 million of the City's net position represents resources that are subject to external restrictions on their use. The City's unrestricted net position includes \$4.9 million which can be used to finance day-to-day operations. The remaining negative balance primarily reflects the net pension liability of the City's pension plans.

Deferred Outflows primarily reflect the difference between pension plans: 1) expected and actual participant experience, 2) changes in plan assumptions, and 3) projected and actual earnings on investments. Deferred Inflows primarily reflect property tax revenues and deferred pensions which are deferred as revenue until the beginning of the subsequent fiscal year to ensure proper revenue recognition with the receipt of the property tax installments.

Changes in Net Position - The following table compares government-wide revenues and expenditures for the current and previous fiscal year.

Table 2- Changes in Net Position For Fiscal Year Ended April 30, 2019

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program revenues:						
Charges for services	\$ 2,426,384	\$ 2,796,031	\$ 5,754,638	\$ 5,666,536	\$ 8,181,022	\$ 8,462,567
Operating grants	653,905	661,419	700	-	654,605	661,419
Capital grants	214,022	752,180	81,200	-	295,222	752,180
Total program revenues	3,294,311	4,209,630	5,836,538	5,666,536	9,130,849	9,876,166
General revenues:						
Property taxes	4,486,892	4,326,697	-	-	4,486,892	4,326,697
Income taxes	2,259,256	1,987,128	-	-	2,259,256	1,987,128
Sales taxes	3,143,748	3,087,335	-	-	3,143,748	3,087,335
Other general revenues	1,987,416	1,767,427	111,154	104,834	2,098,570	1,872,261
Total general revenues	11,877,312	11,168,587	111,154	104,834	11,988,466	11,273,421
Total Revenues	15,171,623	15,378,217	5,947,692	5,771,370	21,119,315	21,149,587
Expenses:						
General government	2,963,873	3,481,893	-	-	2,963,873	3,481,893
Public safety	11,297,051	11,215,939	-	-	11,297,051	11,215,939
Highways and streets	1,736,774	1,815,306	-	-	1,736,774	1,815,306
Health and welfare	80,513	75,630	-	-	80,513	75,630
Culture and recreation	831,128	778,458	-	-	831,128	778,458
Urban redevelopment and housing	392,324	995,033	-	-	392,324	995,033
Economic development and assist	168,103	65,585	-	-	168,103	65,585
Interest expense	89,252	100,980	-	-	89,252	100,980
Water and sewer	-	-	5,009,344	5,058,358	5,009,344	5,058,358
Total expenses	17,559,018	18,528,824	5,009,344	5,058,358	22,568,362	23,587,182
Increase (Decrease) in net position before transfers	(2,387,395)	(3,150,607)	938,348	713,012	(1,449,047)	(2,437,595)
Extraordinary item	-	-	-	-	-	-
Transfers	75,587	210,415	(75,587)	(210,415)	-	-
Increase (Decrease) in net position	(2,311,808)	(2,940,192)	862,761	502,597	(1,449,047)	(2,437,595)
Net position - beginning of year	(20,674,208)	(17,038,703)	27,020,365	26,517,768	6,346,157	9,479,065
Prior Period Adjustment	-	(695,313)	-	-	-	(695,313)
Accounting Change	(1,424,166)	-	(150,342)	-	(1,574,508)	-
Net position- beginning of year, restated	(22,098,374)	(17,734,016)	26,870,023	26,517,768	4,771,649	8,783,752
Net position- end of year	\$ (24,410,182)	\$ (20,674,208)	\$ 27,732,784	\$ 27,020,365	\$ 3,322,602	\$ 6,346,157

Current Year Impacts - Overall Net Position

As noted in the previous chart, the City of Charleston's net position decreased \$3 million. Net position of the City's governmental activities decreased \$3.7 million (which includes \$4.9 million in pension expense) and net position of business-type activities increased \$712,419 (which includes \$241,402 in pension expense).

Net investment in capital assets increased by \$573,932 to \$42.5 million due to capital asset additions and debt retirement. Restricted net position decreased by \$290,492 while unrestricted net position decreased \$3.3 million.

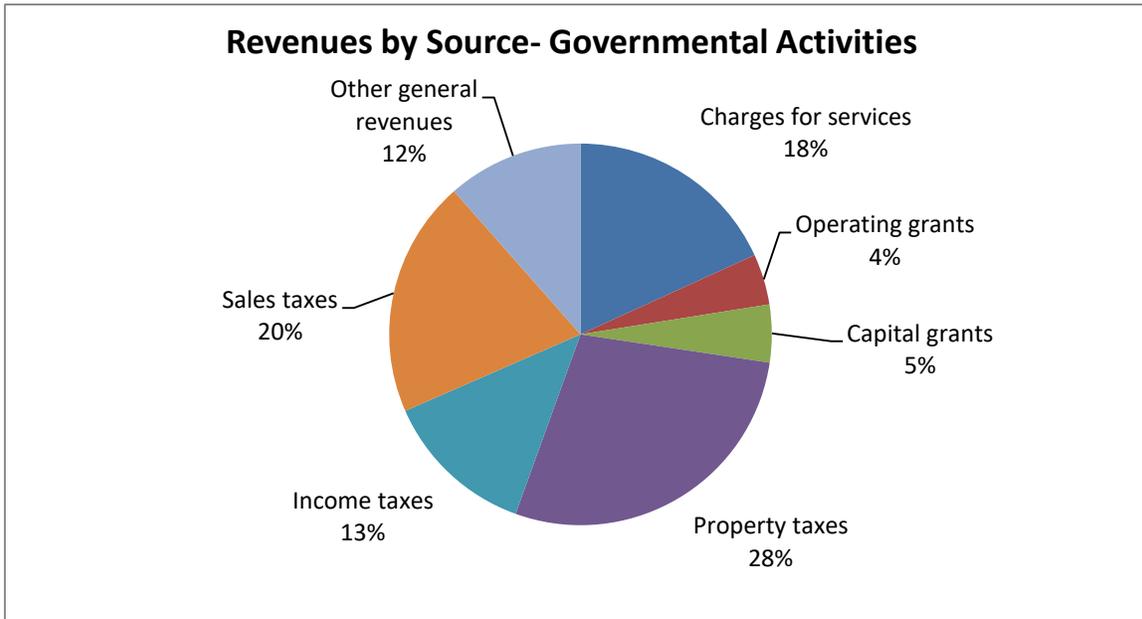
Total revenues decreased \$30,272 (0.14%). Expenses decreased \$1 million (4.32%). Results for specific types of revenues and expenses are discussed below.

Governmental Activities - Revenues and Expenses

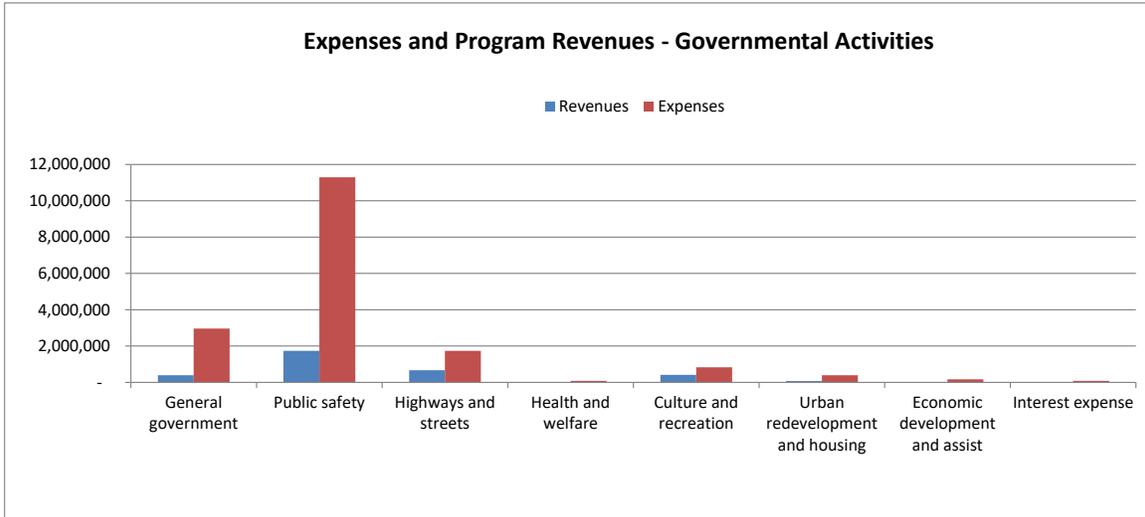
Revenues for governmental activities decreased by \$206,594 (1%) to \$15.2 million. Revenue types seeing increases from prior year include property taxes (\$160,195), income taxes (\$272,128), sales taxes (\$56,413), and other general revenues (\$219,989). The increases were offset by decreases in charges for services (\$369,647), operating grants (\$7,514), and capital grants (\$538,158).

Total expenses for governmental activities decreased \$969,806 (5%) to \$17.6 million. Most of the decrease is within the general government function (\$518,020) and urban redevelopment and housing (\$602,709). Expenses also decreased within highways and streets (\$78,532), and interest expense (\$11,728). Increases in expenses were recorded in public safety (\$81,112), health and welfare (\$4,883), culture and recreation (\$52,670) and economic development and assistance (\$102,518).

The chart below depicts the City's major revenue sources for governmental activities. It clearly shows the diversity of the City's revenue sources. While property taxes and sales taxes together account for 51 percent of revenues, charges for services also continue to fund governmental activities. The City has placed additional reliance upon user fees to lower the impact upon property taxes where possible. Charges for services is made up of various licenses, housing permits, fines and parking system fees, franchise fees, rental income, intergovernmental service fees, and ambulance revenues.



The chart below compares program revenues with program expenses for governmental functions. A relatively small portion of expenditures for governmental functions are derived from program revenues.



Business-Type Activities - Revenues and Expenses

Revenues for the City’s business-type activities increased by \$176,322 or 3%. All revenue types increased. The increases are as follows: charges for services (\$88,102), operating grants (\$700), capital grants (\$81,200) and other general revenues (\$6,320). In regards to charges for services, water and sewer gallons billed increased by 0.8 percent and annual water and sewer rates increased 5.3 percent at the beginning of the year. Expenses for the City’s business-type activities decreased \$49,014 or 1% from prior year.

Overall, the City’s net position from business-type activities increased by \$712,419. Program revenues exceeded expenses of such activities (\$827,194) which was sufficient to fund transfers to other activities (\$75,587). Thus the total increase in net position from such activities was \$862,761 after interest income, gain on sale of assets, and miscellaneous income of \$111,154 is added as well.

Financial Analysis of the City’s Funds

As noted earlier, the City of Charleston uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

On April 30, 2019, the governmental funds reported combined total fund balance of \$6.8 million, a \$206,357 (3%) decrease from the prior year. Notable changes in fund balances from the prior year are as follows:

- General fund balance decreased by \$98,590 or 2%. Shortfalls in revenue were slightly larger than the reduction in expenses once all year-end adjustments were recorded.

- The fund balance of the Motor Fuel Tax Fund decreased by \$131,267 or 37%. As planned, capital projects accomplished this fiscal year utilized revenues received but unspent from prior years.
- Tax Increment Financing Fund has increased \$25,879 this fiscal year. Revenue received exceeded grants funded and will be expended in future years.

Of the total fund balance for governmental funds, \$5.3 million is unassigned which indicates the funds are available to support the continued operations of the City. Unassigned fund balance increased \$55,272 from prior year. An additional \$256,051 is committed or assigned meaning the City has limited the use of funds to specific functions. Restricted fund balance of \$1.2 million is limited by legal restrictions from outside parties on how the funds may be spent. Unspendable fund balance in the amount of \$68,616 is not available for current expenditures as the funds are not in a spendable form such as inventory.

Additional information may be found within the Governmental Funds Balance Sheet presented on pages 24-25.

Proprietary Funds

The City of Charleston's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The City reports the Water and Sewer Fund as a major proprietary fund. This fund accounts for the operations of the water and sewer utility including water treatment, waste water treatment, utility lines, and billing and collection.

Net position in the water and sewer fund increased by \$665,519 from prior year. Operating revenues increased by \$79,825 from prior year and operating expenses increased by \$71,566. Non-operating expenses and other financing sources decreased \$249,926.

The proprietary fund financial statements can be found on pages 38-44.

General Fund Budgetary Highlights

Below is a table which reflects the original and final budget plus the actual revenues and expenditures for the General Fund. This corresponds to pages 35-37 in the basic financial statements.

For the Fiscal Year Ended April 30, 2019			
General Fund	Original Budget	Final Budget	Actual
Revenues:			
Taxes	\$ 8,237,929	\$ 8,237,929	\$ 8,495,285
Licenses and permits	356,792	356,792	382,795
Intergovernmental revenue	1,712,405	1,712,405	664,164
Charges for services	1,715,455	1,715,455	1,281,848
Other	325,562	325,562	230,443
Total	<u>\$ 12,348,143</u>	<u>\$ 12,348,143</u>	<u>\$ 11,054,535</u>
Expenditures and transfers:			
Expenditures	12,323,804	12,323,804	11,192,716
Transfers	25,225	25,225	(39,591)
Total	<u>\$ 12,349,029</u>	<u>\$ 12,349,029</u>	<u>\$ 11,153,125</u>
Change in fund balance	<u>\$ (886)</u>	<u>\$ (886)</u>	<u>\$ (98,590)</u>

The general fund actual revenues were \$1.3 million less than the final budgeted amount. Federal grant funds of \$800,000 were included in budgeted revenues and the related project was delayed. The actual revenue collected in the categories of taxes and licenses and permits were higher than the final budget by \$257,356 and \$26,003 respectively. Intergovernmental revenue, charges for services and other revenue finished under the final budgeted revenue amount by \$1,048,241, \$433,607 and \$95,119 respectively.

The general fund actual expenditures were \$1.1 million less than the final budget amount. Most functional areas completed the year with actual expenditures being less than the final budget. The detail by function includes: general government (\$219,610) public safety (\$243,448), highways and streets (\$141,916), culture and recreation (\$7,358) urban redevelopment and housing (\$860,605). The functional areas finishing with actual expenditures greater than final budget were health and welfare (\$1,748), debt service (\$4), and capital outlay (\$340,097).

Capital Assets

As shown on the following chart, the City of Charleston had a \$53.3 million investment in capital assets of its governmental and business-type activities, net of accumulated depreciation as of April 30, 2019. A large portion (52%) of this investment represents infrastructure including roads, sidewalks, bridges, and sewers. Overall, the City's investment in capital assets net of depreciation decreased by 2.5% (\$1.4 million).

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Land	\$ 1,407,720	\$ 1,394,281	\$ 1,139,233	\$ 1,040,840	\$ 2,546,953	\$ 2,435,121
Buildings and Improvements	9,262,664	9,268,654	9,824,638	10,116,379	19,087,302	19,385,033
Vehicles, machinery and equipment	1,766,119	1,694,026	1,516,745	1,134,140	3,282,864	2,828,166
Infrastructure	7,690,066	8,030,199	20,019,003	20,167,170	27,709,069	28,197,369
Construction in Progress	578,689	845,693	78,120	956,974	656,809	1,802,667
	\$ 20,705,258	\$ 21,232,853	\$ 32,577,739	\$ 33,415,503	\$ 53,282,997	\$ 54,648,356

Significant capital additions in the fiscal year ending April 30, 2019 included the following:

- 3 Ford Explorer Police Inceptors
- Pavilion and playground at Lake Charleston
- Infrastructure and trail improvements to the Lake Charleston recreational area
- Street resurfacing projects on Madison Avenue and 14th Street
- Street, sidewalk, water main and sanitary sewer improvements on 10th Street
- Sanitary sewer improvements on 11th Street near Taylor Avenue
- Machinery upgrades at the Reynolds Drive waste water lift station
- Disinfection system addition at the waste water treatment plant
- Land acquisition north of Lake Charleston

These additions to capital assets were offset by depreciation of \$2.7 million. Readers desiring more detailed information on capital assets activity should refer to the discussion in Note C to these financial statements on pages 57-59.

Long-Term Liabilities

The City of Charleston's long term liabilities totaled \$56.6 million for governmental activities and \$9.6 million for business-type activities as of April 30, 2019.

Table 4- Long-Term Liabilities

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Unamortized bond premium	\$ 4,771	\$ 9,543	\$ 58,242	\$ 71,793	\$ 63,013	\$ 81,336
Compensated absences	1,619,116	1,597,241	191,734	173,223	1,810,850	1,770,464
Net pension liability	49,177,996	43,579,164	2,250,005	351,303	51,428,001	43,930,467
Net OPEB liability	2,140,245	670,190	195,514	34,710	2,335,759	704,900
Bank notes payable	227,904	334,270	538,014	838,374	765,918	1,172,644
State of Illinois notes payable	16,667	33,333	3,948,500	4,277,542	3,965,167	4,310,875
General obligation bonds	3,455,000	4,065,000	-	-	3,455,000	4,065,000
Alternative revenue bonds	-	-	2,450,000	3,020,000	2,450,000	3,020,000
	<u>\$ 56,641,699</u>	<u>\$ 50,288,741</u>	<u>\$ 9,632,009</u>	<u>\$ 8,766,945</u>	<u>\$ 66,273,708</u>	<u>\$ 59,055,686</u>

Governmental long-term liabilities increased by \$6.4 million. The increase in net pension liability (\$5.6 million) and net OPEB liability (\$1.5 million) is responsible for the increase. No new debt was issued for governmental activities.

Business-type activities increased long-term debt by \$865,064. The increase in net pension liability (\$1.9 million) and net OPEB liability (\$160,804) is responsible for the increase. No new debt was issued for business-type activities.

Compensated absences represent the value of accumulated unpaid vacation of employees and an estimated value of the sick leave accumulated that may be payable upon retirement based on criteria in employment contracts and union agreements. The Other Post-Employment Benefits (OPEB) liability will continue to increase as the City's policy remains to address this liability on a pay as you go basis.

Illinois statute restricts municipality general obligation debt to less than 8.625 percent of equalized property value. The City of Charleston is well below the statutory limit. The City of Charleston's AA- rating was affirmed by Standard and Poor's in May 2014 with a stable outlook. In December 2019, Standard and Poor's lowered its rating to A+ due to the City's Police and Fire Pension Funds net pension liability and funded percentages.

Additional information on long term debt may be found in Note F in the Notes to the Financial Statements on pages 77-79.

Economic Factors and Next Year's Budget

The equalized assessed value (EAV) of taxable property in the City for the 2018 levy year decreased 0.62% percent from prior year to \$187,968,000. The EAV for the 2019 levy is expected to increase by 0.72%. Under tax law applicable to the City of Charleston, the EAV of taxable property should represent one-third market value, so the taxable value of property in the City as of January 1, 2018 was roughly \$564 million.

The presence of Eastern Illinois University has provided a great deal of stability to the area's economy in past years. However, recently EIU has experienced large declines in enrollment which has impacted our local economy. After a couple years of small declines in sales tax, FY18/19 experienced an increase of 1.83%. EIU reported an increase in enrollment of 7.1 percent for fall 2018 semester and an increase of 3.7% for fall 2019 so recovery is promising. We are forecasting an increase of 4.6% in fiscal year 2019/2020.

The fiscal year 2019/20 budget is a balanced budget. Due to the quick response to the declining revenues and tight control on spending over the past years, the budget appears to be scaled down as needed. Similar to other municipalities, the City of Charleston continues to face multiple challenges including but not limited to sluggish tax collections, significant pension costs and increasing operating costs all of which are accounted for in the budget.

As the economy continues to recover at a slow pace, the City has aggressively been seeking ways boost revenues, control spending, and closely monitor the budget. This process will continue into the fiscal year 2019/20 as the City is committed to providing the same service levels and remaining fiscally responsible.

Requests for Information

This financial report is designed to provide the City's citizens, customers, investors, and creditors an overview of the City's finances, and to demonstrate the City's accountability for the money it receives. Additional information regarding the City's finances can be found on the City's website at <http://www.charlestonillinois.org>. Questions concerning this report or requests for additional financial information should be directed to:

Heather Kuykendall
City Comptroller
520 Jackson Avenue
Charleston, Illinois 61920
Phone: (217)345-5650
Email: comptroller@co.coles.il.us

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY OF CHARLESTON, ILLINOIS
STATEMENT OF NET POSITION
April 30, 2019

	Primary Government		Totals	Component Unit
	Governmental Activities	Business-Type Activities		Library Fund
ASSETS				
Cash deposits	\$ 3,704,313	\$ 2,718,381	\$ 6,422,694	\$ 225,789
Investments	1,466,563	384,267	1,850,830	-
Receivables:				
Property taxes	4,449,091	-	4,449,091	392,195
Other taxes	101,802	-	101,802	-
Customers	245,921	538,986	784,907	-
Other	131,892	-	131,892	-
Interest	7,494	12,919	20,413	-
Due from other governmental agencies	1,352,841	-	1,352,841	32,417
Prepaid expenses	85,559	29,973	115,532	8,366
Inventory	60,116	285,298	345,414	-
Due from component unit	32,332	-	32,332	-
Internal balances	144,037	(144,037)	-	-
Restricted assets:				
Cash deposits	300,435	271,906	572,341	-
Net pension asset	33,675	-	33,675	-
Capital assets, net of accumulated depreciation	<u>20,705,258</u>	<u>32,577,739</u>	<u>53,282,997</u>	<u>875,946</u>
Total assets	<u>32,821,329</u>	<u>36,675,432</u>	<u>69,496,761</u>	<u>1,534,713</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred pensions	10,355,562	2,064,436	12,419,998	-
Deferred OPEB	<u>24,220</u>	<u>2,213</u>	<u>26,433</u>	<u>336</u>
Total deferred outflows of resources	<u>10,379,782</u>	<u>2,066,649</u>	<u>12,446,431</u>	<u>336</u>
LIABILITIES				
Accounts payable	412,135	176,988	589,123	24,142
Claims payable	110,975	-	110,975	-
Accrued wages	312,216	77,246	389,462	10,703
Accrued interest	28,023	26,453	54,476	283
Deposits held for others	5,000	-	5,000	-
Due to primary government	-	-	-	32,332
Accrued compensated absences	35,731	-	35,731	-
Long-term liabilities:				
Accrued compensated absences	1,619,116	191,734	1,810,850	10,649

CITY OF CHARLESTON, ILLINOIS
STATEMENT OF NET POSITION (Continued)
April 30, 2019

	Primary Government		Totals	Component Unit
	Governmental Activities	Business-Type Activities		Library Fund
Net OPEB liability	2,140,245	195,514	2,335,759	29,720
Net pension liability	49,177,996	2,250,005	51,428,001	-
Unamortized bond premium	4,771	58,242	63,013	-
Capital lease payable:				
Due within one year	-	-	-	4,435
Due in more than one year	-	-	-	13,136
Bonds payable:				
Due within one year	630,000	585,000	1,215,000	-
Due in more than one year	2,825,000	1,865,000	4,690,000	-
Notes payable:				
Due within one year	93,574	599,439	693,013	26,267
Due in more than one year	<u>150,997</u>	<u>3,887,075</u>	<u>4,038,072</u>	<u>156,572</u>
Total liabilities	<u>57,545,779</u>	<u>9,912,696</u>	<u>67,458,475</u>	<u>308,239</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable miscellaneous revenue	43,156	-	43,156	-
Unavailable property tax revenue	4,449,091	-	4,449,091	392,195
Deferred amount on refunding	49,912	-	49,912	-
Deferred pensions	<u>5,523,355</u>	<u>1,096,601</u>	<u>6,619,956</u>	-
Total deferred inflows of resources	<u>10,065,514</u>	<u>1,096,601</u>	<u>11,162,115</u>	<u>392,195</u>
NET POSITION				
Net investment in capital assets	16,929,223	25,577,531	42,506,754	675,536
Restricted for:				
Public safety	16,786	-	16,786	-
Highways and streets	464,232	-	464,232	-
Culture and recreation	530,618	-	530,618	8,775
Economic development and assistance	89,414	-	89,414	-
Debt service	73,340	243,750	317,090	-
Capital outlay	40,516	-	40,516	-
Judgment	23,434	-	23,434	-
Unrestricted (deficit)	<u>(42,577,745)</u>	<u>1,911,503</u>	<u>(40,666,242)</u>	<u>150,304</u>
Total Net Position (Deficit)	<u>\$ (24,410,182)</u>	<u>\$ 27,732,784</u>	<u>\$ 3,322,602</u>	<u>\$ 834,615</u>

The accompanying notes are an integral part of these financial statements.

CITY OF CHARLESTON, ILLINOIS
STATEMENT OF ACTIVITIES
For the Year Ended April 30, 2019

Program Activities:	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position			Component Unit
		Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	
Primary Government:								
Governmental activities:								
General government	\$ 2,963,873	\$ 363,179	\$ 1,315	\$ 28,800	\$ (2,570,579)	\$ -	\$ (2,570,579)	
Public safety	11,297,051	1,631,023	43,901	65,900	(9,556,227)	-	(9,556,227)	
Highways and streets	1,736,774	-	554,349	119,322	(1,063,103)	-	(1,063,103)	
Health and welfare	80,513	-	2,000	-	(78,513)	-	(78,513)	
Culture and recreation	831,128	358,291	52,340	-	(420,497)	-	(420,497)	
Urban redevelopment and housing	392,324	73,891	-	-	(318,433)	-	(318,433)	
Economic development and assistance	168,103	-	-	-	(168,103)	-	(168,103)	
Interest expense	89,252	-	-	-	(89,252)	-	(89,252)	
Total governmental activities	<u>17,559,018</u>	<u>2,426,384</u>	<u>653,905</u>	<u>214,022</u>	<u>(14,264,707)</u>	<u>-</u>	<u>(14,264,707)</u>	
Business-type activities:								
Water	2,590,009	2,877,319	700	81,200	-	369,210	369,210	
Sewer	2,419,335	2,877,319	-	-	-	457,984	457,984	
Total business-type activities	<u>5,009,344</u>	<u>5,754,638</u>	<u>700</u>	<u>81,200</u>	<u>-</u>	<u>827,194</u>	<u>827,194</u>	
Total primary government	<u>\$ 22,568,362</u>	<u>\$ 8,181,022</u>	<u>\$ 654,605</u>	<u>\$ 295,222</u>	<u>(14,264,707)</u>	<u>827,194</u>	<u>(13,437,513)</u>	
Component Unit: Library	<u>\$ 451,886</u>	<u>\$ 30,418</u>	<u>\$ 72,743</u>	<u>\$ 10,800</u>				<u>\$ (337,925)</u>
General Revenues:								
Taxes:								
Property taxes					4,486,892	-	4,486,892	385,872
Illinois income tax					2,259,256	-	2,259,256	-
Municipal retailers' occupation tax					3,143,748	-	3,143,748	-
Utility tax					757,032	-	757,032	-
Use tax					663,943	-	663,943	-
Replacement tax					217,816	-	217,816	18,771
Other taxes					192,356	-	192,356	-
Interest income					62,202	37,934	100,136	1,243
Gain (loss) on sale or disposal of assets					3,340	-	3,340	-
Net increase (decrease) in fair value of investments					5,776	2,524	8,300	-
Miscellaneous					84,951	70,696	155,647	51
Transfers					75,587	(75,587)	-	-
Total general revenues and transfers					<u>11,952,899</u>	<u>35,567</u>	<u>11,988,466</u>	<u>405,937</u>
Change in net position					<u>(2,311,808)</u>	<u>862,761</u>	<u>(1,449,047)</u>	<u>68,012</u>

CITY OF CHARLESTON, ILLINOIS
STATEMENT OF ACTIVITIES (Continued)
For the Year Ended April 30, 2019

	Net (Expenses) Revenues and Changes in Net Position			Component Unit
	Governmental Activities	Business-Type Activities	Total	
Net position (deficit), beginning of year	(20,674,208)	27,020,365	6,346,157	787,876
Accounting change	<u>(1,424,166)</u>	<u>(150,342)</u>	<u>(1,574,508)</u>	<u>(21,273)</u>
Net position (deficit), beginning of year, as restated	<u>(22,098,374)</u>	<u>26,870,023</u>	<u>4,771,649</u>	<u>766,603</u>
 Net Position (Deficit), End of Year	 <u>\$ (24,410,182)</u>	 <u>\$ 27,732,784</u>	 <u>\$ 3,322,602</u>	 <u>\$ 834,615</u>

The accompanying notes are an integral part of these financial statements.

FUND FINANCIAL STATEMENTS

CITY OF CHARLESTON, ILLINOIS
BALANCE SHEET
GOVERNMENTAL FUNDS
April 30, 2019

	General Fund	Pensions Tax Levy Fund	Non-Major Governmental Funds	Total Governmental Funds	Component Unit Library Fund
ASSETS					
Cash deposits	\$ 3,123,475	\$ -	\$ 535,360	\$ 3,658,835	\$ 225,789
Investments	1,452,023	-	14,540	1,466,563	-
Receivables:					
Property taxes	962,228	2,733,149	753,714	4,449,091	392,195
Other taxes	101,802	-	-	101,802	-
Customers	239,401	-	3,956	243,357	-
Other	121,127	-	10,765	131,892	-
Interest	7,494	-	-	7,494	-
Due from other governmental agencies	1,247,524	48,492	48,492	1,344,508	32,417
Prepaid expenditures	8,500	-	-	8,500	-
Due from other funds	472,613	-	-	472,613	-
Due from component unit	20,859	-	-	20,859	-
Restricted assets:					
Cash deposits	299,792	-	643	300,435	-
Inventory	-	-	60,116	60,116	-
Total Assets	<u>\$ 8,056,838</u>	<u>\$ 2,781,641</u>	<u>\$ 1,427,586</u>	<u>\$ 12,266,065</u>	<u>\$ 650,401</u>
LIABILITIES					
Accounts payable	\$ 329,338	\$ 48,492	\$ 34,305	\$ 412,135	\$ 24,142
Accrued wages	298,869	-	13,347	312,216	10,703
Deposits held for others	5,000	-	-	5,000	-
Due to other funds	-	-	140,764	140,764	-
Due to primary government	-	-	-	-	20,859
Accrued compensated absences	35,731	-	-	35,731	-
Total liabilities	<u>668,938</u>	<u>48,492</u>	<u>188,416</u>	<u>905,846</u>	<u>55,704</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable miscellaneous revenue	86,778	-	32,225	119,003	-
Unavailable grant revenue	-	-	-	-	27,298
Unavailable property tax revenue	962,228	2,733,149	753,714	4,449,091	392,195
Total deferred inflows of resources	<u>1,049,006</u>	<u>2,733,149</u>	<u>785,939</u>	<u>4,568,094</u>	<u>419,493</u>

CITY OF CHARLESTON, ILLINOIS
BALANCE SHEET (Continued)
GOVERNMENTAL FUNDS
April 30, 2019

	General Fund	Pensions Tax Levy Fund	Non-Major Governmental Funds	Total Governmental Funds	Component Unit Library Fund
FUND BALANCE					
Nonspendable	8,500	-	60,116	68,616	-
Restricted for:					
Public safety	12,161	-	4,625	16,786	-
Highways and streets	244,000	-	160,116	404,116	-
Culture and recreation	516,092	-	14,526	530,618	8,775
Economic development and assistance	-	-	89,414	89,414	-
Debt service	55,792	-	19,173	74,965	-
Capital outlay	40,516	-	-	40,516	-
Judgment	23,434	-	-	23,434	-
IMRF	22,500	-	-	22,500	-
Committed for:					
Culture and recreation	-	-	105,261	105,261	-
Assigned for:					
Highways and streets	150,790	-	-	150,790	-
Unassigned	<u>5,265,109</u>	-	-	<u>5,265,109</u>	<u>166,429</u>
Total fund balance	<u>6,338,894</u>	-	<u>453,231</u>	<u>6,792,125</u>	<u>175,204</u>
 Total Liabilities, Deferred Inflows of Resources, and Fund Balance	 <u>\$ 8,056,838</u>	 <u>\$ 2,781,641</u>	 <u>\$ 1,427,586</u>	 <u>\$ 12,266,065</u>	 <u>\$ 650,401</u>

The accompanying notes are an integral part of these financial statements.

CITY OF CHARLESTON, ILLINOIS
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
April 30, 2019

Total fund balance - total governmental funds		\$ 6,792,125
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current resources and, therefore, are not reported in the governmental funds balance sheet. This is the amount by which capital assets of \$40,824,030 exceeded accumulated depreciation of \$20,118,772.		20,705,258
Certain prepaid expenses reported in the statement of net position are not available as current financial resources and, therefore, are not reported as assets in the governmental funds.		66,136
Certain receivables reported in the statement of net position are not available as current financial resources and, therefore, are not reported as receivables in the governmental funds.		89,617
Deferred inflows and outflows of resources related to certain changes in net pension liability are not yet recognized in pension expense, are not current financial resources and, therefore, are not reported in the funds.		
Deferred outflows of resources	\$ 10,379,782	
Deferred inflows of resources	<u>(5,523,355)</u>	4,856,427
Interest payable on long-term debt does not require current financial resources. Therefore, interest payable is not reported as a liability in the governmental funds balance sheet.		(28,023)
Internal service funds are used by management to charge the cost of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position:		
Current assets	\$ 127,626	
Current liabilities	<u>(361,412)</u>	(233,786)
The net pension asset (liability) is the difference between the total pension liability and fiduciary net position of the plan and is not due and payable in the current period and, therefore, is not reported in the funds.		
Net pension asset	\$ 33,675	
Net pension liability	<u>(49,177,996)</u>	(49,144,321)

CITY OF CHARLESTON, ILLINOIS
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION (Continued)
April 30, 2019

Long term liabilities are not due and payable in the current period
and, therefore, they are not reported in the governmental funds balance sheet.

Unamortized bond premium	\$ (4,771)	
Accrued compensated absences	(1,619,116)	
Net OPEB liability	(2,140,245)	
Deferred amount on refunding	(49,912)	
Due within one year	(723,574)	
Due in more than one year	<u>(2,975,997)</u>	<u>(7,513,615)</u>

Net Position (Deficit) of Governmental Activities		<u>\$ (24,410,182)</u>
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The accompanying notes are an integral part of these financial statements.

CITY OF CHARLESTON, ILLINOIS
RECONCILIATION OF THE COMPONENT UNIT BALANCE
SHEET TO THE STATEMENT OF NET POSITION
April 30, 2019

Total fund balance - component unit	\$	175,204																
<p>Amounts reported for the component unit in the statement of net position are different because:</p>																		
<p>Capital assets used in governmental activities are not current resources and, therefore, are not reported in the governmental funds balance sheet. This is the amount by which capital assets of \$1,313,748 exceeded accumulated depreciation of \$437,802.</p>		875,946																
<p>Long term liabilities are not due and payable in the current period and, therefore, they are not reported in the governmental funds balance sheet.</p> <table style="width: 100%; margin-left: 20px;"> <tr> <td style="width: 60%;">Accrued compensated absences</td> <td style="width: 10%; text-align: right;">\$</td> <td style="width: 10%; text-align: right;">(10,649)</td> <td style="width: 10%;"></td> </tr> <tr> <td>Net OPEB liability</td> <td></td> <td style="text-align: right;">(29,720)</td> <td></td> </tr> <tr> <td>Due within one year</td> <td></td> <td style="text-align: right;">(30,702)</td> <td></td> </tr> <tr> <td>Due in more than one year</td> <td></td> <td style="text-align: right;"><u>(169,708)</u></td> <td style="text-align: right; vertical-align: bottom;">(240,779)</td> </tr> </table>	Accrued compensated absences	\$	(10,649)		Net OPEB liability		(29,720)		Due within one year		(30,702)		Due in more than one year		<u>(169,708)</u>	(240,779)		
Accrued compensated absences	\$	(10,649)																
Net OPEB liability		(29,720)																
Due within one year		(30,702)																
Due in more than one year		<u>(169,708)</u>	(240,779)															
<p>Internal service funds are used by the primary government to charge the costs of various activities internally to individual funds. The Library's share of the assets and liabilities of the internal service fund is included in governmental activities in the statement of net position.</p>		(11,473)																
<p>Interest payable on long-term debt does not require current financial resources. Therefore, interest payable is not reported as a liability in the governmental funds balance sheet.</p>		(283)																
<p>Certain prepaid expenses reported in the statement of net position are not available as current financial resources and, therefore, are not reported as assets in the governmental funds.</p>		8,366																
<p>Deferred outflows of resources related to certain changes in OPEB liability are not yet recognized in OPEB expense, are not current financial resources and, therefore, are not reported in the funds.</p>		336																
<p>Certain deferred inflows of resources reported in the governmental funds are not available as current financial resources and, therefore, are not reported in the funds.</p>		<u>27,298</u>																
Net Position of Component Unit	\$	<u><u>834,615</u></u>																

The accompanying notes are an integral part of these financial statements.

CITY OF CHARLESTON, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
For the Year Ended April 30, 2019

	General Fund	Pensions Tax Levy Fund	Non-Major Governmental Funds	Total Governmental Funds	Component Unit Library Fund
Revenues:					
Property taxes	\$ 1,570,985	\$ 1,979,071	\$ 920,628	\$ 4,470,684	\$ 385,319
Mobile home privilege tax	2,056	2,863	1,049	5,968	553
Replacement income tax	46,914	170,902	-	217,816	18,771
Tourism tax	51,351	-	-	51,351	-
Utility tax	757,032	-	-	757,032	-
Fines, parking system fees, and charge for services	252,611	-	-	252,611	9,686
Municipal retailers' occupation tax	3,143,748	-	-	3,143,748	-
Illinois income tax	2,259,256	-	-	2,259,256	-
Use tax	663,943	-	-	663,943	-
Ambulance revenue	1,029,237	-	-	1,029,237	-
Other governmental agencies	664,164	-	554,349	1,218,513	4,500
Rental income	34,839	-	-	34,839	1,372
Licenses, permits and fees	382,795	-	357,316	740,111	6,570
Interest income	59,627	-	2,574	62,201	1,243
Private donations and contributions	66,791	-	27,324	94,115	51,745
Net increase (decrease) in fair value of investments	5,390	-	386	5,776	-
Miscellaneous income	60,456	-	28,888	89,344	12,841
Total revenues	<u>11,051,195</u>	<u>2,152,836</u>	<u>1,892,514</u>	<u>15,096,545</u>	<u>492,600</u>
Expenditures:					
General government	2,905,275	-	-	2,905,275	-
Public safety	6,342,073	2,152,836	3,739	8,498,648	-
Highways and streets	882,937	-	354,180	1,237,117	-
Health and welfare	80,513	-	-	80,513	-
Culture and recreation	124,713	-	579,515	704,228	434,678
Urban development and housing	387,242	-	-	387,242	-
Economic development and assistance	-	-	164,009	164,009	-
Debt service:					
Principal	123,032	-	610,000	733,032	30,892
Interest	6,834	-	86,488	93,322	5,883
Capital outlay	340,097	-	198,759	538,856	13,793
Total expenditures	<u>11,192,716</u>	<u>2,152,836</u>	<u>1,996,690</u>	<u>15,342,242</u>	<u>485,246</u>
Excess of revenues over (under) expenditures	<u>(141,521)</u>	<u>-</u>	<u>(104,176)</u>	<u>(245,697)</u>	<u>7,354</u>

CITY OF CHARLESTON, ILLINOIS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE (Continued)
 GOVERNMENTAL FUNDS
 For the Year Ended April 30, 2019

	General Fund	Pensions Tax Levy Fund	Non-Major Governmental Funds	Total Governmental Funds	Component Unit Library Fund
Other Financing Sources (Uses):					
Proceeds from sale of capital assets	3,340	-	-	3,340	-
Transfers in	198,000	-	158,409	356,409	-
Transfers out	<u>(158,409)</u>	-	<u>(162,000)</u>	<u>(320,409)</u>	-
Total other financing sources (uses)	<u>42,931</u>	<u>-</u>	<u>(3,591)</u>	<u>39,340</u>	<u>-</u>
Net change in fund balance	(98,590)	-	(107,767)	(206,357)	7,354
Fund balance, beginning of year	<u>6,437,484</u>	<u>-</u>	<u>560,998</u>	<u>6,998,482</u>	<u>167,850</u>
Fund Balance, End of Year	<u>\$ 6,338,894</u>	<u>\$ -</u>	<u>\$ 453,231</u>	<u>\$ 6,792,125</u>	<u>\$ 175,204</u>

The accompanying notes are an integral part of these financial statements.

CITY OF CHARLESTON, ILLINOIS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended April 30, 2019

Net change in governmental fund balance	\$ (206,357)
Amounts reported for the governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures. However, in the government-wide statement of activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount of capital assets recorded in the current period.	604,515
Depreciation expense on capital assets is reported in the government-wide statement of activities, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as an expenditure in the governmental funds.	(1,316,700)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, donations, and disposals) is to increase/decrease net position. This is the amount of contributions of capital assets that increased net position. This is the net book value of capital asset transferred from Business-Type Fund. This is the book value of disposals in the current period.	65,900 121,090 (2,400)
Deferred outflows of resources related to certain changes in the net pension liability are not yet recognized in pension expense, are not current financial resources and, therefore, are not reported in the funds.	1,462,580
Deferred outflows of resources related to certain changes in OPEB liability are not yet recognized in OPEB expense, are not current financial resources and, therefore, are not reported in the funds.	(2,139)
Deferred inflows of resources related to certain changes in the net pension liability are not yet recognized in pension expense, are not current financial resources and, therefore, are not reported in the funds.	1,646,468
Internal service funds are used by management to charge the costs of various activities internally to individual funds. The net change of certain activities of the internal service fund is reported with governmental activities.	199,174
Certain prepaid expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	(5,481)
Bond premiums are reported as income in the governmental funds, but these are capitalized and amortized in the statement of activities.	20,539

CITY OF CHARLESTON, ILLINOIS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF ACTIVITIES (Continued)
For the Year Ended April 30, 2019

Certain revenues reported in the statement of activities are not available as current financial resources and, therefore, are not reported as revenues in the governmental funds.		8,115
Some expenses reported in the statement of activities do not require the use of current financial resources; therefore, they are not reported as an expenditure in the governmental funds.		
Change in accrued compensated absences		(21,875)
Change in net OPEB liability		(19,531)
The change in the net pension (asset) liability does not require the use of current financial resources and, therefore, is not reported as expenditures in the funds.		
Net pension asset	\$ (3,976)	
Net pension liability	<u>(5,598,832)</u>	(5,602,808)
Principal paid on long-term liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount of principal payments.		733,032
Accrued interest reported in the statement of activities does not require the use of current financial resources and, therefore, is not reported as an expenditure in governmental funds.		<u>4,070</u>
Change in Net Position of Governmental Activities		<u>\$ (2,311,808)</u>

The accompanying notes are an integral part of these financial statements.

CITY OF CHARLESTON, ILLINOIS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE OF THE COMPONENT UNIT
TO THE STATEMENT OF ACTIVITIES
For the Year Ended April 30, 2019

Net change in component unit fund balance	\$	7,354
Amounts reported for the component unit in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the government-wide statement of activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount of capital assets recorded in the current period.		13,793
Depreciation expense on capital assets is reported in the government-wide statement of activities, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as an expenditure in the governmental funds.		(15,800)
The change in deferred outflows of resources does not require the use of current financial resources and, therefore, is not reported in the governmental funds.		336
Certain revenues reported in the statement of activities are not available as current financial resources and, therefore, are not reported as revenues in the governmental funds.		27,298
The repayment of principal of long-term debt consumes current financial resources of governmental funds. However, the repayment has no effect on change in net position on the statement of activities.		30,892
Some expenses reported in the statement of activities do not require the use of current financial resources; therefore, they are not reported as expenditures in the governmental funds.		
Change in accrued compensated absences		(608)
Change in net OPEB liability		(3,047)
Accrued interest reported in the statement of activities does not require the use of current financial resources and, therefore, is not reported as an expenditure in the governmental funds.		38
Internal service funds are used by the primary government to charge the costs of various activities internally to individual funds. The net change of certain activities of internal service funds is reported with the discretely presented component unit.		8,002

CITY OF CHARLESTON, ILLINOIS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE OF THE COMPONENT UNIT
TO THE STATEMENT OF ACTIVITIES (Continued)
For the Year Ended April 30, 2019

Certain prepaid expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	<u>(246)</u>
Change in Net Position of Component Unit	<u>\$ 68,012</u>

The accompanying notes are an integral part of these financial statements.

CITY OF CHARLESTON, ILLINOIS
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGE
 IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND

(Includes General and Tourism and Special Events Funds)
 For the Year Ended April 30, 2019

	Original Budget	Final Budget	Actual	Positive (Negative) Final Budget
General Fund:				
Revenues:				
Property taxes	\$ 1,582,450	\$ 1,582,450	\$ 1,570,985	\$ (11,465)
Mobile home privilege tax	2,650	2,650	2,056	(594)
Replacement income tax	58,526	58,526	46,914	(11,612)
Tourism tax	62,000	62,000	51,351	(10,649)
Utility tax	745,180	745,180	757,032	11,852
Fines, parking system fees, and charges for services	288,980	288,980	252,611	(36,369)
Municipal retailers' occupation tax	3,120,702	3,120,702	3,143,748	23,046
Illinois income tax	2,092,081	2,092,081	2,259,256	167,175
Use tax	574,340	574,340	663,943	89,603
Ambulance revenue	1,426,475	1,426,475	1,029,237	(397,238)
Other governmental agencies	1,712,405	1,712,405	664,164	(1,048,241)
Rental income	36,662	36,662	34,839	(1,823)
Licenses, permits and fees	356,792	356,792	382,795	26,003
Interest income	24,500	24,500	59,627	35,127
Private donations and contributions	202,300	202,300	66,775	(135,525)
Net increase (decrease) in fair value of investments	-	-	5,390	5,390
Miscellaneous income	<u>53,050</u>	<u>53,050</u>	<u>60,456</u>	<u>7,406</u>
Total revenues	<u>12,339,093</u>	<u>12,339,093</u>	<u>11,051,179</u>	<u>(1,287,914)</u>
Expenditures:				
General Government:				
Administration, board of zoning appeals and planning, police and fire boards, and city manager	449,071	449,071	418,279	30,792
City clerk	107,038	107,038	104,389	2,649
Comptroller's office	160,337	160,337	160,076	261
City attorney's office	107,096	107,096	121,397	(14,301)
Information services	88,859	88,859	91,935	(3,076)
Engineering department	408,522	408,522	242,505	166,017
Contingencies	101,626	101,626	57,274	44,352
Parks and maintenance department	497,080	497,080	531,139	(34,059)
Judgment	560,506	560,506	540,035	20,471
Human resources	123,626	123,626	122,008	1,618
Employee benefits	<u>521,124</u>	<u>521,124</u>	<u>516,238</u>	<u>4,886</u>
	<u>3,124,885</u>	<u>3,124,885</u>	<u>2,905,275</u>	<u>219,610</u>

CITY OF CHARLESTON, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)
GENERAL FUND
(Includes General and Tourism and Special Events Funds)
For the Year Ended April 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Positive (Negative) <u>Final Budget</u>
Public Safety:				
Police protection	3,165,371	3,165,371	3,138,758	26,613
Fire protection	<u>3,420,150</u>	<u>3,420,150</u>	<u>3,203,315</u>	<u>216,835</u>
	<u>6,585,521</u>	<u>6,585,521</u>	<u>6,342,073</u>	<u>243,448</u>
Highways and Streets:				
Street department	798,512	798,512	666,415	132,097
City garage	86,341	86,341	81,916	4,425
Street lighting	<u>140,000</u>	<u>140,000</u>	<u>134,606</u>	<u>5,394</u>
	<u>1,024,853</u>	<u>1,024,853</u>	<u>882,937</u>	<u>141,916</u>
Health and Welfare:				
Public service	<u>78,765</u>	<u>78,765</u>	<u>80,513</u>	<u>(1,748)</u>
Culture and Recreation:				
Tourism	<u>131,135</u>	<u>131,135</u>	<u>124,671</u>	<u>6,464</u>
Urban Redevelopment and Housing:				
Building and development services	<u>1,247,847</u>	<u>1,247,847</u>	<u>387,242</u>	<u>860,605</u>
Debt Service:				
Principal	123,068	123,068	123,032	36
Interest	<u>6,794</u>	<u>6,794</u>	<u>6,834</u>	<u>(40)</u>
	<u>129,862</u>	<u>129,862</u>	<u>129,866</u>	<u>(4)</u>
Capital Outlay	<u>-</u>	<u>-</u>	<u>340,097</u>	<u>(340,097)</u>
Total expenditures	<u>12,322,868</u>	<u>12,322,868</u>	<u>11,192,674</u>	<u>1,130,194</u>
Excess of revenues over (under) expenditures	<u>16,225</u>	<u>16,225</u>	<u>(141,495)</u>	<u>(157,720)</u>

CITY OF CHARLESTON, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)
GENERAL FUND
(Includes General and Tourism and Special Events Funds)
For the Year Ended April 30, 2019

	Original Budget	Final Budget	Actual	Positive (Negative) Final Budget
Other Financing Sources (Uses):				
Proceeds from sale of capital assets	9,000	9,000	3,340	(5,660)
Transfers in	133,000	133,000	198,000	65,000
Transfers out	<u>(158,225)</u>	<u>(158,225)</u>	<u>(158,409)</u>	<u>(184)</u>
Total other financing sources (uses)	<u>(16,225)</u>	<u>(16,225)</u>	<u>42,931</u>	<u>59,156</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>-</u>	<u>-</u>	<u>(98,564)</u>	<u>(98,564)</u>
Tourism and Special Events Fund:				
Revenues:				
Donations and contributions	<u>50</u>	<u>50</u>	<u>16</u>	<u>(34)</u>
Expenditures:				
Culture and Recreation:				
Commodities	<u>936</u>	<u>936</u>	<u>42</u>	<u>894</u>
Excess of revenues over (under) expenditures	<u>(886)</u>	<u>(886)</u>	<u>(26)</u>	<u>860</u>
Net change in fund balance	<u>\$ (886)</u>	<u>\$ (886)</u>	(98,590)	<u>\$ (97,704)</u>
Fund balance, beginning of year			<u>6,437,484</u>	
Fund Balance, End of Year			<u>\$ 6,338,894</u>	

The accompanying notes are an integral part of these financial statements.

CITY OF CHARLESTON, ILLINOIS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
April 30, 2019

	Water and Sewer Fund	Internal Service Fund
ASSETS		
Current assets:		
Cash deposits	\$ 2,718,381	\$ 45,478
Investments	384,267	-
Receivables:		
Customer	538,986	2,564
Interest receivable	12,919	-
Prepaid expenses	29,973	10,923
Inventory	285,298	-
Restricted assets:		
Cash deposits	271,906	-
Total current assets	4,241,730	58,965
Noncurrent assets:		
Capital assets, net of accumulated depreciation	32,577,739	-
Total assets	36,819,469	58,965
DEFERRED OUTFLOWS OF RESOURCES		
Deferred pensions	2,064,436	-
Deferred OPEB	2,213	-
Total deferred outflows of resources	2,066,649	-
LIABILITIES		
Current liabilities:		
Accounts payable	176,988	-
Claims payable	-	110,975
Accrued wages	77,246	-
Accrued interest	26,453	-
Due to other funds	86,849	245,000
Deferred revenue	-	5,437
Bonds payable	585,000	-
Notes payable	599,439	-
Total current liabilities	1,551,975	361,412

CITY OF CHARLESTON, ILLINOIS
STATEMENT OF NET POSITION (Continued)
PROPRIETARY FUNDS
April 30, 2019

	<u>Water and Sewer Fund</u>	<u>Internal Service Fund</u>
Noncurrent liabilities:		
Accrued compensated absences	191,734	-
Net OPEB liability	195,514	-
Net pension liability	2,250,005	-
Unamortized bond premium	58,242	-
Bonds payable	1,865,000	-
Notes payable	<u>3,887,075</u>	<u>-</u>
Total noncurrent liabilities	<u>8,447,570</u>	<u>-</u>
Total liabilities	<u>9,999,545</u>	<u>361,412</u>
 DEFERRED INFLOWS OF RESOURCES		
Deferred pensions	<u>1,096,601</u>	<u>-</u>
 NET POSITION		
Net investment in capital assets	25,577,531	-
Debt service	243,750	-
Unrestricted (deficit)	<u>1,968,691</u>	<u>(302,447)</u>
Total Net Position (Deficit)	<u>\$ 27,789,972</u>	<u>\$ (302,447)</u>

The accompanying notes are an integral part of these financial statements.

CITY OF CHARLESTON, ILLINOIS
RECONCILIATION OF ENTERPRISE FUND STATEMENT OF NET
POSITION TO THE STATEMENT OF NET POSITION
April 30, 2019

Total enterprise fund net position	\$ 27,789,972
Amounts reported for enterprise activities in the statement of net position are different because:	
Internal service funds are used by management to charge the costs of certain services to individual funds. The enterprise fund's share of assets and liabilities of the internal service fund is included in business-type activities in the statement of net position.	<u>(57,188)</u>
Net Position of Business-Type Activities	<u>\$ 27,732,784</u>

The accompanying notes are an integral part of these financial statements.

CITY OF CHARLESTON, ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended April 30, 2019

	Water and Sewer Fund	Internal Service Fund
	<u> </u>	<u> </u>
Operating Revenues:		
Water and sewer utility	\$ 5,754,638	\$ -
Charges for services	-	1,501,982
Other	<u>57,146</u>	<u>31</u>
Total operating revenues	<u>5,811,784</u>	<u>1,502,013</u>
Operating Expenses:		
Personnel services	2,181,615	-
Commodities	460,267	-
Contractual services	912,585	306,900
Non-capitalized capital outlay	63,318	-
Depreciation	1,344,948	-
Claims expenses	<u>-</u>	<u>941,037</u>
Total operating expenses	<u>4,962,733</u>	<u>1,247,937</u>
Net operating income (loss)	<u>849,051</u>	<u>254,076</u>
Non-Operating Revenues (Expenses):		
Donations	81,900	-
Interest income	37,934	-
Net increase (decrease) in fair value of investments	2,524	-
Transfer of capital assets	(124,483)	-
Interest expense	(93,511)	-
Amortization	<u>13,550</u>	<u>-</u>
Total non-operating revenues (expenses)	<u>(82,086)</u>	<u>-</u>
Net income (loss) before contributions, extraordinary items, and transfers	<u>766,965</u>	<u>254,076</u>
Contributions, Extraordinary Items, and Transfers:		
Capital contributions	84,896	-
Transfers out	<u>(36,000)</u>	<u>-</u>
Total contributions, extraordinary items, and transfers	<u>48,896</u>	<u>-</u>
Change in net position	<u>815,861</u>	<u>254,076</u>
Net position (deficit), beginning of year	27,124,453	(556,523)
Accounting change	<u>(150,342)</u>	<u>-</u>
Net position (deficit), beginning of year, as restated	<u>26,974,111</u>	<u>(556,523)</u>
Net Position (Deficit), End of Year	<u>\$ 27,789,972</u>	<u>\$ (302,447)</u>

The accompanying notes are an integral part of these financial statements.

CITY OF CHARLESTON, ILLINOIS
RECONCILIATION OF ENTERPRISE FUND STATEMENT OF REVENUES,
EXPENSES AND CHANGE IN NET POSITION TO THE STATEMENT OF ACTIVITIES
For the Year Ended April 30, 2019

Net change in net position of enterprise fund	\$ 815,861
Amounts reported for enterprise activities in the statement of activities are different because:	
Internal service funds are used by management to charge the costs of various activities internally to individual funds. The net change of certain activities of internal service funds is reported with business-type activities.	<u>46,900</u>
Change in Net Position of Business-Type Activities	<u>\$ 862,761</u>

The accompanying notes are an integral part of these financial statements.

CITY OF CHARLESTON, ILLINOIS
STATEMENT OF CHANGES IN CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended April 30, 2019

	Water and Sewer Fund	Internal Service Fund
Cash Flows from Operating Activities:		
Receipts from customers	\$ 5,858,073	\$ 431,873
Interfund services provided	-	1,071,922
Payments to suppliers	(1,537,630)	(308,069)
Payments to employees	(2,101,604)	-
Payments to claimants	-	(1,058,817)
Net cash provided (used) by operating activities	2,218,839	136,909
Cash Flows from Noncapital Financing Activities:		
Transfers in (out)	(36,000)	-
Loan from (to) other funds	(50,547)	(91,431)
Net cash provided (used) by noncapital financing activities	(86,547)	(91,431)
Cash Flows from Capital and Related Financing Activities:		
Contributions	81,900	-
Transfers in (out)	(124,483)	-
Purchases of capital assets	(422,290)	-
Principal paid on capital debt	(1,199,402)	-
Interest paid on capital debt	(98,169)	-
Net cash provided (used) by financing activities	(1,762,444)	-
Cash Flows from Investing Activities:		
Proceeds from sales and maturities of investments	245,000	-
Interest income	26,963	-
Net cash provided (used) by investing activities	271,963	-
Net increase (decrease) in cash and cash deposits	641,811	45,478
Cash and cash deposits, beginning of year	2,348,476	-
Cash and Cash Deposits, End of Year	\$ 2,990,287	\$ 45,478

CITY OF CHARLESTON, ILLINOIS
STATEMENT OF CHANGES IN CASH FLOWS (Continued)
PROPRIETARY FUNDS
For the Year Ended April 30, 2019

	Water and Sewer Fund	Internal Service Fund
	<u> </u>	<u> </u>
Reconciliation of Operating Income to Net Cash		
Provided (Used) by Operating Activities:		
Operating income (loss)	\$ 849,051	\$ 254,076
Noncash items included in operating income:		
Depreciation	1,344,948	-
Net (increase) decrease in:		
Customer receivables	46,289	(2,564)
Prepaid expenses	18	(1,169)
Inventory	(4,682)	-
Deferred pensions	(1,536,003)	-
Deferred OPEB	(2,213)	-
Net increase (decrease) in:		
Accounts payable	(96,796)	-
Claims payable	-	(115,216)
Accrued wages	(8,998)	-
Deferred revenue	-	1,782
Accrued compensated absences	18,511	-
Net OPEB liability	10,462	-
Net pension liability	1,898,702	-
Deferred pensions	<u>(300,450)</u>	<u>-</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 2,218,839</u>	<u>\$ 136,909</u>

The accompanying notes are an integral part of these financial statements.

CITY OF CHARLESTON, ILLINOIS
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
April 30, 2019

	<u>Pension Trust Funds</u>	<u>Agency Funds</u>
ASSETS		
Cash	\$ 707,478	\$ 245,236
Receivables:		
Interest	66,311	-
Due from primary government	<u>48,492</u>	<u>-</u>
Total receivables	<u>114,803</u>	<u>-</u>
Investments, at fair value:		
Federal government obligations	4,169,368	-
Mutual funds	18,131,378	4,310
Corporate bonds	3,339,423	-
Certificates of deposit	<u>660,558</u>	<u>-</u>
Total investments	<u>26,300,727</u>	<u>4,310</u>
Total assets	<u>27,123,008</u>	<u>249,546</u>
LIABILITIES		
Accounts payable	4,636	-
Amount due to affiliate organizations	<u>-</u>	<u>249,546</u>
Total liabilities	<u>4,636</u>	<u>249,546</u>
NET POSITION		
Held in Trust for Pension Benefits	<u>\$ 27,118,372</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

CITY OF CHARLESTON, ILLINOIS
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
For the Year Ended April 30, 2019

	Pension Trust Funds
Additions:	
Contributions:	
Employer	\$ 2,152,835
Plan members	<u>420,328</u>
Total contributions	<u>2,573,163</u>
Investment income:	
Net appreciation (depreciation) in fair value of investments	1,105,631
Interest	273,104
Dividends and capital gain distributions	<u>512,902</u>
	1,891,637
Less investment expense	<u>(55,431)</u>
Net investment income	<u>1,836,206</u>
Other additions	<u>895</u>
Total additions	<u>4,410,264</u>
Deductions:	
Benefits	3,357,402
Refunds of contributions	22,629
Administration expenses	<u>50,285</u>
Total deductions	<u>3,430,316</u>
Change in net position	979,948
Net position, beginning of year	<u>26,138,424</u>
Net Position, End of Year	<u>\$ 27,118,372</u>

The accompanying notes are an integral part of these financial statements.

CITY OF CHARLESTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Charleston, Illinois, conform to accounting principles generally accepted in the United States of America as applicable to governments.

The following is a summary of the more significant policies:

- a) Financial Reporting Entity - The City is governed by a mayor and four commissioners elected at large. The accompanying financial statements present the City's primary government and component units over which the City exercises significant influence. Significant influence or accountability is based primarily on operational or financial relationships with the City, as distinct from legal relationships.

The following organization is a discretely presented component unit of the City:

Library Fund - The City Commissioners appoint the Carnegie Public Library Board and approve the tax levy for the Library Fund. In addition, the payroll of the Library is included with the City's payroll in reporting to various federal and state agencies. A report may be obtained by writing to Carnegie Public Library, 712 6th Street, Charleston, Illinois 61920.

- b) Basis of Presentation - The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The City's basic financial statements include both government-wide and fund financial statements. Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The City's general, special revenue, debt service and internal service funds are classified as governmental activities while the City's enterprise funds are classified as business-type activities. The City's fiduciary funds are not incorporated into the government-wide statements since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government.

Government-Wide Financial Statements:

The government-wide financial statements include the statement of net position and the statement of activities. These statements report information on all of the nonfiduciary activities of the primary government. The effect of interfund activity, within the governmental and business-type activities columns, has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or identifiable activity are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or identifiable activity. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given program and 2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

CITY OF CHARLESTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

Fund Financial Statements:

Separate statements are presented for governmental funds, proprietary funds, and fiduciary funds. These statements present each major fund as a separate column on the fund financial statements; all non-major funds are aggregated and presented in a single column. The following fund types are used by the City:

Governmental Funds:

Governmental funds are those funds through which most governmental functions typically are financed. The acquisition, use and balances of the City's expendable financial resources and the related current liabilities (except those accounted for in the proprietary funds) are accounted for through governmental funds. The measurement focus is on determination of "financial flow" (sources, use and balances of financial resources).

General Fund is the main operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are restricted or committed to expenditures for specified purposes. The purpose and substantial restricted resources for each major special revenue fund are listed below:

Pensions Tax Levy Fund is used to account for the annual property tax levy of the pension trust funds.

Debt Service Fund is used to account for the accumulation of resources and the payment of general long-term debt not financed by a specific source.

Proprietary Funds:

Proprietary Funds are those funds through which the accounting objectives are determinations of operating income, change in net position, financial position, and changes in cash flows. These funds are accounted for using the economic resources measurement focus which is similar to businesses in the private sector. The following is a description of the proprietary funds of the City:

Enterprise Funds - Enterprise funds are used to account for operations (1) that are financed and operated in a manner similar to private business enterprises---where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The City has one major enterprise fund as follows:

Water and Sewer Fund is used to account for the operations of the City's utility garage, utility department, water treatment plant, and waste water treatment plant.

CITY OF CHARLESTON, ILLINOIS
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Internal Service Fund:

Internal service funds are used to finance and account for services and commodities provided by designated departments or agencies of the City. The following internal service fund is used by the City:

Self-Health Insurance Fund is used to account for the premiums and medical claims of all covered City employees and their dependents and Library employees.

Fiduciary Funds:

Fiduciary fund types are used to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. The City's fiduciary funds include pension trust and agency funds.

Pension Trust Funds are used to account for the accumulation of resources needed to pay pension costs when due. Resources are member contributions at rates fixed by state statutes and City contributions in the form of an annual property tax levy. The City has two pension trust funds for the Police Pension Fund and the Firefighters' Pension Fund. The measurement focus and basis of accounting of the pension trust funds is similar to proprietary funds.

Agency Funds are used to account for the assets and liabilities of agencies affiliated with the Playground and Recreation Fund. Agency funds are purely custodial in nature and do not involve measurement of results of operations.

- c) Measurement Focus and Basis of Accounting - Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. Measurement focus is used to describe which transactions are recorded within the various financial statements.

The government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized when the liability is incurred. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. All assets and liabilities, including capital assets and long-term liabilities, are included. The accounting objectives of this measurement focus are the determination of operating income, changes in net position, financial position and cash flows.

The governmental fund financial statements are presented using the current financial resources measurement focus and the modified accrual basis of accounting. Only current financial assets, deferred outflows of resources, liabilities, and deferred inflows of resources are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period. Under the modified accrual basis of accounting, revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period to be used to pay current liabilities. The City uses the following collection periods for determining availability of revenues: within 60 days for property taxes, 365 days for ambulance revenue, and 120 days for all other revenue sources. Expenditures generally are recorded when a liability is incurred. An exception to this general rule is principal and interest on general long-term debt which is recognized when due and payable.

The proprietary fund financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. This is the same measurement focus and basis of accounting used on the government-wide financial statements.

CITY OF CHARLESTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

- d) Budgets and Budgetary Accounting - The City follows these procedures in establishing the budgetary data reflected in the financial statements:
1. A proposed operating budget is submitted to the city council for the fiscal year commencing May 1. The operating budget includes proposed expenditures and the means of financing them. The City does not prepare a budget for the Pensions Tax Levy Fund.
 2. Public meetings are conducted to obtain taxpayer comments.
 3. The tax levy ordinance is adopted and filed with the county clerk on or before the last Tuesday in December.
 4. Formal budgetary integration is employed as a management control device during the year for all funds.
 5. The budgets for the governmental funds are adopted substantially on a modified accrual basis of accounting which is consistent with U.S. generally accepted accounting principles (GAAP). All budget comparisons presented in this report are on a GAAP budgetary basis and are compared with actual revenues and expenditures at April 30, 2019. The budget was amended April 16, 2019.
 6. Unused appropriations for all of the annually budgeted funds lapse at the end of each year.
- e) Cash and Cash Equivalents - For purposes of the statement of cash flows, the City considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.
- f) Investments - Investments, including those reported in pension trust funds, are stated at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates, and investments that do not have an established market are reported at estimated fair value. Cash deposits are reported at carrying amount which reasonably estimates fair value. The composition of pension trust investments, additional cash and investment information, and fair values are presented in Note B.
- g) Inventory - Inventory held by the City's governmental and proprietary fund types is priced at cost (first-in, first-out) which approximates market.
- h) Capital Assets and Depreciation - Capital assets, which includes property, plant, equipment and infrastructure assets, are reported in the applicable governmental or business-type activities column in the government-wide financial statements and in the fund financial statements for proprietary funds. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are stated at their fair market value on the date donated. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable. Interest incurred during the construction phase of capital assets of business-type activities is reflected in the capitalized value of the asset constructed. The City had no capitalized interest for the year ended April 30, 2019. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. The City reports all major general infrastructure assets constructed or acquired in fiscal years ending after April 30, 1980, or that received major renovations, restorations, or improvements during that period.

The City has defined the following initial individual cost thresholds for when an asset should be capitalized and depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

CITY OF CHARLESTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

<u>Assets</u>	<u>Years</u>	<u>Cost</u>
Land	N/A	\$ 5,000
Buildings, bridges, storm sewers, and water mains	50	50,000
Traffic signals	25	50,000
Streets, curb, gutter and other infrastructure	20	50,000
Sidewalks, bike paths	15	50,000
Swimming pool	25	-
Machinery, equipment, computer equipment and hardware, vehicles	10	5,000
Computer software	3	10,000
Police vehicles	2	5,000

- i) Prepaid Expenses - Certain payments reflect costs applicable to future accounting periods. For the government-wide and proprietary fund financial statements, the City uses the interperiod allocation method to allocate the expenditure among appropriate periods. For the fund financial statements, the City uses the nonallocation method which permits expenditure recognition in the period of payment and is more consistent with expendable financial resources.
- j) Deferred Outflows and Inflows of Resources - The City reports a decrease in net position/fund balance that applies to a future period as deferred outflows of resources in a separate section of its government-wide and proprietary funds statements of net position and the governmental funds balance sheet. The City reports the following deferred outflows of resources: unrecognized items not yet charged to OPEB expense, unrecognized items not yet charged to pension expense, and pension contributions from the City after the measurement date but before the end of the City's reporting period.

The City reports an increase in net position/fund balance that applies to a future period as deferred inflows of resources in a separate section of its government-wide and proprietary funds statements of net position and the governmental funds balance sheet. The City will not recognize the related revenues until a future event occurs. Under the modified accrual basis of accounting, governmental fund revenues are not recognized until available. Accordingly, unavailable miscellaneous revenue and unavailable property taxes are reported in the government-wide statement of net position and the governmental funds balance sheet. The City reports deferred inflows for unrecognized items not yet charged to pension expense and a deferred amount on refunding in the current year.

- k) Interfund Activity - Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables, as appropriate and are subject to elimination upon consolidation. Any residual balances outstanding between the governmental and business-type activities are reported in the government-wide financial statements as "internal balances." Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. Reimbursements are when a fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental and proprietary funds are netted as part of the reconciliation to the government-wide financial statements. Operating transfers between funds during the year ended April 30, 2019 were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental Activities:		
General Fund	\$ 198,000	\$ 158,409
Other governmental funds	<u>158,409</u>	<u>162,000</u>
 Total Governmental Activities	 <u>\$ 356,409</u>	 <u>\$ 320,409</u>

CITY OF CHARLESTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

	<u>Transfers In</u>	<u>Transfers Out</u>
Business-Type Activities:		
Water and Sewer Fund	\$ -	\$ 36,000

The purposes of interfund transfers are as follows:

The General Fund transferred \$20,000 to the Playground and Recreation Fund to supplement their tax levy and \$138,409 to the Debt Service Fund for principal and interest payments on the Pool bonded debt. The Motor Fuel Tax Fund transferred \$150,000 to the General Fund for the Lake Island project overage. The Drug Traffic Prevention Fund transferred \$12,000 to the General Fund for a police vehicle purchase. The Water and Sewer Fund transferred \$36,000 to the General Fund to cover expenses related to human resources. On the government-wide financial statements only, the business-type activities transferred \$124,483 of capital assets which was reduced by \$81,503 of internal labor on capital projects for business-type activities.

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
Governmental Activities:		
General Fund	\$ 493,472	\$ -
Other governmental funds	-	140,764
Total Governmental Activities	\$ 493,472	\$ 140,764
Business-Type Activities:		
Water and Sewer Fund	\$ -	\$ 86,849
Internal Service Fund:		
Self-Health Insurance Fund	\$ -	\$ 245,000
Component Unit:		
Carnegie Public Library	\$ -	\$ 20,859

The purposes of interfund receivables and payables are as follows:

The General Fund has loaned \$20,859 to the Library Fund for operating expenses from the pooled cash account, \$140,764 to the Motor Fuel Tax Fund for operating expenses from the pooled cash account, \$86,849 to the Water and Sewer Fund for operating expenses from the pooled cash account, and \$245,000 to the Self-Health Insurance Fund for operating expenses. All loans are expected to be repaid within one year. The internal service fund net position has been charged to various activities resulting in a loan of \$144,037 to the Water and Sewer Fund and \$11,473 to the Library Fund from the Self-Health Insurance Fund.

- 1) Property Taxes - Property taxes are deferred in the fiscal year for which they are levied and are recorded as revenue in the fiscal year in which they are received. Taxes levied and uncollected are carried as an asset of the appropriate fund.

The City's property tax calendar is as follows:

1. Property is assessed on January 1 each year.
2. The tax levy ordinance was adopted on December 18, 2018 and filed with the county clerk.
3. Property taxes are due to be collected by the County from July through September in two installments in the year following the levy year.

CITY OF CHARLESTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

- m) **Accrued Liabilities and Long-Term Obligations** - All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements and proprietary fund financial statements. Bond premiums and discounts, as well as insurance costs, are deferred and amortized over the life of the bonds.

In the fund financial statements, governmental fund payables and accrued liabilities are reported as obligations of the funds once incurred and is expected to be paid in a timely manner and in full from current financial resources. Bonds, capital leases and long-term notes that will be paid from governmental funds are recognized as a liability in the fund financial statements when due. The face amount of debt issued is reported as other financing sources. Bond premiums received on debt issuances are reported as other financing sources while bond discounts on debt issuances are reported as other financing uses. Bond issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

- n) **Compensated Absences** - The City permits employees to accumulate unpaid vacation, sick pay and other employee benefit amounts. For proprietary fund types, these accumulations are recorded as expenses and liabilities of the appropriate fund in the fiscal year earned. For governmental fund types, these accumulations which are payable from available financial resources are recorded as a liability in the fund financial statements. These accumulations which will not be liquidated with expendable available financial resources are recorded as long-term liabilities in the government-wide financial statements only.
- o) **Operating Revenues and Expenses** - Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses result from providing services in connection with proprietary funds' principal operations. Operating expenses include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.
- p) **Net Position** - Net position on the government-wide and proprietary fund financial statements is divided into three components:
1. **Net investment in capital assets** - consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets.
 2. **Restricted** - consists of net position that is restricted by the City's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by both federal and state grantors and by other contributors.
 3. **Unrestricted** - all other net position is reported in this category.
- q) **Fund Balance** - The following classifications describe the constraints placed on the purposes for which resources can be used:
1. **Nonspendable fund balance** - consists of amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact.
 2. **Restricted fund balance** - consists of amounts that are subject to outside restrictions, such as those imposed by creditors, grantors, contributors, or laws and regulations of other governments, or by law through constitutional provisions or enabling legislation.
 3. **Committed fund balance** - consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision making authority (the City Council). Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts.

CITY OF CHARLESTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

4. Assigned fund balance - consists of amounts that are constrained by the government's intent to be used for a specific purpose, but are neither restricted nor committed. The intent can be expressed by the City Council or by an official or body which the Council delegates authority.
5. Unassigned fund balance - consists of amounts available for any purpose and positive amounts are reported only in the General Fund.

Unless specifically identified, expenditures act to reduce restricted balances first, then committed balances, next assigned balances, and finally act to reduce unassigned balances. Expenditures for a specifically identified purpose will act to reduce the specific classification of fund balance that is identified.

- r) Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.
- s) Recently Issued and Adopted Accounting Pronouncements - In 2019, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions. This statement improves accounting and financial reporting by state and local governments for postemployment benefits other than pensions. It establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and OPEB expense. See Note M for the restatement of previously reported net position.

In 2020, the City will implement Governmental Accounting Standards Board (GASB) Statement No. 84, Fiduciary Activities. This primary objective of this statement is to enhance consistency and comparability by establishing specific criteria for identifying activities that should be reported as fiduciary activities and clarifying whether and how business-type activities should report their fiduciary activities.

NOTE B - CASH DEPOSITS AND INVESTMENTS

The City maintains a cash pool that is available for use by all funds, except for the Firefighters' Pension Fund and Police Pension Fund. Each fund type's portion of this pool is displayed on the combined balance sheet as cash deposits. In addition, cash deposits and investments are separately held by several of the City's funds. The City is allowed to invest in securities as authorized by 30ILCS 235/2 and 235/6.

At April 30, 2019, the City had the following investments:

	<u>Fair Value</u>	<u>Weighted Average Maturity</u>
Governmental Activities:		
Certificates of Deposit	\$ 1,431,094	0.73
Illinois Metropolitan Investment Fund	<u>35,469</u>	n/a
Total Investments	<u>\$ 1,466,563</u>	
Business-Type Activities:		
Certificates of Deposit	<u>\$ 384,267</u>	0.76

CITY OF CHARLESTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

	Fair Value	Weighted Average Maturity
Fiduciary Pension Trust Funds:		
Firefighters' Pension Fund:		
U.S. Government and Primary Obligation Agencies	\$ 1,934,023	
U.S. Government Implied Obligation Agencies	368,950	
Subtotal, U.S. Government and its Agencies	2,302,973	7.28
Mutual Funds	8,923,292	n/a
Corporate Bonds	2,031,558	9.52
 Total Investments	 \$ 13,257,823	
 Police Pension Fund:		
U.S. Government and Primary Obligation Agencies	\$ 653,503	
U.S. Government Implied Obligation Agencies	1,212,892	
Subtotal, U.S. Government and its Agencies	1,866,395	14.35
Mutual Funds	9,208,086	n/a
Corporate Bonds	1,307,865	12.07
Certificates of Deposit	660,558	4.58
 Total Investments	 \$ 13,042,904	
 Agency Funds:		
Illinois Metropolitan Investment Fund	\$ 4,310	n/a

Disclosures Relating to Interest Rate Risk:

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. For investments in all funds except fiduciary funds, the City minimizes its exposure to interest rate risk structuring investments to mature to meet cash requirements thereby avoiding the need to sell securities prior to maturity. At April 30, 2019, the City's investments consisted of negotiable certificates of deposit and the Illinois Metropolitan Investment Fund.

In accordance with the Firefighters' and Police Pension Funds investment policies, the Pension Funds investment portfolios will remain sufficiently liquid to enable the pension fund to pay all necessary benefits and meet all operating requirements which might be reasonably anticipated.

Disclosures Relating to Credit Risk:

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Credit quality ratings for obligations of the U.S. government or guaranteed by the U.S. government are not required to be disclosed. The City's negotiable certificates of deposit are not subject to credit risk rating.

At April 30, 2019, the City's investments were rated as follows by Moody's:

Governmental Activities:

Illinois Metropolitan Investment Fund	Aaa/bf
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CITY OF CHARLESTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

The Firefighters’ and Police Pension Funds investment policy states that the Pension Funds investment in contracts and agreements of Life Insurance Companies licensed to do business in the State of Illinois shall be rated at least A+ by A.M. Best Company, Aa rated by Moody’s, and AA+ rated by Standard and Poors rating services. Notwithstanding, the portfolio of the general account of the Insurance Company shall not invest more than 10% of the portfolio in real estate and/or more than 10% of the portfolio in bonds with ratings of less than Baa1 by Moody’s or BBB+ by Standard and Poors. Credit quality ratings for obligations of the U.S. government or guaranteed by the U.S. government are not required to be disclosed.

Concentration of Credit Risk:

The City’s investment policy does not place limitations on the amount that can be invested in any one issuer. The City’s cash and negotiable certificates of deposit are not subject to credit risk rating.

It is the policy of the Firefighters’ and Police Pension Funds to invest in a manner that seeks to ensure the preservation of capital. The Pension Funds are to consciously diversify the aggregate fund to ensure that adverse or unexpected results will not have an excessively detrimental impact on the entire portfolio.

The Firefighters’ Pension Fund has adopted an asset allocation policy as follows:

	<u>Min</u>	<u>Target</u>	<u>Max</u>
Cash	0%	3%	10%
Fixed Income	32%	32%	52%
Equities	35%	65%	70%
Real Estate	0%	5%	10%

The Police Pension Fund has adopted an asset allocation policy as follows:

	<u>Min</u>	<u>Target</u>	<u>Max</u>
Cash	1%	3%	10%
Fixed Income	29%	32%	67%
Equities	32%	60%	75%
Real Estate	0%	5%	10%

Custodial Credit Risk for Deposits:

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. Deposits in federally insured banks and savings and loans are insured up to \$250,000 for demand deposits and \$250,000 for time deposits. The City’s policy requires that all deposits with financial institutions in excess of any insurance limit will be secured by the institution pledging securities with a third party institution in fair value amounts at least to cover uninsured amounts. As of April 30, 2019, of the City’s total bank balances (excluding \$1,222,271 of deposits held with the Illinois Funds Money Market Fund), \$821,151 was secured by federal depository insurance and \$4,956,983 was collateralized with securities held by the pledging financial institution’s trust department in the City’s name.

Deposits for the Firefighters’ and Police Pension Funds are insured in an amount equal to \$250,000 for the fund plus an amount for each member’s beneficial interest in the deposits, limited to an amount equal to \$250,000 divided by the largest beneficial interest percentage of a member. As of April 30, 2019, all cash deposits were adequately insured.

CITY OF CHARLESTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

Custodial Credit Risk for Investments:

Custodial credit risk for investments is the risk that in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City has no custodial credit risk in that all of its investments are insured.

Foreign Currency Risk:

Foreign currency risk is the risk that changes in foreign exchange rates will adversely affect the fair values of deposits or investments. None of the City's deposits or investments are directly subject to foreign currency risk.

NOTE C - CAPITAL ASSETS

A summary of changes in capital assets follows:

	<u>Balance May 1, 2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance April 30, 2019</u>
Primary Government:				
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 1,394,281	\$ 13,439	\$ -	\$ 1,407,720
Construction in progress	<u>845,693</u>	<u>599,483</u>	<u>(866,487)</u>	<u>578,689</u>
Capital assets being depreciated:				
Building and improvements	12,830,829	258,241	-	13,089,070
Accumulated depreciation	<u>(3,562,175)</u>	<u>(264,231)</u>	<u>-</u>	<u>(3,826,406)</u>
Building and improvements, net	<u>9,268,654</u>	<u>(5,990)</u>	<u>-</u>	<u>9,262,664</u>
Vehicles, machinery and equipment	7,853,398	406,265	(49,696)	8,209,967
Accumulated depreciation	<u>(6,159,372)</u>	<u>(334,172)</u>	<u>49,696</u>	<u>(6,443,848)</u>
Vehicles, machinery and equipment, net	<u>1,694,026</u>	<u>72,093</u>	<u>-</u>	<u>1,766,119</u>
Infrastructure	17,160,420	378,164	-	17,538,584
Accumulated depreciation	<u>(9,130,221)</u>	<u>(718,297)</u>	<u>-</u>	<u>(9,848,518)</u>
Infrastructure, net	<u>8,030,199</u>	<u>(340,133)</u>	<u>-</u>	<u>7,690,066</u>
Total, Governmental Activities, Net Capital Assets	<u>\$ 21,232,853</u>	<u>\$ 338,892</u>	<u>\$ (866,487)</u>	<u>\$ 20,705,258</u>
Business-Type Activities:				
Capital assets not being depreciated:				
Land	\$ 1,040,840	\$ 98,393	\$ -	\$ 1,139,233
Construction in progress	<u>956,974</u>	<u>489,716</u>	<u>(1,368,570)</u>	<u>78,120</u>
Capital assets being depreciated:				
Building and improvements	15,165,981	-	-	15,165,981
Accumulated depreciation	<u>(5,049,602)</u>	<u>(291,741)</u>	<u>-</u>	<u>(5,341,343)</u>
Building and improvements, net	<u>10,116,379</u>	<u>(291,741)</u>	<u>-</u>	<u>9,824,638</u>

CITY OF CHARLESTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

	<u>Balance May 1, 2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance April 30, 2019</u>
Vehicles, machinery and equipment	4,477,188	654,642	(5,000)	5,126,830
Accumulated depreciation	<u>(3,343,048)</u>	<u>(272,037)</u>	<u>5,000</u>	<u>(3,610,085)</u>
Vehicles, machinery and equipment, net	<u>1,134,140</u>	<u>382,605</u>	<u>-</u>	<u>1,516,745</u>
Infrastructure	38,246,546	633,002	-	38,879,548
Accumulated depreciation	<u>(18,079,376)</u>	<u>(781,169)</u>	<u>-</u>	<u>(18,860,545)</u>
Infrastructure, net	<u>20,167,170</u>	<u>(148,167)</u>	<u>-</u>	<u>20,019,003</u>
Total, Business-Type Activities, Net Capital Assets	<u>\$ 33,415,503</u>	<u>\$ 530,806</u>	<u>\$(1,368,570)</u>	<u>\$ 32,577,739</u>
 Component Units:				
Governmental Activities:				
Capital assets not being depreciated:				
Land	<u>\$ 395,957</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 395,957</u>
Capital assets being depreciated:				
Building and improvements	804,497	-	-	804,497
Accumulated depreciation	<u>(344,169)</u>	<u>(13,457)</u>	<u>-</u>	<u>(357,626)</u>
Building and improvements, net	<u>460,328</u>	<u>(13,457)</u>	<u>-</u>	<u>446,871</u>
Vehicles, machinery and equipment	99,501	13,793	-	113,294
Accumulated depreciation	<u>(77,833)</u>	<u>(2,343)</u>	<u>-</u>	<u>(80,176)</u>
Vehicles, machinery and equipment, net	<u>21,668</u>	<u>11,450</u>	<u>-</u>	<u>33,118</u>
Total, Governmental Activities, Net Capital Assets	<u>\$ 877,953</u>	<u>\$ (2,007)</u>	<u>\$ -</u>	<u>\$ 875,946</u>

Depreciation expense was charged to functions/programs as follows:

Governmental Activities:	
General government	\$ 283,378
Public safety	237,512
Highways and streets	643,823
Culture and recreation	142,496
Urban development and housing	5,397
Economic development and assistance	<u>4,094</u>
Total Depreciation Expense, Governmental Activities	<u>\$1,316,700</u>
Business-Type Activities	<u>\$1,344,948</u>
Component Unit - Library	<u>\$ 15,800</u>

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The City has the following construction in progress at April 30, 2019:

<u>Project</u>	<u>Expenses</u>	<u>Estimated Cost</u>	<u>Estimated Completion Date</u>
Governmental Activities:			
Lake Island Tract Improvements	\$ 547,167	\$ 602,159	September 2019
Surveillance System	11,531	13,507	December 2020
Dam A Project	1,991	268,042	October 2020
12 th Street Drainage	<u>18,000</u>	Unknown	Unknown
	<u>\$ 578,689</u>		
Business-Type Activities:			
Krishire Sanitary Extension	\$ 29,411	\$ 39,740	May 2019
Wastewater Treatment Plant Nutrient Removal	<u>48,709</u>	67,500	April 2020
	<u>\$ 78,120</u>		

NOTE D - DEFINED BENEFIT PENSION PLANS

Plan Description - The City's defined benefit pension plans provide retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The plans are managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided - IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

All three IMRF benefit plans have two tiers. Employees hired before January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

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- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Net Pension Liability - The City's net pension liability was measured as of December 31, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions - The following are the methods and assumptions used to determine total pension liability at December 31, 2018:

Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Market Value of Assets
Price Inflation:	2.50%
Salary Increases:	3.39% to 14.25%
Investment Rate of Return:	7.25%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation according to an experience study of the period 2014-2016.
Mortality:	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP 2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	37%	7.15%
International Equity	18%	7.25%
Fixed Income	28%	3.75%
Real Estate	9%	6.25%
Alternative Investments	7%	3.20-8.50%
Cash Equivalents	1%	2.50%
Total	100%	

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Single Discount Rate - A single discount rate of 7.25% was used to measure the total pension liability. The projection of cash flow used to determine this single discount rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The single discount rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 3.71%, and the resulting single discount rate is 7.25%.

Additional information for each plan follows:

a) Illinois Municipal Retirement Fund - Regular (All Other Employees)

Employees Covered by Benefit Terms - As of December 31, 2018, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	105
Inactive plan members entitled to but not yet receiving benefits	40
Active plan members	<u>81</u>
Total	<u><u>226</u></u>

Contributions - As set by statute, the City's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The City's annual contribution rate was 12.63% and 10.42% for calendar year 2018 and 2019, respectively. For the fiscal year ended April 30, 2019, the City contributed \$456,530 to the plan. The City also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability - The City's net pension liability was measured as of December 31, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

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	Total Pension Liability <u>(A)</u>	Plan Net Position <u>(B)</u>	Net Pension Liability <u>(A) – (B)</u>
Changes in the Net Pension Liability:			
Balances at December 31, 2017	\$ 30,687,243	\$ 29,785,721	\$ 901,522
Changes for the year:			
Service cost	380,401	-	380,401
Interest on the total pension liability	2,244,216	-	2,244,216
Differences between expected and actual experience of the total pension liability	423,358	-	423,358
Changes of assumptions	870,592	-	870,592
Contributions – employer	-	547,453	(547,453)
Contributions – employees	-	176,685	(176,685)
Net investment income	-	(1,809,322)	1,809,322
Benefit payments, including refunds of employee contributions	(1,909,134)	(1,909,134)	-
Other (net transfer)	<u>-</u>	<u>655,653</u>	<u>(655,653)</u>
Net changes	<u>2,009,433</u>	<u>(2,338,665)</u>	<u>4,348,098</u>
Balances at December 31, 2018	<u>\$ 32,696,676</u>	<u>\$ 27,447,056</u>	<u>\$ 5,249,620</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the plan's net pension liability, calculated using a single discount rate of 7.25%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1% lower or 1% higher:

	<u>1% Lower 6.25%</u>	<u>Current 7.25%</u>	<u>1% Higher 8.25%</u>
Net Pension Liability (Asset)	\$ 9,171,143	\$ 5,249,620	\$ 1,992,258

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions - For the year ended April 30, 2019, the City recognized pension expense of \$317,443. At April 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Deferred Amounts Related to Pensions:		
Deferred Amounts to be Recognized in Pension Expense in Future Periods:		
Differences between expected and actual experience	\$ 388,255	\$ 252,811
Changes of assumptions	661,766	547,765
Net difference between projected and actual earnings on pension plan investments	<u>3,645,243</u>	<u>1,757,969</u>
Total deferred amounts to be recognized in pension expense in future periods	<u>4,695,264</u>	<u>2,558,545</u>
Pension contributions made subsequent to the measurement date	<u>121,393</u>	<u>-</u>
Total Deferred Amounts Related to Pensions	<u>\$ 4,816,657</u>	<u>\$ 2,558,545</u>

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NOTES TO FINANCIAL STATEMENTS

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

<u>Year Ending April 30</u>	<u>Net Deferred Outflows/ (Inflows) of Resources</u>
2020	\$ 566,199
2021	252,494
2022	491,059
2023	826,967
2024	<u>-</u>
Total	<u>\$ 2,136,719</u>

b) Illinois Municipal Retirement Fund - Sheriff's Law Enforcement Personnel

Employees Covered by Benefit Terms - As of December 31, 2018, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	-
Inactive plan members entitled to but not yet receiving benefits	1
Active plan members	<u>-</u>
Total	<u><u>1</u></u>

Contributions - As set by statute, the City's SLEP Plan Members are required to contribute 7.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The City's annual contribution rate was 13.28% and 12.78% for calendar year 2018 and 2019, respectively. For the fiscal year ended April 30, 2019, the City contributed \$0 to the plan. The City also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability - The City's net pension liability was measured as of December 31, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

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	Total Pension Liability (Asset) <u>(A)</u>	Plan Net Position (B) <u>(B)</u>	Net Pension Liability (Asset) (A) – (B) <u>(A) – (B)</u>
Changes in the Net Pension (Asset):			
Balances at December 31, 2017	\$ 21,960	\$ 59,611	\$ (37,651)
Changes for the year:			
Interest on the total pension liability	1,647	-	1,647
Differences between expected and actual experience of the total pension liability	(1,073)	-	(1,073)
Changes of assumptions	565	-	565
Net investment income	-	(2,999)	2,999
Other (net transfer)	-	162	(162)
Net changes	<u>1,139</u>	<u>(2,837)</u>	<u>3,976</u>
Balances at December 31, 2018	<u>\$ 23,099</u>	<u>\$ 56,774</u>	<u>\$ (33,675)</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the plan's net pension liability, calculated using a single discount rate of 7.25%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1% lower or 1% higher:

	<u>1% Lower 6.25%</u>	<u>Current 7.25%</u>	<u>1% Higher 8.25%</u>
Net Pension Liability (Asset)	\$ (31,155)	\$ (33,675)	\$ (35,745)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions - For the year ended April 30, 2019, the City recognized pension expense (income) of (\$2,278). At April 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Deferred Amounts Related to Pensions:		
Deferred Amounts to be Recognized in Pension Expense in Future Periods:		
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	<u>6,771</u>	<u>3,040</u>
Total deferred amounts to be recognized in pension expense in future periods	<u>6,771</u>	<u>3,040</u>
Pension contributions made subsequent to the measurement date	<u>-</u>	<u>-</u>
Total Deferred Amounts Related to Pensions	<u>\$ 6,771</u>	<u>\$ 3,040</u>

CITY OF CHARLESTON, ILLINOIS
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Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

<u>Year Ending April 30</u>	<u>Net Deferred Outflows/ (Inflows) of Resources</u>
2020	\$ 1,224
2021	530
2022	481
2023	1,496
2024	<u>-</u>
Total	<u>\$ 3,731</u>

c) Illinois Municipal Retirement Fund - Elected County Officials

Employees Covered by Benefit Terms - As of December 31, 2018, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	-
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	<u>-</u>
Total	<u><u>-</u></u>

Contributions - As set by statute, the City's ECO Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The City's annual contribution rate was 0% and 0% for calendar year 2018 and 2019, respectively. For the fiscal year ended April 30, 2019, the City contributed \$0 to the plan. The City also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability - The City's net pension liability was measured as of December 31, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

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	Total Pension Liability (Asset) <u>(A)</u>	Plan Net Position (B) <u>(B)</u>	Net Pension Liability (Asset) (A) – (B) <u>(A) – (B)</u>
Changes in the Net Pension (Asset):			
Balances at December 31, 2017	\$ -	\$ -	\$ -
Changes for the year:			
Interest on the total pension liability	-	-	-
Differences between expected and actual experience of the total pension liability	-	-	-
Net investment income	-	-	-
Other (net transfer)	-	-	-
Net changes	<u>-</u>	<u>-</u>	<u>-</u>
Balances at December 31, 2018	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the plan's net pension liability, calculated using a single discount rate of 7.25%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1% lower or 1% higher:

	<u>1% Lower 6.25%</u>	<u>Current 7.25%</u>	<u>1% Higher 8.25%</u>
Net Pension Liability (Asset)	\$ -	\$ -	\$ -

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions - For the year ended April 30, 2019, the City recognized pension expense of \$700. At April 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Deferred Amounts Related to Pensions:		
Deferred Amounts to be Recognized in Pension Expense in Future Periods:		
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	<u>1,465</u>	<u>1,528</u>
Total deferred amounts to be recognized in pension expense in future periods	<u>1,465</u>	<u>1,528</u>
Pension contributions made subsequent to the measurement date	<u>-</u>	<u>-</u>
Total Deferred Amounts Related to Pensions	<u>\$ 1,465</u>	<u>\$ 1,528</u>

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Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

<u>Year Ending April 30</u>	<u>Net Deferred Outflows/ (Inflows) of Resources</u>
2020	\$ 700
2021	(763)
2022	-
2023	-
2024	-
Total	<u>\$ (63)</u>

d) Firefighters' Pension Trust Fund

Plan Description:

All eligible City fire and ambulance personnel are covered by the Firefighters' Pension Trust Fund (the "Fund"), a single-employer defined benefit pension plan sponsored by the City. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4) and may only be amended by the Illinois legislature. The City accounts for the Firefighters' Pension Plan as a pension trust fund.

The Fund is governed by a five-member Board of Trustees. Two members of the Board are elected by active fire employees, one member is elected by pension beneficiaries and two members are appointed by the City's Mayor.

Benefits Provided:

The Fund provides retirement benefits as well as death and disability benefits in two tiers depending on when a participant enters a plan. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 1/12 of 2.5% of such monthly salary for each additional month of service over 20 years up to 30 years, to a maximum of 75% of such monthly salary. Employees with at least 10 years, but less than 20 years, of credited service may retire at or after age 60 and receive a reduced benefit ranging from 15% of final salary for 10 years of service to 45.6% for 19 years of service. The monthly benefit of a covered employee who retired with 20 or more years of service after January 1, 1977, shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for pension purposes is capped at \$106,800, plus the lesser of 1/2 of the increase in the Consumer Price Index of the original pension amount or 3% of the original pension amount. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at

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or after age 50 and receive a reduced benefit (i.e., 1/2% for each month under age 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Non-compounding increases occur annually, each January thereafter. The increase is the lesser of 3% or 1/2 of the change in the Consumer Price Index for the proceeding calendar year.

Surviving spouses receive 100% of final salary for fatalities resulting from an act of duty or otherwise the greater of 54% of final salary or the monthly retirement pension that the deceased firefighter was receiving at the time of death. Surviving children receive 12% of final salary. The maximum family survivor benefit is 75% of final salary. Employees disabled in the line of duty receive 65% of final salary.

Plan Membership:

At April 30, 2019, participation was:

Inactive plan members or beneficiaries currently receiving benefits	40
Inactive plan members entitled to but not yet receiving benefits	2
Active plan members	<u>34</u>
 Total	 <u><u>76</u></u>

Contributions:

Covered employees are required by Illinois Compiled Statutes to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the Fund, as actuarially determined by an enrolled actuary. However, effective January 1, 2011, Illinois Compiled Statutes requires the City to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the fiscal year ended April 30, 2019, the City contributed \$1,108,429 to the plan.

Actuarial Assumptions:

The total pension liability was determined by an actuarial valuation performed as of May 1, 2018 with a measurement date of April 30, 2019 using the following actuarial methods and assumptions.

Actuarial Valuation Date	May 1, 2018
Actuarial Cost Method	Entry-age normal (level %)
Amortization Method	Straight Line
Actuarial Assumptions:	
Discount rate used for the total pension liability	6.41%
Long term expected rate of return on plan assets	6.75%
High Quality 20 Year Tax-Exempt G.O. Bond Rate	3.79%
Projected individual salary increases	4.00%-18.31%
Projected increase in total payroll	3.25%
Consumer price index (urban)	2.50%
Inflation	2.50%
Mortality	RP-2014 Adjusted for Plan Status, Collar, and Illinois Public Pension Data, as Appropriate
Retirement	L&A 2016 IL Firefighters Retirement Rates (Capped at age 65)
Disability	L&A 2016 IL Firefighters Disability Rates

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Termination
Percent Married

L&A 2016 IL Firefighters Termination Rates
80% Married

Some assumptions were changed from the prior year. The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 3.97% to 3.79%. The underlying index used is The Bond Buyer 20-Bond G.O. Index and is unchanged from the prior year. The rate has been updated to the current fiscal year end based on changes in market conditions as reflected in the Index. The discount rate used in the determination of the Total Pension Liability was changed from 6.42% to 6.41%. Any change in the underlying High Quality 20 Year Tax Exempt G.O. Bond Rate impacts the blended discount rate.

Investment Policy:

The deposits and investments of the Fund are held separately from those of the City and are under the control of the Funds' Board of Trustees. Illinois Compiled Statutes (ILCS) limit the Fund's investments to those allowable by ILCS and require the Funds' Board of Trustees to adopt an investment policy which can be amended by a majority vote of the Board of Trustees. The Fund's investment policy authorizes the Fund to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States, investment grade corporate bonds and Illinois Funds.

The Fund may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, investment grade obligations of the State of Illinois and its political subdivisions, Illinois insurance company general and separate accounts, mutual funds, corporate equity, and corporate debt securities and real estate investment trusts. All bank balances are required to be covered by federal depository insurance. There were no changes made to the investment policy during the year.

The Fund's investment policy in accordance with ILCS establishes the following target allocation across asset classes:

<u>Asset Class</u>	<u>Target</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash and cash equivalents	3%	(.25%)
Fixed income	32%	1.50%
Equities	65%	4.00%
Real estate	5%	4.00%

Illinois Compiled Statutes (ILCS) limit the Fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund. There are no significant investments (other than U.S. Government guaranteed obligations) in any one organization that represent 5.0% or more of the Fund's investments.

The long-term expected rate of return on the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Fund's target asset allocations as of April 30, 2019 are listed in the table above.

Investment Rate of Return:

For the year ended April 30, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 5.41%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

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Discount Rate:

The discount rate used to measure the total pension liability was changed from 6.42% to 6.41%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The discount rate is based on a combination of the expected long-term rate of return on plan investments and the municipal bond rate.

The expected rate of return on plan investments is 6.75%, the municipal bond rate is 3.79%, and the resulting single discount rate is 6.41%.

Discount Rate Sensitivity:

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the City calculated using the discount rate of 6.41% as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.41%) or one percentage point higher (7.41%) than the current rate:

	1% Decrease (5.41%)	Current Discount Rate (6.41%)	1% Increase (7.41%)
Net Pension Liability	\$ 29,111,829	\$ 23,491,247	\$ 18,947,410

Net Pension Liability of the City:

	Pension Liability (A)	Plan Net Position (B)	Net Pension Liability (A) – (B)
Changes in the Net Pension:			
Balances at April 30, 2018	\$ 35,683,517	\$ 13,664,075	\$ 22,019,442
Changes for the year:			
Service cost	658,795	-	658,795
Interest on the total pension liability	2,235,344	-	2,235,344
Differences between expected and actual experience of the total pension liability	495,946	-	495,946
Changes of assumptions	50,281	-	50,281
Contributions – employer	-	1,108,429	(1,108,429)
Contributions – member	-	218,125	(218,125)
Net investment income	-	663,012	(663,012)
Benefit payments, including refunds of member contributions	(1,730,149)	(1,730,149)	-
Administrative expense	-	-	-
Other (net transfer)	-	(21,005)	21,005
Net changes	<u>1,710,217</u>	<u>238,412</u>	<u>1,471,805</u>
Balances at April 30, 2019	<u>\$ 37,393,734</u>	<u>\$ 13,902,487</u>	<u>\$ 23,491,247</u>

CITY OF CHARLESTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions - For the year ended April 30, 2019, the City recognized pension expense of \$2,520,228. At April 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred Amounts Related to Pensions:		
Deferred Amounts to be Recognized in Pension Expense in Future Periods:		
Differences between expected and actual experience	\$ 691,023	\$ 959,066
Changes of assumptions	2,494,807	1,140,809
Net difference between projected and actual earnings on pension plan investments	638,880	7,111
Total deferred amounts to be recognized in pension expense in future periods	3,824,710	2,106,986
Pension contributions made subsequent to the measurement date	-	-
 Total Deferred Amounts Related to Pensions	 \$ 3,824,710	 \$ 2,106,986

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ending April 30	Net Deferred Outflows/ (Inflows) of Resources
2020	\$ 731,199
2021	461,972
2022	(77,029)
2023	174,850
2024	316,758
Thereafter	109,974
 Total	 \$ 1,717,724

e) Police Pension Trust Fund

Plan Description:

Police sworn personnel are covered by the Police Pension Trust Fund (the "Fund"), a single-employer defined benefit pension plan sponsored by the City. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4) and may only be amended by the Illinois legislature. The City accounts for the Police Pension Plan as a pension trust fund.

The Fund is governed by a five-member Board of Trustees. Two members of the Board are elected by active police employees, one member is elected by pension beneficiaries and two members are appointed by the City's Mayor.

CITY OF CHARLESTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

Benefits Provided:

The Fund provides retirement benefits as well as death and disability benefits in two tiers depending on when a participant enters a plan. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75% of such monthly salary. Employees with at least 8 years, but less than 20 years, of credited service may retire at or after age 60 and receive a reduced benefit of 2.5% of final salary for each year of service. The monthly benefit of a covered employee who retired with 20 or more years of service after January 1, 1977, shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of 1/2 of the increase in the Consumer Price Index of the original pension amount or 3% of the original pension amount. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years of service may retire at or after age 50 and receive a reduced benefit (i.e., 1/2% for each month under age 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Non-compounding increases occur annually each January thereafter. The increase is the lesser of 3% or 1/2 of the change in the Consumer Price Index for the proceeding calendar year.

Surviving spouses receive 100% of final salary for fatalities resulting from an act of duty or otherwise the greater of 50% of final salary or the employee's retirement benefit. Employees disabled in the line of duty receive 65% of final salary.

Plan Membership:

At April 30, 2019, participation was:

Inactive plan members or beneficiaries currently receiving benefits	32
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	<u>31</u>
Total	<u><u>63</u></u>

Contributions:

Covered employees are required by Illinois Compiled Statutes to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the Fund, as actuarially determined by an enrolled actuary. However, effective January 1, 2011, Illinois Compiled Statutes requires the City to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the fiscal year ended April 30, 2019, the City contributed \$1,044,406 to the plan.

CITY OF CHARLESTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

Actuarial Assumptions:

The total pension liability above was determined by an actuarial valuation performed as of May 1, 2018 with a measurement date of April 30, 2019 using the following actuarial methods and assumptions.

Actuarial Valuation Date	May 1, 2018
Actuarial Cost Method	Entry-age normal (level %)
Amortization Method	Straight Line
Actuarial Assumptions:	
Discount rate used for the total pension liability	6.24%
Long term expected rate of return on plan assets	6.75%
High Quality 20 Year Tax-Exempt G.O. Bond Rate	3.79%
Projected individual salary increases	4.00%-22.52%
Projected increase in total payroll	3.25%
Consumer price index (urban)	2.50%
Inflation	2.50%
Mortality	RP-2014 Adjusted for Plan Status, Collar, and Illinois Public Pension Data, as Appropriate
Retirement	L&A 2016 IL Police Retirement Rates (Capped at age 65)
Disability	L&A 2016 IL Police Disability Rates
Termination	L&A 2016 IL Police Termination Rates
Percent Married	80% Married

Some assumptions were changed from the prior year. The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 3.97% to 3.79%. The underlying index used is The Bond Buyer 20-Bond G.O. Index and is unchanged from the prior year. The rate has been updated to the current fiscal year end based on changes in market conditions as reflected in the Index. The discount rate used in the determination of the Total Pension Liability was changed from 6.32% to 6.24%. Any change in the underlying High Quality 20 Year Tax Exempt G.O. Bond Rate impacts the blended discount rate.

Investment Policy:

The deposits and investments of the Fund are held separately from those of the City and are under the control of the Funds' Board of Trustees. Illinois Compiled Statutes (ILCS) limit the Fund's investments to those allowable by ILCS and require the Funds' Board of Trustees to adopt an investment policy which can be amended by a majority vote of the Board of Trustees. The Fund's investment policy authorizes the Fund to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States, investment grade corporate bonds and Illinois Funds.

The Fund may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, investment grade obligations of the State of Illinois and its political subdivisions, Illinois insurance company general and separate accounts, mutual funds, corporate equity, and corporate debt securities and real estate investment trusts. All bank balances are required to be covered by federal depository insurance. There were no significant changes made to the investment policy during the year.

CITY OF CHARLESTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

The Fund's investment policy in accordance with ILCS establishes the following target allocation across asset classes:

<u>Asset Class</u>	<u>Target</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash and cash equivalents	3%	(.25%)
Fixed income	32%	1.50%
Equities	60%	4.00%
Real estate	5%	4.00%

Illinois Compiled Statutes (ILCS) limit the Fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund. There are no significant investments (other than U.S. Government guaranteed obligations) in any one organization that represent 5.0% or more of the Fund's investments.

The long-term expected rate of return on the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Fund's target asset allocations as of April 30, 2019 are listed in the table above.

Investment Rate of Return:

For the year ended April 30, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 9.34%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount Rate:

The discount rate used to measure the total pension liability was changed from 6.32% to 6.24%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The discount rate is based on a combination of the expected long-term rate of return on plan investments and the municipal bond rate.

The expected rate of return on plan investments is 6.75%, the municipal bond rate is 3.79%, and the resulting single discount rate is 6.24%.

Discount Rate Sensitivity:

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the City calculated using the discount rate of 6.24% as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.24%) or one percentage point higher (7.24%) than the current rate:

CITY OF CHARLESTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

	1% Decrease <u>(5.24%)</u>	Current Discount Rate <u>(6.24%)</u>	1% Increase <u>(7.24%)</u>
Net Pension Liability	\$ 28,221,875	\$ 22,687,134	\$ 18,238,465
Net Pension Liability of the City:			
	Pension Liability <u>(A)</u>	Plan Net Position <u>(B)</u>	Net Pension Liability <u>(A) – (B)</u>
Changes in the Net Pension:			
Balances at April 30, 2018	\$ 33,483,852	\$ 12,474,349	\$ 21,009,503
Changes for the year:			
Service cost	587,888	-	587,888
Interest on the total pension liability	2,064,043	-	2,064,043
Changes of benefit terms	-	-	-
Differences between expected and actual experience of the total pension liability	1,025,200	-	1,025,200
Changes of assumptions	391,918	-	391,918
Contributions – employer	-	1,044,406	(1,044,406)
Contributions – member	-	202,203	(202,203)
Net investment income	-	1,174,039	(1,174,039)
Benefit payments, including refunds of member contributions	(1,649,883)	(1,649,883)	-
Administrative expense	-	-	-
Other (net transfer)	-	(29,230)	29,230
Net changes	<u>2,419,166</u>	<u>741,535</u>	<u>1,677,631</u>
Balances at April 30, 2019	<u>\$ 35,903,018</u>	<u>\$ 13,215,884</u>	<u>\$ 22,687,134</u>

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions - For the year ended April 30, 2019, the City recognized pension expense of \$2,329,280. At April 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources <u> </u>	Deferred Inflows of Resources <u> </u>
Deferred Amounts Related to Pensions:		
Deferred Amounts to be Recognized in Pension Expense in Future Periods:		
Differences between expected and actual experience	\$ 879,987	\$ 833,759
Changes of assumptions	2,539,575	838,805
Net difference between projected and actual earnings on pension plan investments	<u>350,833</u>	<u>277,293</u>
Total deferred amounts to be recognized in pension expense in future periods	<u>3,770,395</u>	<u>1,949,857</u>
Pension contributions made subsequent to the measurement date	<u>-</u>	<u>-</u>
Total Deferred Amounts Related to Pensions	<u>\$ 3,770,395</u>	<u>\$ 1,949,857</u>

CITY OF CHARLESTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

<u>Year Ending April 30</u>	<u>Net Deferred Outflows/ (Inflows) of Resources</u>
2020	\$ 677,744
2021	297,720
2022	121,226
2023	254,823
2024	256,263
Thereafter	<u>212,762</u>
Total	<u>\$ 1,820,538</u>

f) Aggregate Pension Reporting:

The following aggregate pension information is provided for pension expense by plan:

IMRF – Regular	\$ 317,443
IMRF – Sheriff’s Law Enforcement Personnel	(2,278)
IMRF – Elected County Officials	700
Firefighters’ Pension Trust Fund	2,520,228
Police Pension Trust Fund	<u>2,329,280</u>
Total	<u>\$ 5,165,373</u>

NOTE E - DEFERRED COMPENSATION AND OTHER RETIREMENT PLANS

- a) The City maintains for its employees a deferred compensation plan under provisions of Internal Revenue Code Section 457. The plan, available to all full-time employees, allows participants to defer a portion of their salary until future years. Plan assets are held in trust for the exclusive benefit of participants and their beneficiaries. The City has very little administrative involvement, performs no investing function, and has no fiduciary responsibility for this plan. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are solely the property and rights of the participants and are not subject to claims of the City’s creditors. Accordingly, these plan assets are not reported as a part of these financial statements.

- b) The City participates in a Section 401 qualified plan. The City has agreed to provide additional compensation to the City Manager through the Illinois City Managers Association Retirement Fund. The City’s agreement states it will make mandatory contributions to the Illinois City Managers Association Retirement Fund in an amount equal to 7.5% of the employee’s salary.

CITY OF CHARLESTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE F - LONG-TERM LIABILITIES

a) The following is a summary of the City's long-term liabilities as of April 30, 2019, and transactions for the year then ended:

	Balance May 1, 2018	Additions	Retired	Balance April 30, 2019	Amount Due Within One Year
Governmental Activities:					
Notes payable	\$ 367,603	\$ -	\$ 123,032	\$ 244,571	\$ 93,574
2011B GO Refunding Bonds	260,000	-	130,000	130,000	130,000
2012 GO Refunding Bonds	3,805,000	-	480,000	3,325,000	500,000
Compensated absences	<u>1,597,241</u>	<u>21,875</u>	<u>-</u>	<u>1,619,116</u>	<u>-</u>
Total Governmental Activities, Long-Term Liabilities	<u>\$ 6,029,844</u>	<u>\$ 21,875</u>	<u>\$ 733,032</u>	<u>\$ 5,318,687</u>	<u>\$ 723,574</u>
Business-Type Activities:					
Notes payable	\$ 5,115,916	\$ -	\$ 629,402	\$ 4,486,514	\$ 599,439
2011A Alternative Revenue Bonds	3,020,000	-	570,000	2,450,000	585,000
Compensated absences	<u>173,223</u>	<u>18,511</u>	<u>-</u>	<u>191,734</u>	<u>-</u>
Total Business-Type Activities, Long-Term Liabilities	<u>\$ 8,309,139</u>	<u>\$ 18,511</u>	<u>\$ 1,199,402</u>	<u>\$ 7,128,248</u>	<u>\$ 1,184,439</u>
Component Unit:					
Notes payable	\$ 208,531	\$ -	\$ 25,692	\$ 182,839	\$ 26,267
Capital lease payable	22,771	-	5,200	17,571	4,435
Compensated absences	<u>10,041</u>	<u>608</u>	<u>-</u>	<u>10,649</u>	<u>-</u>
Total Component Unit	<u>\$ 241,343</u>	<u>\$ 608</u>	<u>\$ 30,892</u>	<u>\$ 211,059</u>	<u>\$ 30,702</u>

b) Governmental Activities:

Illinois Finance Authority, dated December 8, 2004, due November 1, 2019, yearly payments of \$16,666.67 with no interest, secured by equipment.	\$ 16,667
Prairie State Bank & Trust, dated December 27, 2016, due December 27, 2021, monthly payments of \$4,403.55 including interest at 2.33%, secured by equipment.	136,196
First Mid Bank and Trust, dated August 10, 2017, due August 10, 2022, monthly payments of \$2,391.57 including interest at 2.51%, secured by equipment.	<u>91,708</u>
Total Notes Payable of Governmental Activities	<u>\$ 244,571</u>

\$950,000 general obligation refunding bonds, series 2011B. Bond proceeds were issued to refund the general obligation bonds, series 2004 which were originally for pool renovation. BNY Mellon Trust Company is bond registrar and paying agent. Bonds are dated October 1, 2011, with final payment due December 15, 2019. Principal payments are due annually on December 15 and interest payments, varying from 2.00% to 3.00%, are due semiannually on June 15 and December 15. The bonds were issued with a premium of \$20,979 which will be amortized over

CITY OF CHARLESTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

the life of the bonds. The economic gain, calculated on a present value basis, amounted to \$74,543. City pays debt service expenditures from general revenues and abates associated property tax levies. \$ 130,000

\$5,145,000 general obligation refunding bonds, series 2012.
Bond proceeds were issued to refund the general obligation bonds, series 2005 which were originally for the library renovation.
BNY Mellon Trust Company is bond registrar and paying agent.
Bonds are dated May 30, 2012, with final payment due December 15, 2024. Principal payments are due annually on December 15 and interest payments, varying from 0.80% to 2.50%, are due semiannually on June 15 and December 15. The economic gain, calculated on a present value basis, amounted to \$481,195. 3,325,000

\$ 3,455,000

The annual requirements to retire long-term debt (excluding compensated absences) as of April 30, 2019, are as follows:

Year Ending <u>April 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 723,574	\$ 79,042	\$ 802,616
2021	598,767	65,032	663,799
2022	597,685	53,563	651,248
2023	574,545	41,676	616,221
2024	590,000	29,240	619,240
2025	<u>615,000</u>	<u>15,375</u>	<u>630,375</u>
Total	<u>\$ 3,699,571</u>	<u>\$ 283,928</u>	<u>\$ 3,983,499</u>

c) Business-Type Activities:

State of Illinois, dated October 9, 2009, due March 8, 2031, semi-annual payments of \$164,520.83 with no interest, unsecured.	\$ 3,948,500
First Mid Bank and Trust, dated April 4, 2012, due August 4, 2021, monthly payments of \$22,931.98, interest only until May 4, 2016, including interest at 2.64%, one payment of \$30,276 on May 4, 2016, then monthly payments of \$22,640.15, secured by equipment.	528,487
First Financial Bank, dated July 9, 2014, due July 28, 2019, monthly payments of \$979.78 including interest at 1.77%, secured by equipment.	1,945
First Financial Bank, dated August 12, 2014, due August 12, 2019, monthly payments of \$449.49 including interest at 1.77%, secured by equipment.	546
First Financial Bank, dated August 27, 2014, due August 27, 2019, monthly payments of \$1,012.97 including interest at 1.77%, secured by equipment.	4,027
First Financial Bank, dated October 15, 2014, due October 15, 2019, monthly payments of \$636.61 including interest at 1.77%, secured by equipment.	<u>3,009</u>
Total Notes Payable of Business-Type Activities	<u>\$ 4,486,514</u>

CITY OF CHARLESTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

\$6,140,000 general obligation waterworks and sewerage refunding bonds (alternative revenue source), series 2011A. Bond proceeds were issued to refund the general obligation waterworks and sewerage bonds (alternative revenue source), series 2003 which were originally for water treatment plant upgrade. BNY Midwest Trust Company is bond registrar and paying agent. Bonds are dated October 1, 2011, with final payment due December 15, 2022. Principal payments are due annually on December 15 and interest payments, varying from 2.00% to 3.00%, are due semiannually on June 15 and December 15. The bonds were issued with a premium of \$21,409 which will be amortized over the life of the bonds. The economic gain, calculated on a present value basis, amounted to \$497,326. City pays debt service expenditures from water and sewer revenues and abates the associated property tax levies.

\$ 2,450,000

The annual requirements to retire long-term debt (excluding compensated absences) as of April 30, 2019, are as follows:

<u>Year Ending April 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 1,184,439	\$ 78,426	\$ 1,262,865
2021	1,196,658	56,832	1,253,490
2022	949,042	37,950	986,992
2023	974,042	19,350	993,392
2024	329,042	-	329,042
2025-2029	1,645,208	-	1,645,208
2030-2031	<u>658,083</u>	<u>-</u>	<u>658,083</u>
Total	<u>\$ 6,936,514</u>	<u>\$ 192,558</u>	<u>\$ 7,129,072</u>

d) Component Unit:

First Mid Bank and Trust, dated February 5, 2010, refinanced February 5, 2013 and February 5, 2016, monthly payments of \$2,510 including interest at 2.25%, due August 5, 2025, secured by real estate and co-signed by City of Charleston. \$ 182,838

Watts Copy Systems, Inc. dated August 11, 2017, due December 21, 2022, monthly payments of \$444 including interest at 5.706%, secured by equipment. 17,572

Total Long-Term Debt of Component Unit \$ 200,410

CITY OF CHARLESTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

The annual requirements to retire long-term debt (excluding compensated absences) as of April 30, 2019, are as follows:

<u>Year Ending</u> <u>April 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 30,702	\$ 4,742	\$ 35,444
2021	31,569	3,875	35,444
2022	32,455	2,989	35,444
2023	31,583	2,086	33,669
2024	28,745	1,376	30,121
2025-2026	<u>45,356</u>	<u>811</u>	<u>46,167</u>
Total	<u>\$ 200,410</u>	<u>\$ 15,879</u>	<u>\$ 216,289</u>

NOTE G - ECONOMIC DEPENDENCY

Twelve percent or \$715,191 of Water and Sewer Fund revenues were derived from sales to one customer, Eastern Illinois University.

NOTE H - DEFICIT FUND BALANCES

The following funds had deficit fund balances as of April 30, 2019:

Internal Service Fund	\$ 302,447
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NOTE I - RISK MANAGEMENT AND SELF INSURANCE

The City is exposed to various risks of loss including, but not limited to, general liability, property casualty, workers compensation and public official liability. To limit exposure to these risks, the City purchases commercial insurance.

The City maintains an internal service fund for its self-insured employees' health insurance claims. Each participating fund makes payments to the self-insurance fund for amounts which are determined based on historical claims experience. Such payments are displayed on the fund financial statements as revenues and expenditures/expenses.

For medical claims, self-insurance is in effect up to a stop loss of \$60,000 per covered person. Coverage from a private insurance company is maintained for losses in excess of the stop loss amount. An independent claims administrator performs all claim handling procedures.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors.

CITY OF CHARLESTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

The change in the aggregate liability for claims for the year ended April 30, 2019 is as follows:

Claims payable, beginning of the year	\$ 226,191
Claims incurred and changes in accrual	941,037
Claims payments	<u>(1,056,253)</u>
 Claims Payable, End of the Year	 <u>\$ 110,975</u>

NOTE J - OTHER POST-EMPLOYMENT BENEFITS

Plan Description - In addition to providing the pension benefits described, the City provides post-employment health care and life insurance benefits (OPEB) for retired employees through a single employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the City and can be amended by the City through its personnel manual and union contracts. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report.

Benefits Provided - The City provides post-employment health care and life insurance benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under one of the City's retirement plans. All health care benefits are provided through the City's self-insured health plan. The benefit levels are the same as those afforded to active employees. Benefits include: general inpatient and outpatient medical services; mental, nervous and substance abuse care; vision care; dental care; and prescriptions. Upon a retiree reaching 65 years of age, Medicare becomes the primary insurer and the City's plan becomes secondary. Retirees have the ability to purchase life insurance coverage equal to half of the employee coverage (currently \$20,000) as a part of the group plan.

Membership - At April 30, 2019, membership consisted of:

Total active employees	139
Inactive employees currently receiving benefit payments	17
Inactive employees entitled to but not yet receiving benefit payments	<u>-</u>
 Total	 <u>156</u>

Contributions - The City negotiates the contribution percentages between the City and employees through the union contracts and personnel policy. All retirees contribute 100% of the blended premium to the plan and the City contributes the remainder to cover the cost of providing the benefits to the retirees via the insured plan (pay as you go). For the fiscal year ended April 30, 2019, benefit payments for retiree medical coverage were \$166,674. Active employees do not contribute to the plan until retirement.

Actuarial Assumptions - The following are the methods and assumptions used to determine total OPEB liability at April 30, 2019:

Actuarial Cost Method:	Entry Age Normal
Salary Increases:	3.00%
Municipal Bond Rate:	3.97% beginning of year 3.79% end of year
Healthcare Cost Trend Rates:	9.40% for FY18 to FY19 7.50% for FY19 to FY20 7.00% for FY20 to FY21 7.00% for FY21 to FY22 6.50% for FY22 to FY23 6.50% for FY23 to FY24

CITY OF CHARLESTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

Healthcare Cost Trend Rates: (continued)	6.00% for FY24 to FY25 6.00% for FY25 to FY26 5.50% for FY26 to FY27 5.50% for FY27 to FY28 5.00% for FY28 to FY29 5.00% Ultimate
Retirement Rates:	IMRF 2017 for IMRF Employees 100% of the L&A Assumption Study Cap Age 65 for Firefighters 2016 100% of the L&A Assumption Study Cap Age 65 for Police 2016
Termination Rates:	IMRF 2017 for IMRF Employees 100% of the L&A Assumption Study for Firefighters 2016 100% of the L&A Assumption Study for Police 2016
Disability Rates:	IMRF 2017 for IMRF Employees 100% of the L&A Assumption Study for Firefighters 2016 100% of the L&A Assumption Study for Police 2016
Mortality Rates:	Active IMRF mortality follows the sex distinct raw rates as developed in the RP-2014 study. These rates are improved generationally using MP-2017 improvement rates and weighted based on the IMRF December 31, 2017 actuarial valuation. Retiree and spousal IMRF mortality follows the sex distinct raw rates as developed in the RP-2014 study, with blue collar adjustment. These rates are improved generationally using MP-2017 improvement rates. Active firefighter mortality follows the sex distinct raw rates as developed in the RP-2014 study, with blue collar adjustment. These rates are improved generationally using MP-2016 improvement rates. Retiree firefighter mortality follows the L&A assumption study for firefighters 2016. These rates are experience weighted with the raw rates as developed in the RP-2014 study, with blue collar adjustment and improved generationally using MP-2016 improvement rates. Active police mortality follows the sex distinct raw rates as developed in the RP-2014 study, with blue collar adjustment. These rates are improved generationally using MP-2016 improvement rates. Retiree police mortality follows the L&A assumption study for police 2016. These rates are experience weighted with the raw rates as developed in the RP-2014 study, with blue collar adjustment and improved generationally using MP-2016 improvement rates. Disabled mortality follows the sex distinct raw rates as developed in the RP-2014 study for disabled participants. These rates are improved generationally using MP-2016 improvement rates. Spouse mortality follows the sex distinct raw rates as developed in the RP-2014 study. These rates are improved generationally using MP-2016 improvement rates.

CITY OF CHARLESTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

Because this is the implementation year of GASB Statement No. 75, the beginning total OPEB liability is based on the same data and plan provisions as the ending total OPEB liability. For the purpose of developing changes in the OPEB liability for GASB Statement No. 75 reporting, the only change in assumptions was the discount rate.

Discount Rate - The discount rate used in the determination of the total OPEB liability is based solely on the municipal bond rate since the City does not have a trust dedicated exclusively to the payment of OPEB benefits. The discount rate used at April 30, 2019 was 3.79%. The discount rate was 3.97% for the April 30, 2018 measurement date.

	Total OPEB Net Position (A)	OPEB Plan Liability (B)	Net OPEB (A) – (B)
Changes in OPEB Liability:			
Balances at April 30, 2018	\$ 2,335,104	\$ -	\$ 2,335,104
Changes for the year:			
Service cost	78,631	-	78,631
Interest	89,395	-	89,395
Changes of benefit terms	-	-	-
Actual experience	-	-	-
Assumptions changes	29,023	-	29,023
Contributions – employer	-	166,674	(166,674)
Contributions – employees	-	-	-
Net investment income	-	-	-
Benefit payments	(166,674)	(166,674)	-
Other (net transfer)	-	-	-
Net changes	<u>30,375</u>	<u>-</u>	<u>30,375</u>
Balances at April 30, 2019	<u>\$ 2,365,479</u>	<u>\$ -</u>	<u>\$ 2,365,479</u>

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate - The following presents the plan's net OPEB liability, calculated using a single discount rate of 3.79%, as well as what the plan's net OPEB liability would be if it were calculated using a single discount rate that is 1% lower or 1% higher:

	1% Lower <u>2.79%</u>	Current <u>3.79%</u>	1% Higher <u>4.79%</u>
Net OPEB Liability (Asset)	\$ 2,532,359	\$ 2,365,479	\$ 2,208,651

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates - The following presents the plan's net OPEB liability, calculated using the current healthcare cost trend rate according to the actuarial assumptions above as well as what the plan's net OPEB liability would be if it were calculated using a rate that is 1% lower or 1% higher:

	1% Lower <u>Varies</u>	Current <u>Varies</u>	1% Higher <u>Varies</u>
Net OPEB Liability (Asset)	\$ 2,136,847	\$ 2,365,479	\$ 2,632,726

CITY OF CHARLESTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB - For the year ended April 30, 2019, the City recognized OPEB expense of \$170,280. At April 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Deferred Amounts Related to OPEB:		
Deferred Amounts to be Recognized in OPEB Expense in Future Periods:		
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions	26,769	-
Net difference between projected and actual earnings on plan investments	<u>-</u>	<u>-</u>
Total deferred amounts to be recognized in OPEB expense in future periods	<u>26,769</u>	<u>-</u>
Contributions made subsequent to the measurement date	<u>-</u>	<u>-</u>
Total Deferred Amounts Related to OPEB	<u>\$ 26,769</u>	<u>\$ -</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense in future periods as follows:

<u>Year Ending April 30</u>	<u>Net Deferred Outflows/ (Inflows) of Resources</u>
2020	\$ 2,254
2021	2,254
2022	2,254
2023	2,254
2024	2,254
Thereafter	<u>15,499</u>
Total	<u>\$ 26,769</u>

NOTE K - TAX ABATEMENTS

As a result of tax abatement agreements imposed by Coles County to further the objectives of the Enterprise Zone, the City's current year property tax revenues are affected. The gross amount of property taxes abated during the period are \$7,452.

The City has also entered into a redevelopment agreement with RHP Charleston, LLC to abate 30% of property taxes due to the City for two years beginning with the 2019 taxes payable in 2020. The City's property taxes were not reduced for the year ended April 30, 2019.

CITY OF CHARLESTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE L - LITIGATION

The City is a defendant in various lawsuits. The outcome of these lawsuits is not presently determinable.

The City previously filed an appeal of the Coles County Circuit Court’s award to an employee for Public Safety Employee Benefits Act (PSEBA) health insurance benefits. In October 2019, the Illinois Supreme Court denied the City’s petition. The loss contingency in the amount of \$51,256 has been accrued as of April 30, 2019.

NOTE M – ACCOUNTING CHANGE

In 2019, the City implemented GASB Statement No. 75, “*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.*” The adoption of this accounting standard requires retroactive application by restating financial statements for all periods presented. As a result, the City has restated beginning net position as of May 1, 2018 to record the net OPEB liability and to remove the net OPEB obligation previously reported. The beginning net position was restated as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Component Unit</u>
Net position (deficit), beginning of year	\$ (20,674,208)	\$ 27,020,365	\$ 787,876
Accounting changes:			
Net OPEB liability	(2,120,714)	(187,381)	(27,009)
Net OPEB obligation	670,190	34,710	5,400
Deferred outflows of resources	<u>26,358</u>	<u>2,329</u>	<u>336</u>
Net Position (Deficit), Beginning of Year, as Restated	<u>\$ (22,098,374)</u>	<u>\$ 26,870,023</u>	<u>\$ 766,603</u>
		<u>Water and Sewer Fund</u>	
Net position, beginning of year		\$ 27,124,453	
Accounting changes:			
Net OPEB liability		(187,381)	
Net OPEB obligation		34,710	
Deferred outflows of resources		<u>2,329</u>	
Net Position (Deficit), Beginning of Year, as Restated		<u>\$ 26,974,111</u>	

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF CHARLESTON, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
 April 30, 2019

	2019
Total OPEB Liability:	
Service cost	\$ 78,631
Interest	89,395
Changes of assumptions	29,023
Benefit payments	(166,674)
Net change in total OPEB liability	30,375
Total OPEB liability, beginning of year	2,335,104
Total OPEB Liability, End of Year	\$ 2,365,479
 Plan Fiduciary Net Position:	
Contributions - employer	\$ 166,674
Benefit payments	(166,674)
Plan Net Position, End of Year	\$ -
 Employer's Net OPEB Liability	 \$ 2,365,479
 Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.00%
 Covered Employee Payroll	\$ 7,784,109
 Employer's Net OPEB Liability as a Percentage of Covered Employee Payroll	30.39%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

CITY OF CHARLESTON, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION (Continued)
 SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
 April 30, 2019

Notes to Schedule:

The total OPEB liability amount presented for each fiscal year was determined as of the fiscal year-end. No assets have been accumulated in a trust that meets the criteria in GASB Statement No. 75, paragraph 4, to pay related benefits.

Actuarial Methods and Assumptions Used:

The total OPEB liability was determined by an actuarial valuation as of April 30, 2018 rolled forward to April 30, 2019, the measurement date. The following actuarial assumptions applied to all periods in the measurement, unless otherwise specified:

Actuarial Cost Method:	Entry age normal
Salary Increases:	3.00%
Municipal Bond Rate:	3.97% beginning of year 3.79% end of year
Healthcare Cost Trend Rates:	9.40% for FY18 to FY19 7.50% for FY19 to FY20 7.00% for FY20 to FY21 7.00% for FY21 to FY22 6.50% for FY22 to FY23 6.50% for FY23 to FY24 6.00% for FY24 to FY25 6.00% for FY25 to FY26 5.50% for FY26 to FY27 5.50% for FY27 to FY28 5.00% for FY28 to FY29 5.00% Ultimate
Retirement Rates:	IMRF 2017 for IMRF Employees 100% of the L&A Assumption Study Cap Age 65 for Firefighters 2016 100% of the L&A Assumption Study Cap Age 65 for Police 2016
Termination Rates:	IMRF 2017 for IMRF Employees 100% of the L&A Assumption Study for Firefighters 2016 100% of the L&A Assumption Study for Police 2016
Disability Rates:	IMRF 2017 for IMRF Employees 100% of the L&A Assumption Study for Firefighters 2016 100% of the L&A Assumption Study for Police 2016
Mortality Rates:	Active IMRF mortality follows the sex distinct raw rates as developed in the RP-2014 study. These rates are improved generationally using MP-2017 improvement rates and weighted based on the IMRF December 31, 2017 actuarial valuation.

CITY OF CHARLESTON, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION (Continued)
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
April 30, 2019

Notes to Schedule (Continued):

Retiree and spousal IMRF mortality follows the sex distinct raw rates as developed in the RP-2014 study, with blue collar adjustment. These rates are improved generationally using MP-2017 improvement rates.

Active firefighter mortality follows the sex distinct raw rates as developed in the RP-2014 study, with blue collar adjustment. These rates are improved generationally using MP-2016 improvement rates.

Retiree firefighter mortality follows the L&A assumption study for firefighters 2016. These rates are experience weighted with the raw rates as developed in the RP-2014 study, with blue collar adjustment and improved generationally using MP-2016 improvement rates.

Active police mortality follows the sex distinct raw rates as developed in the RP-2014 study, with blue collar adjustment. These rates are improved generationally using MP-2016 improvement rates.

Retiree police mortality follows the L&A assumption study for police 2016. These rates are experience weighted with the raw rates as developed in the RP-2014 study, with blue collar adjustment and improved generationally using MP-2016 improvement rates.

Disabled mortality follows the sex distinct raw rates as developed in the RP-2014 study for disabled participants. These rates are improved generationally using MP-2016 improvement rates.

Spouse mortality follows the sex distinct raw rates as developed in the RP-2014 study. These rates are improved generationally using MP-2016 improvement rates.

Other Information: There were no benefit changes during the year.

Because this is the implementation year of GASB Statement No. 75, the beginning total OPEB liability is based on the same data and plan provisions as the ending total OPEB liability. For the purpose of developing changes in the OPEB liability for GASB Statement No. 75 reporting, the only change in assumptions was the discount rate.

CITY OF CHARLESTON, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
REGULAR PLAN
December 31, 2018

Total Pension Liability:	2018	2017	2016	2015
Service cost	\$ 380,401	\$ 401,334	\$ 440,775	\$ 405,183
Interest	2,244,216	2,258,310	2,230,481	2,084,227
Differences between expected and actual experience	423,358	(86,560)	(683,055)	989,302
Changes of assumptions	870,592	(988,996)	(106,305)	72,805
Benefit payments, including refunds of employee contributions	(1,909,134)	(1,613,952)	(1,607,168)	(1,466,691)
Net change in total pension liability	2,009,433	(29,864)	274,728	2,084,826
Total pension liability, beginning of year	30,687,243	30,717,107	30,442,379	28,357,553
Total Pension Liability, End of Year	\$ 32,696,676	\$ 30,687,243	\$ 30,717,107	\$ 30,442,379
 Plan Fiduciary Net Position:				
Contributions - employer	\$ 547,453	\$ 558,745	\$ 529,174	\$ 552,229
Contributions - employees	176,685	184,679	187,795	217,296
Net investment income	(1,809,322)	4,871,511	1,766,549	129,901
Benefit payments, including refunds of employee contributions	(1,909,134)	(1,613,952)	(1,607,168)	(1,466,691)
Other (net transfer)	655,653	(1,076,041)	(69,676)	292,517
Net change in fiduciary net position	(2,338,665)	2,924,942	806,674	(274,748)
Plan net position, beginning of year	29,785,721	26,860,779	26,054,105	26,328,853
Plan Net Position, End of Year	\$ 27,447,056	\$ 29,785,721	\$ 26,860,779	\$ 26,054,105
 Employer's Net Pension Liability	 \$ 5,249,620	 \$ 901,522	 \$ 3,856,328	 \$ 4,388,274
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	 83.94%	 97.06%	 87.45%	 85.58%
 Covered Employee Payroll	 \$ 3,926,327	 \$ 3,976,231	 \$ 3,951,200	 \$ 4,184,930
 Employer's Net Pension Liability as a Percentage of Covered Employee Payroll	 133.70%	 22.67%	 97.60%	 104.86%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

CITY OF CHARLESTON, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS (Continued)
SHERIFF'S LAW ENFORCEMENT PERSONNEL
December 31, 2018

	2018	2017	2016	2015
Total Pension Liability:				
Interest	\$ 1,647	\$ 1,614	\$ 1,544	\$ 1,429
Differences between expected and actual experience	(1,073)	(897)	(600)	101
Changes of assumptions	565	(283)	-	-
Net change in total pension liability	1,139	434	944	1,530
Total pension liability, beginning of year	21,960	21,526	20,582	19,052
Total Pension Liability, End of Year	\$ 23,099	\$ 21,960	\$ 21,526	\$ 20,582
 Plan Fiduciary Net Position:				
Net investment income	\$ (2,999)	\$ 8,875	\$ 3,321	\$ 260
Other (net transfer)	162	(108)	94	(4,906)
Net change in fiduciary net position	(2,837)	8,767	3,415	(4,646)
Plan net position, beginning of year	59,611	50,844	47,429	52,075
Plan Net Position, End of Year	\$ 56,774	\$ 59,611	\$ 50,844	\$ 47,429
 Employer's Net Pension Liability (Asset)	\$ (33,675)	\$ (37,651)	\$ (29,318)	\$ (26,847)
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	245.79%	271.45%	236.20%	230.44%
 Covered Employee Payroll	\$ -	\$ -	\$ -	\$ -
 Employer's Net Pension Liability (Asset) as a Percentage of Covered Employee Payroll	0.00%	0.00%	0.00%	0.00%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

CITY OF CHARLESTON, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS (Continued)
 ELECTED COUNTY OFFICIALS
 December 31, 2018

	2018	2017	2016	2015
Total Pension Liability:				
Interest	\$ -	\$ -	\$ 7,114	\$ 9,312
Differences between expected and actual experience	-	-	(101,969)	(38,621)
Net change in total pension liability	-	-	(94,855)	(29,309)
Total pension liability, beginning of year	-	-	94,855	124,164
Total Pension Liability, End of Year	\$ -	\$ -	\$ -	\$ 94,855
Plan Fiduciary Net Position:				
Net investment income	\$ -	\$ -	\$ 7,114	\$ 583
Other (net transfer)	-	-	(101,985)	(22,305)
Net change in fiduciary net position	-	-	(94,871)	(21,722)
Plan net position, beginning of year	-	-	94,871	116,593
Plan Net Position, End of Year	\$ -	\$ -	\$ -	\$ 94,871
Employer's Net Pension Liability (Asset)	\$ -	\$ -	\$ -	\$ (16)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	0.00%	0.00%	0.00%	100.02%
Covered Employee Payroll	\$ -	\$ -	\$ -	\$ -
Employer's Net Pension Liability as a Percentage of Covered Employee Payroll	0.00%	0.00%	0.00%	0.00%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

CITY OF CHARLESTON, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
FIREFIGHTERS' PENSION FUND
April 30, 2019

Total Pension Liability:	2019	2018	2017	2016	2015
Service cost	\$ 658,795	\$ 732,324	\$ 748,705	\$ 637,009	\$ 534,247
Interest	2,235,344	2,136,096	2,230,456	1,965,715	1,836,335
Differences between expected and actual experience	495,946	208,933	(1,830,944)	316,828	178,958
Changes of assumptions	50,281	1,498,602	(2,177,903)	3,888,066	3,843,696
Benefit payments, including refunds of member contributions	<u>(1,730,149)</u>	<u>(1,644,259)</u>	<u>(1,598,424)</u>	<u>(1,533,438)</u>	<u>(1,543,895)</u>
Net change in total pension liability	1,710,217	2,931,696	(2,628,110)	5,274,180	4,849,341
Total pension liability, beginning of year	<u>35,683,517</u>	<u>32,751,821</u>	<u>35,379,931</u>	<u>30,105,751</u>	<u>25,256,410</u>
Total Pension Liability, End of Year	<u>\$ 37,393,734</u>	<u>\$ 35,683,517</u>	<u>\$ 32,751,821</u>	<u>\$ 35,379,931</u>	<u>\$ 30,105,751</u>
Plan Fiduciary Net Position:					
Contributions - employer	\$ 1,108,429	\$ 1,077,518	\$ 828,911	\$ 853,070	\$ 737,795
Contributions - members	218,125	198,334	185,745	180,258	167,333
Net investment income	663,012	697,658	969,425	(327,615)	970,210
Benefit payments, including refunds of member contributions	(1,730,149)	(1,644,259)	(1,598,424)	(1,533,438)	(1,543,895)
Administrative expense	<u>(21,005)</u>	<u>(21,371)</u>	<u>(19,833)</u>	<u>(25,281)</u>	<u>(21,700)</u>
Net change in fiduciary net position	238,412	307,880	365,824	(853,006)	309,743
Plan net position, beginning of year	<u>13,664,075</u>	<u>13,356,195</u>	<u>12,990,371</u>	<u>13,843,377</u>	<u>13,533,634</u>
Plan Net Position, End of Year	<u>\$ 13,902,487</u>	<u>\$ 13,664,075</u>	<u>\$ 13,356,195</u>	<u>\$ 12,990,371</u>	<u>\$ 13,843,377</u>
Employer's Net Pension Liability	<u>\$ 23,491,247</u>	<u>\$ 22,019,442</u>	<u>\$ 19,395,626</u>	<u>\$ 22,389,560</u>	<u>\$ 16,262,374</u>
Plan fiduciary net position as a percentage of the total pension liability	37.18%	38.29%	40.78%	36.72%	45.98%
Covered employee payroll	\$ 2,306,984	\$ 2,252,717	\$ 2,283,318	\$ 2,170,081	\$ 2,036,241
Employer's net pension liability as a percentage of covered employee payroll	1018.27%	977.46%	849.45%	1031.74%	798.65%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

CITY OF CHARLESTON, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
POLICE PENSION FUND
April 30, 2019

Total Pension Liability:	2019	2018	2017	2016	2015
Service cost	\$ 587,888	\$ 650,800	\$ 587,268	\$ 545,029	\$ 429,374
Interest	2,064,043	2,079,372	2,054,386	1,865,469	1,672,362
Differences between expected and actual experience	1,025,200	(1,072,898)	(11,029)	(296,852)	733,545
Changes of assumptions	391,918	1,868,943	(1,845,368)	3,063,749	3,559,196
Benefit payments, including refunds of member contributions	<u>(1,649,883)</u>	<u>(1,423,140)</u>	<u>(1,347,343)</u>	<u>(1,335,801)</u>	<u>(1,182,746)</u>
Net change in total pension liability	2,419,166	2,103,077	(562,086)	3,841,594	5,211,731
Total pension liability, beginning of year	<u>33,483,852</u>	<u>31,380,775</u>	<u>31,942,861</u>	<u>28,101,267</u>	<u>22,889,536</u>
Total Pension Liability, End of Year	<u>\$ 35,903,018</u>	<u>\$ 33,483,852</u>	<u>\$ 31,380,775</u>	<u>\$ 31,942,861</u>	<u>\$ 28,101,267</u>
Plan Fiduciary Net Position:					
Contributions - employer	\$ 1,044,406	\$ 987,043	\$ 817,671	\$ 730,357	\$ 665,353
Contributions - members	202,203	240,179	198,592	229,505	189,348
Net investment income	1,174,039	714,790	823,497	(270,127)	781,669
Benefit payments, including refunds of member contributions	(1,649,883)	(1,423,140)	(1,347,343)	(1,335,801)	(1,182,746)
Administrative expense	<u>(29,230)</u>	<u>(35,528)</u>	<u>(22,259)</u>	<u>(91,373)</u>	<u>(40,273)</u>
Net change in fiduciary net position	741,535	483,344	470,158	(737,439)	413,351
Plan net position, beginning of year	<u>12,474,349</u>	<u>11,991,005</u>	<u>11,520,847</u>	<u>12,258,286</u>	<u>11,844,935</u>
Plan Net Position, End of Year	<u>\$ 13,215,884</u>	<u>\$ 12,474,349</u>	<u>\$ 11,991,005</u>	<u>\$ 11,520,847</u>	<u>\$ 12,258,286</u>
Employer's Net Pension Liability	<u>\$ 22,687,134</u>	<u>\$ 21,009,503</u>	<u>\$ 19,389,770</u>	<u>\$ 20,422,014</u>	<u>\$ 15,842,981</u>
Plan fiduciary net position as a percentage of the total pension liability	36.81%	37.25%	38.21%	36.07%	43.62%
Covered employee payroll	\$ 2,036,242	\$ 2,055,187	\$ 2,030,064	\$ 1,882,651	\$ 1,887,054
Employer's net pension liability as a percentage of covered employee payroll	1114.17%	1022.27%	955.13%	1084.75%	839.56%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

CITY OF CHARLESTON, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 December 31, 2018

Calendar Year Ending December 31	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Actual Contribution as a % of Covered Employee Payroll
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Illinois Municipal Retirement Fund - Regular Plan:

2018	\$ 495,895	\$ 547,453	\$ (51,558)	\$ 3,926,327	13.94%
2017	508,162	558,745	(50,583)	3,976,231	14.05%
2016	507,729	529,174	(21,445)	3,951,200	13.39%
2015	546,970	552,229	(5,259)	4,184,930	13.20%

Illinois Municipal Retirement Fund - Sheriff's Law Enforcement Personnel (SLEP):

2018	\$ -	\$ -	\$ -	\$ -	0.00%
2017	-	-	-	-	0.00%
2016	-	-	-	-	0.00%
2015	-	-	-	-	0.00%

Illinois Municipal Retirement Fund - Elected County Officials (ECO):

2018	\$ -	\$ -	\$ -	\$ -	0.00%
2017	-	-	-	-	0.00%
2016	-	-	-	-	0.00%
2015	-	-	-	-	0.00%

CITY OF CHARLESTON, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS (Continued)
December 31, 2018

Notes to Schedule:

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2018 Contribution Rate *

Valuation Date:

Actuarially determined contribution rates are calculated as of December 31 each year, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine 2018 Contributions Rates:

Actuarial Cost Method:	Aggregate entry age normal
Amortization Method:	Level percentage of payroll, closed
Remaining Amortization Period:	25-year closed period Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 20 years for most employers.
Asset Valuation Method:	5-year smoothed market; 20% corridor
Wage Growth:	3.50%
Price Inflation:	2.75%
Salary Increases:	3.75% to 14.50%, including inflation
Investment Rate of Return:	7.5%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2014 valuation pursuant to an experience study of the period 2011 to 2013.
Mortality:	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
Other Information:	There were no benefit changes during the year.

*Based on Valuation Assumptions used in the December 31, 2016, actuarial valuation.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

CITY OF CHARLESTON, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 FIREFIGHTERS' PENSION FUND
 April 30, 2019

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Actuarially determined contribution	\$ 1,039,797	\$ 1,024,356	\$ 809,085	\$ 661,765	\$ 613,488	\$ 543,261	\$ 516,548	\$ 799,361	\$ 800,970	\$ 598,414
Contributions in relation to the actuarially determined contribution	<u>1,108,429</u>	<u>1,077,518</u>	<u>828,911</u>	<u>853,070</u>	<u>737,795</u>	<u>711,004</u>	<u>791,765</u>	<u>806,563</u>	<u>602,905</u>	<u>470,257</u>
Contribution Deficiency (Excess)	<u>\$ (68,632)</u>	<u>\$ (53,162)</u>	<u>\$ (19,826)</u>	<u>\$ (191,305)</u>	<u>\$ (124,307)</u>	<u>\$ (167,743)</u>	<u>\$ (275,217)</u>	<u>\$ (7,202)</u>	<u>\$ 198,065</u>	<u>\$ 128,157</u>
Covered employee payroll	\$ 2,306,984	\$ 2,252,717	\$ 2,283,318	\$ 2,170,081	\$ 2,036,241	\$ 1,943,033	\$ 1,861,605	\$ 1,721,457	\$ 1,753,789	\$ 1,687,275
Contributions as a percentage of covered employee payroll	48.05%	47.83%	36.30%	39.31%	36.23%	36.59%	42.53%	46.85%	34.38%	27.87%

Notes to the Required Supplementary Information:

The information is formatted to comply with the requirements of GASB Statement No. 67 & 68.

The information presented was determined as part of the actuarial valuation as of April 30 of the prior fiscal year. Methods and assumptions used to determine contribution rates are as follows:

Actuarial cost method	Projected unit credit in 2019; Entry-age normal in 2018; projected unit credit from 2013-2017; entry-age normal 2010-2012
Amortization method	Level percentage of pay, closed for 2019; straight line in 2018; level percentage of pay, closed for 2010-2017
Remaining amortization period	24 years (The funding schedule was reset to end in 2040 in 2011.)
Asset valuation method	5-Year smoothed market value
Inflation	2.5% from 2015-2019; 3% from 2010-2014
Salary increases	5.50% in 2019; 4%-18.31% in 2018; 5.5% compounded annually, including inflation from 2010-2017
Investment rate of return	7.50% in 2019; 6.75% in 2018; 7.5% including inflation from 2010-2017
Retirement age	See the Notes to the Financial Statements
Mortality	RP-2014 Mortality Table (BCHA) projected to 2017 using Improvement Scale MP-2016 was used in 2019; the RP-2014 study, with blue collar adjustment and improved generationally using MP-2016 improvement rates were used in 2018; the RP-2014 projected to 2017 was used 2016-2017; the RP-2000 Mortality Table (BCA, +1M, -4F, 2x>105) was used from 2013-2015; the 1971 GAM Mortality Table was used from 2010-2012.

CITY OF CHARLESTON, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 POLICE PENSION FUND
 April 30, 2019

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Actuarially determined contribution	\$ 979,592	\$ 938,100	\$ 804,106	\$ 669,480	\$ 615,874	\$ 573,920	\$ 558,760	\$ 738,930	\$ 691,702	\$ 521,866
Contributions in relation to the actuarially determined contribution	<u>1,044,406</u>	<u>987,043</u>	<u>817,671</u>	<u>730,357</u>	<u>665,353</u>	<u>665,412</u>	<u>734,408</u>	<u>700,017</u>	<u>529,766</u>	<u>426,813</u>
Contribution Deficiency (Excess)	<u>\$ (64,814)</u>	<u>\$ (48,943)</u>	<u>\$ (13,565)</u>	<u>\$ (60,877)</u>	<u>\$ (49,479)</u>	<u>\$ (91,492)</u>	<u>\$ (175,648)</u>	<u>\$ 38,913</u>	<u>\$ 161,936</u>	<u>\$ 95,053</u>
Covered employee payroll	\$ 2,036,242	\$ 2,055,187	\$ 2,030,064	\$ 1,882,651	\$ 1,887,054	\$ 1,888,677	\$ 1,772,626	\$ 1,724,222	\$ 1,756,393	\$ 1,695,983
Contributions as a percentage of covered employee payroll	51.29%	48.03%	40.28%	38.79%	35.26%	35.23%	41.43%	40.60%	30.16%	25.17%

Notes to the Required Supplementary Information:

The information is formatted to comply with the requirements of GASB Statement No. 67 & 68.
 The information presented was determined as part of the actuarial valuation as of April 30 of the prior fiscal year. Methods and assumptions used to determine contribution rates are as follows:

Actuarial cost method	Projected unit credit in 2019; Entry-age normal in 2018; projected unit credit from 2013-2017; entry-age normal 2010-2012
Amortization method	Level percentage of pay, closed for 2019; straight line in 2018; level percentage of pay, closed for 2010-2017
Remaining amortization period	24 years (The funding schedule was reset to end in 2040 in 2011.)
Asset valuation method	5-Year smoothed market value
Inflation	2.5% from 2015-2019; 3% from 2010-2014
Salary increases	5.50% in 2019; 4%-22.52% in 2018; 5.5% compounded annually, including inflation from 2010-2017
Investment rate of return	7.50% in 2019; 6.75% in 2018; 7.5% including inflation from 2010-2017
Retirement age	See the Notes to the Financial Statements
Mortality	RP-2014 Mortality Table (BCHA) projected to 2017 using Improvement Scale MP-2016 was used in 2019; the RP-2014 study, with blue collar adjustment and improved generationally using MP-2016 improvement rates were used in 2018; the RP-2014 projected to 2017 was used 2016-2017; the RP-2000 Mortality Table (BCA, +1M, -4F, 2x>105) was used from 2013-2015; the 1971 GAM Mortality Table was used from 2010-2012.

CITY OF CHARLESTON, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF INVESTMENT RETURNS
 PENSION TRUST FUNDS
 April 30, 2019

	2019	2018	2017	2016	2015
Firefighters' Pension Fund:					
Annual money-weighted rate of return, net of investment expense	5.41%	5.20%	7.93%	-1.80%	7.18%
Police Pension Fund:					
Annual money-weighted rate of return, net of investment expense	9.34%	6.05%	6.53%	-1.90%	6.78%

COMBINING STATEMENTS AND INDIVIDUAL FUND STATEMENTS

CITY OF CHARLESTON, ILLINOIS
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 April 30, 2019

	Motor Fuel Tax Fund	Drug Traffic Prevention Fund	Tax Increment Financing Fund	Recreational Land Fund	Playground and Recreation Fund	Debt Service Fund	Total Non-Major Governmental Funds
ASSETS							
Cash deposits	\$ 270,002	\$ 3,881	\$ 99,414	\$ -	\$ 142,890	\$ 19,173	\$ 535,360
Investments	14	-	-	14,526	-	-	14,540
Receivables:							
Property taxes	-	-	-	-	177,479	576,235	753,714
Other	-	-	-	-	10,765	-	10,765
Customers	-	-	-	-	3,956	-	3,956
Due from other governmental agencies	48,391	101	-	-	-	-	48,492
Restricted assets:							
Cash deposits	-	643	-	-	-	-	643
Inventory	<u>60,116</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>60,116</u>
 Total Assets	 <u>\$ 378,523</u>	 <u>\$ 4,625</u>	 <u>\$ 99,414</u>	 <u>\$ 14,526</u>	 <u>\$ 335,090</u>	 <u>\$ 595,408</u>	 <u>\$ 1,427,586</u>
LIABILITIES							
Accounts payable	\$ 16,027	\$ -	\$ 10,000	\$ -	\$ 8,278	\$ -	\$ 34,305
Accrued wages	1,500	-	-	-	11,847	-	13,347
Due to other funds	<u>140,764</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>140,764</u>
Total liabilities	<u>158,291</u>	<u>-</u>	<u>10,000</u>	<u>-</u>	<u>20,125</u>	<u>-</u>	<u>188,416</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable miscellaneous revenue	-	-	-	-	32,225	-	32,225
Unavailable property tax revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>177,479</u>	<u>576,235</u>	<u>753,714</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>209,704</u>	<u>576,235</u>	<u>785,939</u>
FUND BALANCE							
Nonspendable	60,116	-	-	-	-	-	60,116
Restricted for:							
Public safety	-	4,625	-	-	-	-	4,625
Highways and streets	160,116	-	-	-	-	-	160,116
Culture and recreation	-	-	-	14,526	-	-	14,526
Economic development and assistance	-	-	89,414	-	-	-	89,414
Debt service	-	-	-	-	-	19,173	19,173
Committed for:							
Culture and recreation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>105,261</u>	<u>-</u>	<u>105,261</u>
Total fund balance	<u>220,232</u>	<u>4,625</u>	<u>89,414</u>	<u>14,526</u>	<u>105,261</u>	<u>19,173</u>	<u>453,231</u>
 Total Liabilities, Deferred Inflows of Resources, and Fund Balance	 <u>\$ 378,523</u>	 <u>\$ 4,625</u>	 <u>\$ 99,414</u>	 <u>\$ 14,526</u>	 <u>\$ 335,090</u>	 <u>\$ 595,408</u>	 <u>\$ 1,427,586</u>

CITY OF CHARLESTON, ILLINOIS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE
 NON-MAJOR GOVERNMENTAL FUNDS
 For the Year Ended April 30, 2019

	Motor Fuel Tax Fund	Drug Traffic Prevention Fund	Tax Increment Financing Fund	Recreational Land Fund	Playground and Recreation Fund	Debt Service Fund	Total Non-Major Governmental Funds
Revenues:							
Property taxes	\$ -	\$ -	\$ 189,552	\$ -	\$ 173,544	\$ 557,532	\$ 920,628
Mobile home privilege tax	-	-	-	-	249	800	1,049
Other governmental agencies	554,349	-	-	-	-	-	554,349
Licenses, permits and fees	-	-	-	-	357,316	-	357,316
Interest income	2	148	336	-	1,059	1,029	2,574
Private donations and contributions	-	-	-	-	27,324	-	27,324
Net increase (decrease) in fair value of investments	-	-	-	386	-	-	386
Miscellaneous income	<u>17,321</u>	<u>5,720</u>	<u>-</u>	<u>-</u>	<u>5,847</u>	<u>-</u>	<u>28,888</u>
Total revenues	<u>571,672</u>	<u>5,868</u>	<u>189,888</u>	<u>386</u>	<u>565,339</u>	<u>559,361</u>	<u>1,892,514</u>
Expenditures:							
Public safety	-	3,739	-	-	-	-	3,739
Highways and streets	354,180	-	-	-	-	-	354,180
Culture and recreation	-	-	-	-	579,515	-	579,515
Economic development and assistance	-	-	164,009	-	-	-	164,009
Debt service:							
Principal	-	-	-	-	-	610,000	610,000
Interest	-	-	-	-	-	86,488	86,488
Capital outlay	<u>198,759</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>198,759</u>
Total expenditures	<u>552,939</u>	<u>3,739</u>	<u>164,009</u>	<u>-</u>	<u>579,515</u>	<u>696,488</u>	<u>1,996,690</u>
Excess of revenues over (under) expenditures	<u>18,733</u>	<u>2,129</u>	<u>25,879</u>	<u>386</u>	<u>(14,176)</u>	<u>(137,127)</u>	<u>(104,176)</u>
Other Financing Sources (Uses):							
Transfers in	-	-	-	-	20,000	138,409	158,409
Transfers out	<u>(150,000)</u>	<u>(12,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(162,000)</u>
Total other financing sources (uses)	<u>(150,000)</u>	<u>(12,000)</u>	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>138,409</u>	<u>(3,591)</u>
Net change in fund balance	(131,267)	(9,871)	25,879	386	5,824	1,282	(107,767)
Fund balance, beginning of year	<u>351,499</u>	<u>14,496</u>	<u>63,535</u>	<u>14,140</u>	<u>99,437</u>	<u>17,891</u>	<u>560,998</u>
Fund Balance, End of Year	<u>\$ 220,232</u>	<u>\$ 4,625</u>	<u>\$ 89,414</u>	<u>\$ 14,526</u>	<u>\$ 105,261</u>	<u>\$ 19,173</u>	<u>\$ 453,231</u>

CITY OF CHARLESTON, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
MOTOR FUEL TAX FUND
For the Year Ended April 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Positive (Negative) Final Budget</u>
Revenues:				
Motor fuel tax allotments	\$ 562,329	\$ 562,329	\$ 554,349	\$ (7,980)
Interest income	-	-	2	2
Contingencies	<u>4,500</u>	<u>4,500</u>	<u>17,321</u>	<u>12,821</u>
Total revenues	<u>566,829</u>	<u>566,829</u>	<u>571,672</u>	<u>4,843</u>
Expenditures:				
Highways and Streets:				
Personnel services	36,831	36,831	37,523	(692)
Commodities	80,000	80,000	75,465	4,535
Contractual services	21,000	21,000	18,681	2,319
Non-capitalized capital outlay	<u>447,500</u>	<u>447,500</u>	<u>222,511</u>	<u>224,989</u>
	<u>585,331</u>	<u>585,331</u>	<u>354,180</u>	<u>231,151</u>
Capital Outlay:	<u>-</u>	<u>-</u>	<u>198,759</u>	<u>(198,759)</u>
Total expenditures	<u>585,331</u>	<u>585,331</u>	<u>552,939</u>	<u>32,392</u>
Excess of revenues over (under) expenditures	<u>(18,502)</u>	<u>(18,502)</u>	<u>18,733</u>	<u>37,235</u>
Other Financing Sources (Uses):				
Transfers out	<u>(85,000)</u>	<u>(215,000)</u>	<u>(150,000)</u>	<u>65,000</u>
Net change in fund balance	<u>\$ (103,502)</u>	<u>\$ (233,502)</u>	<u>(131,267)</u>	<u>\$ 102,235</u>
Fund balance, beginning of year			<u>351,499</u>	
Fund Balance, End of Year			<u>\$ 220,232</u>	

CITY OF CHARLESTON, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
DRUG TRAFFIC PREVENTION FUND
For the Year Ended April 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Positive (Negative) Final Budget</u>
Revenues:				
Interest income	\$ 35	\$ 35	\$ 148	\$ 113
Offender payments	1,500	6,500	4,220	(2,280)
Miscellaneous income	<u>-</u>	<u>-</u>	<u>1,500</u>	<u>1,500</u>
Total revenues	<u>1,535</u>	<u>6,535</u>	<u>5,868</u>	<u>(667)</u>
Expenditures:				
Public Safety:				
Commodities	500	500	739	(239)
Contractual services	<u>1,000</u>	<u>6,000</u>	<u>3,000</u>	<u>3,000</u>
Total expenditures	<u>1,500</u>	<u>6,500</u>	<u>3,739</u>	<u>2,761</u>
Excess of revenues over (under) expenditures	<u>35</u>	<u>35</u>	<u>2,129</u>	<u>2,094</u>
Other Financing Sources (Uses):				
Transfers out	<u>(12,000)</u>	<u>(12,000)</u>	<u>(12,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ (11,965)</u>	<u>\$ (11,965)</u>	<u>(9,871)</u>	<u>\$ 2,094</u>
Fund balance, beginning of year			<u>14,496</u>	
Fund Balance, End of Year			<u>\$ 4,625</u>	

CITY OF CHARLESTON, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
TAX INCREMENT FINANCING FUND
For the Year Ended April 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Positive (Negative) Final Budget</u>
Revenues:				
Property taxes	\$ 164,000	\$ 189,500	\$ 189,552	\$ 52
Interest income	100	100	336	236
Total revenues	<u>164,100</u>	<u>189,600</u>	<u>189,888</u>	<u>288</u>
Expenditures:				
Economic Development and Assistance:				
Contractual services:				
Audit and accounting services	650	650	600	50
Other consulting services	<u>650</u>	<u>650</u>	<u>650</u>	<u>-</u>
	<u>1,300</u>	<u>1,300</u>	<u>1,250</u>	<u>50</u>
Capital outlay:				
Rebate to taxing bodies	32,800	37,800	37,910	(110)
TIF grants	70,000	135,000	124,849	10,151
TIF public improvements	<u>20,000</u>	<u>25,000</u>	<u>-</u>	<u>25,000</u>
	<u>122,800</u>	<u>197,800</u>	<u>162,759</u>	<u>35,041</u>
Total expenditures	<u>124,100</u>	<u>199,100</u>	<u>164,009</u>	<u>35,091</u>
Net change in fund balance	<u>\$ 40,000</u>	<u>\$ (9,500)</u>	25,879	<u>\$ 35,379</u>
Fund balance, beginning of year			<u>63,535</u>	
Fund Balance, End of Year			<u>\$ 89,414</u>	

CITY OF CHARLESTON, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
RECREATIONAL LAND FUND
For the Year Ended April 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Positive (Negative) Final Budget</u>
Revenues:				
Net increase (decrease) in fair value of investments	\$ 50	\$ 50	\$ 386	\$ 336
Expenditures:				
None	-	-	-	-
Net change in fund balance	<u>\$ 50</u>	<u>\$ 50</u>	386	<u>\$ 336</u>
Fund balance, beginning of year			<u>14,140</u>	
Fund Balance, End of Year			<u>\$ 14,526</u>	

CITY OF CHARLESTON, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
PLAYGROUND AND RECREATION FUND
For the Year Ended April 30, 2019

	Original Budget	Final Budget	Actual	Positive (Negative) Final Budget
Revenues:				
Property taxes	\$ 174,728	\$ 174,728	\$ 173,544	\$ (1,184)
Mobile home taxes	260	260	249	(11)
Rentals	5,500	5,500	2,226	(3,274)
Recreation programs fees	228,400	248,400	261,171	12,771
Concessions	2,600	2,600	2,513	(87)
Brochure advertising	2,300	2,300	2,450	150
Interest income	300	300	1,059	759
Private donations and contributions	24,500	24,500	21,380	(3,120)
Program sponsors	8,000	8,000	5,944	(2,056)
Swimming pool	103,840	103,840	88,956	-
Miscellaneous income	<u>5,025</u>	<u>5,025</u>	<u>5,847</u>	<u>822</u>
Total revenues	<u>555,453</u>	<u>575,453</u>	<u>565,339</u>	<u>(10,114)</u>
Expenditures:				
Culture and Recreation:				
Recreation programs	379,026	399,026	393,733	5,293
Swimming pool	<u>196,427</u>	<u>196,427</u>	<u>185,782</u>	<u>10,645</u>
Total expenditures	<u>575,453</u>	<u>595,453</u>	<u>579,515</u>	<u>15,938</u>
Excess of revenues over (under) expenditures	<u>(20,000)</u>	<u>(20,000)</u>	<u>(14,176)</u>	<u>5,824</u>
Other Financing Sources (Uses):				
Transfers in	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	5,824	<u>\$ 5,824</u>
Fund balance, beginning of year			<u>99,437</u>	
Fund Balance, End of Year			<u>\$ 105,261</u>	

CITY OF CHARLESTON, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
DEBT SERVICE FUND
For the Year Ended April 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Positive (Negative) Final Budget</u>
Revenues:				
Property taxes	\$ 557,468	\$ 557,468	\$ 557,532	\$ 64
Mobile home taxes	750	750	800	50
Interest income	<u>-</u>	<u>500</u>	<u>1,029</u>	<u>529</u>
Total revenues	<u>558,218</u>	<u>558,718</u>	<u>559,361</u>	<u>643</u>
Expenditures:				
Debt service:				
Principal	610,000	610,000	610,000	-
Interest	<u>86,443</u>	<u>86,943</u>	<u>86,488</u>	<u>455</u>
Total expenditures	<u>696,443</u>	<u>696,943</u>	<u>696,488</u>	<u>455</u>
Excess of revenues over (under) expenditures	<u>(138,225)</u>	<u>(138,225)</u>	<u>(137,127)</u>	<u>1,098</u>
Other Financing Sources (Uses):				
Transfers in	<u>138,225</u>	<u>138,225</u>	<u>138,409</u>	<u>184</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	1,282	<u>\$ 1,282</u>
Fund balance, beginning of year			<u>17,891</u>	
Fund Balance, End of Year			<u>\$ 19,173</u>	

CITY OF CHARLESTON, ILLINOIS
 COMBINING STATEMENT OF NET POSITION
 NON-MAJOR PENSION TRUST FUNDS

April 30, 2019

	<u>Firefighters' Pension Fund</u>	<u>Police Pension Fund</u>	<u>Total Non-Major Pension Trust Funds</u>
ASSETS			
Cash	\$ 585,427	\$ 122,051	\$ 707,478
Receivables:			
Interest	38,077	28,234	66,311
Due from primary government	<u>24,805</u>	<u>23,687</u>	<u>48,492</u>
Total receivables	<u>62,882</u>	<u>51,921</u>	<u>114,803</u>
Investments, at fair value:			
Federal government obligations	2,302,973	1,866,395	4,169,368
Mutual funds	8,923,292	9,208,086	18,131,378
Corporate bonds	2,031,558	1,307,865	3,339,423
Certificates of deposit	<u>-</u>	<u>660,558</u>	<u>660,558</u>
Total investments	<u>13,257,823</u>	<u>13,042,904</u>	<u>26,300,727</u>
Total assets	<u>13,906,132</u>	<u>13,216,876</u>	<u>27,123,008</u>
LIABILITIES			
Accounts payable	<u>3,645</u>	<u>991</u>	<u>4,636</u>
NET POSITION			
Held in Trust for Pension Benefits	<u>\$ 13,902,487</u>	<u>\$ 13,215,885</u>	<u>\$ 27,118,372</u>

CITY OF CHARLESTON, ILLINOIS
 COMBINING STATEMENT OF CHANGES IN
 NET POSITION - NON-MAJOR PENSION TRUST FUNDS
 For the Year Ended April 30, 2019

	Firefighters' Pension Fund	Police Pension Fund	Total Non-Major Pension Trust Funds
	<u> </u>	<u> </u>	<u> </u>
Additions:			
Contributions:			
Employer	\$ 1,108,429	\$ 1,044,406	\$ 2,152,835
Plan members	<u>218,125</u>	<u>202,203</u>	<u>420,328</u>
Total contributions	<u>1,326,554</u>	<u>1,246,609</u>	<u>2,573,163</u>
Investment Income:			
Net appreciation (depreciation) in fair value of investments	316,020	789,611	1,105,631
Interest	151,041	122,063	273,104
Dividends and capital gain distributions	<u>231,893</u>	<u>281,009</u>	<u>512,902</u>
	698,954	1,192,683	1,891,637
Less investment expense	<u>(36,363)</u>	<u>(19,068)</u>	<u>(55,431)</u>
Net investment income	<u>662,591</u>	<u>1,173,615</u>	<u>1,836,206</u>
Other additions	<u>471</u>	<u>424</u>	<u>895</u>
Total additions	<u>1,989,616</u>	<u>2,420,648</u>	<u>4,410,264</u>
Deductions:			
Benefits	1,725,417	1,631,985	3,357,402
Refunds of contributions	4,732	17,897	22,629
Administration expenses	<u>21,055</u>	<u>29,230</u>	<u>50,285</u>
Total deductions	<u>1,751,204</u>	<u>1,679,112</u>	<u>3,430,316</u>
Change in net position	238,412	741,536	979,948
Net position, beginning of year	<u>13,664,075</u>	<u>12,474,349</u>	<u>26,138,424</u>
Net Position, End of Year	<u>\$ 13,902,487</u>	<u>\$ 13,215,885</u>	<u>\$ 27,118,372</u>

CITY OF CHARLESTON, ILLINOIS
 COMBINING STATEMENT OF CHANGES IN ASSETS
 AND LIABILITIES - PLAYGROUND AND RECREATION AFFILIATE FUNDS
 For the Year Ended April 30, 2019

	Balance 4/30/2018	Receipts	Disbursements	Balance 4/30/2019
ASSETS				
Cash	\$ 216,495	\$ 269,972	\$ 241,231	\$ 245,236
Investments	4,196	114	-	4,310
Total Assets	\$ 220,691	\$ 270,086	\$ 241,231	\$ 249,546
LIABILITIES				
Amounts due to affiliate organizations:				
Girl's softball	\$ 12,584	\$ 7,396	\$ 12,461	\$ 7,519
Boy's baseball	14,348	45,108	23,012	36,444
Boy's baseball payroll	10,017	21,001	15,000	16,018
Penguins swim club	10,630	2,318	2,740	10,208
5th quarter	1,228	2	329	901
Wrestling club	4,183	1	2,466	1,718
Dog activity club	22,664	4,310	1,577	25,397
Boy's baseball concessions	18,653	29,945	35,062	13,536
Community band memorial fund	10,311	2,663	9,054	3,920
Charleston windrunners club	669	1	2	668
Officials payroll account	4,177	9,882	10,410	3,649
Selfless volleyball academy	1,569	5,590	6,579	580
Junior football league	47,510	57,875	45,314	60,071
Red, white & blue days	37,815	47,683	49,900	35,598
Christmas in the heart of Charleston	3,963	4,520	4,169	4,314
Tree commission	332	250	75	507
Charleston youth soccer program	20,038	31,541	23,081	28,498
Total Amount Due to Affiliate Organizations	\$ 220,691	\$ 270,086	\$ 241,231	\$ 249,546

OTHER INFORMATION

CITY OF CHARLESTON, ILLINOIS
SCHEDULE OF OPERATING REVENUES AND EXPENSES
OF THE WASTE WATER TREATMENT PLANT
For the Year Ended April 30, 2019

Operating Revenues:	
Sewer service charges	\$ 2,877,319
Miscellaneous	<u>33,945</u>
	<u>2,911,264</u>
Operating Expenses:	
Information technology	25,575
City garage	46,131
Utility department	429,531
Waste water treatment plant	757,464
Accounting	190,182
Employee benefits	181,299
Judgment	69,925
Depreciation	<u>672,474</u>
	<u>2,372,580</u>
Net Operating Income	<u>\$ 538,685</u>

CITY OF CHARLESTON, ILLINOIS
SCHEDULE OF OPERATING REVENUES AND EXPENSES
OF THE WATER TREATMENT PLANT
For the Year Ended April 30, 2019

Operating Revenues:	
Water service charges	\$ 2,877,319
Miscellaneous	<u>23,201</u>
	<u>2,900,520</u>
Operating Expenses:	
Information technology	25,575
City garage	46,131
Utility department	429,531
Water treatment plant	975,038
Accounting	190,182
Employee benefits	181,299
Judgment	69,925
Depreciation	<u>672,474</u>
	<u>2,590,154</u>
Net Operating Income	<u>\$ 310,367</u>

CITY OF CHARLESTON, ILLINOIS
WATER AND SEWER FUND
WATER BILLS, WATER PUMPED AND WATER SALES

	No. of Bills Rendered Customers Year Ended April 30		Raw Water Pumped for Processing (1,000 Gallons) Year Ended April 30		Treated Water Pumped to City (1,000 Gallons) Year Ended April 30		Water Sales Billed to Customers (1,000 Gallons) Year Ended April 30		1,000 Gallons Received at the Wastewater Plant Year Ended April 30	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	May	7,003	7,035	42,880	45,200	39,426	39,596	30,918	30,076	71,375
June	7,014	7,033	40,706	44,614	37,451	38,653	32,937	31,675	112,356	73,164
July	7,003	7,013	45,600	47,095	41,153	42,075	31,329	31,903	57,757	64,266
August	7,064	7,135	47,000	47,272	42,335	42,848	33,787	33,454	62,227	50,823
September	7,018	7,024	44,610	50,070	41,595	44,621	35,958	35,414	70,834	43,038
October	7,003	6,990	42,398	45,754	39,699	40,657	32,910	34,186	65,355	61,718
November	7,009	6,987	38,600	41,255	36,106	37,249	31,545	32,130	86,919	60,422
December	6,972	6,969	38,100	42,308	35,688	37,922	29,478	27,969	83,636	48,069
January	6,974	6,984	40,087	48,195	37,197	43,717	29,002	30,549	127,821	59,007
February	6,940	4,990	38,126	40,070	35,644	36,133	30,815	22,297	113,542	85,227
March	6,936	6,942	46,423	41,141	43,055	36,889	28,014	27,113	128,507	126,417
April	6,961	6,978	38,519	41,270	36,803	37,056	29,991	36,781	146,437	123,352
	<u>83,897</u>	<u>82,080</u>	<u>503,049</u>	<u>534,244</u>	<u>466,152</u>	<u>477,416</u>	<u>376,684</u>	<u>373,547</u>	<u>1,126,766</u>	<u>963,539</u>

This unaudited schedule was prepared from information supplied by Water Utility personnel from available records.

CITY OF CHARLESTON, ILLINOIS
 WATER AND SEWER FUND
 COMBINED WATER AND SEWERAGE SERVICE RATES - MONTHLY
 April 30, 2019

Rates Effective				
After 5-1-18	5-1-17 to 4-30-18	5-1-16 to 4-30-17	5-1-15 to 4-30-16	5-1-14 to 4-30-15

WATER AND SEWER SERVICE - IN CORPORATE LIMITS
 (Excluding Eastern Illinois University)

First	1,000 gallons	\$ 14.75		\$ 14.18		\$ 13.64		\$ 13.18		\$ 12.73
Next	9,000 gallons	14.75 Per M		14.18 Per M		13.64 Per M		13.18 Per M		12.73 Per M
Over	10,000 gallons	14.19 " "		13.64 " "		13.12 " "		12.68 " "		12.25 " "

WATER SERVICE ONLY - IN CORPORATE LIMITS

First	1,000 gallons	\$ 13.41		\$ 12.76		\$ 12.35		\$ 11.93		\$ 11.53
Next	9,000 gallons	13.41 Per M		12.76 Per M		12.35 Per M		11.93 Per M		11.53 Per M
Over	10,000 gallons	12.89 " "		12.25 " "		11.35 " "		10.97 " "		10.60 " "

WATER SERVICE ONLY - OUTSIDE

First	1,000 gallons	\$ 26.82		\$ 25.52		\$ 24.70		\$ 23.86		\$ 23.06
Next	9,000 gallons	26.82 Per M		25.52 Per M		24.70 Per M		23.86 Per M		23.06 Per M
Over	10,000 gallons	25.78 " "		24.50 " "		22.70 " "		21.94 " "		21.20 " "

WATER AND SEWER SERVICE - EASTERN ILLINOIS UNIVERSITY

Effective 5-1-14	\$ 12.25 Per M
Effective 5-1-15	12.68 " "
Effective 5-1-16	13.12 " "
Effective 5-1-17	13.64 " "
Effective 5-1-18	14.19 " "

Rates effective 5-1-14 by ordinance 14-O-7
 Rates effective 5-1-15 by ordinance 15-O-12
 Rates effective 5-1-16 by ordinance 16-O-11
 Rates effective 5-1-17 by ordinance 17-O-13
 Rates effective 5-1-18 by ordinance 18-O-12

Services outside the corporate limits are established as double the amount of rates inside the corporate limits. A late charge fee of 10% shall be assessed against all delinquent water and/or sewer bills. Bills are delinquent if not paid 15 days after billing date. Water service shall be discontinued for any customer whose bill is 10 days past due.

CITY OF CHARLESTON, ILLINOIS
LEGAL DEBT MARGIN
April 30, 2019

	2019	2018	2017
Assessed Valuation	<u>\$ 187,968,000</u>	<u>\$ 189,148,721</u>	<u>\$ 187,001,494</u>
Statutory debt limitation (8.625% of assessed valuation)	<u>\$ 16,212,240</u>	<u>\$ 16,314,077</u>	<u>\$ 16,128,879</u>
Total Debt:			
General obligation debt:			
Bonds	5,905,000	7,085,000	8,220,000
Notes payable	<u>4,931,495</u>	<u>5,714,821</u>	<u>6,382,135</u>
	<u>10,836,495</u>	<u>12,799,821</u>	<u>14,602,135</u>
Less bonds exempt from debt limitation computation	<u>(2,450,000)</u>	<u>(3,020,000)</u>	<u>(3,575,000)</u>
	<u>8,386,495</u>	<u>9,779,821</u>	<u>11,027,135</u>
Legal Debt Margin	<u>\$ 7,825,745</u>	<u>\$ 6,534,256</u>	<u>\$ 5,101,744</u>

CITY OF CHARLESTON, ILLINOIS
 ASSESSED VALUATION, TAX RATES, TAXES EXTENDED AND COLLECTED

	Tax Levy Year		
	2018	2017	2016
Assessed Valuation	<u>\$ 187,968,000</u>	<u>\$ 189,148,721</u>	<u>\$ 187,001,494</u>
Tax Rates:			
General corporate	0.00048	0.01966	0.00047
IMRF	0.03478	0.15129	0.16056
Fire protection	0.00053	0.05222	0.05233
Firemen's pension	0.74415	0.54326	0.53656
Police protection	0.00053	0.05222	0.05233
Police pension	0.70990	0.51148	0.49084
Library	0.20865	0.20573	0.20616
Garbage	0.00053	0.00278	0.00278
Audit	0.00053	0.00718	0.00721
Judgment	0.25516	0.25693	0.23903
Street lighting	0.00053	0.04938	0.04893
Playground and recreation	0.09442	0.09266	0.09286
Emergency services	0.00053	0.00053	0.00053
Social security	0.14353	0.12862	0.13125
Ambulance service	0.00053	0.04439	0.04448
General obligation bonds (Library series)	<u>0.30656</u>	<u>0.29768</u>	<u>0.29067</u>
 Total	 <u>2.50134</u>	 <u>2.41601</u>	 <u>2.35699</u>

CITY OF CHARLESTON, ILLINOIS
 ASSESSED VALUATION, TAX RATES, TAXES EXTENDED AND COLLECTED (Continued)

	Tax Levy Year		
	2018	2017	2016
Taxes Extended:			
General corporate	\$ 902	\$ 37,187	\$ 879
Street and bridge *	139,570	139,105	138,026
IMRF	65,375	286,163	300,250
Fire protection	996	98,773	97,858
Firemen's pension	1,398,765	1,027,569	1,003,376
Police protection	996	98,773	97,858
Police pension	1,334,385	967,458	917,878
Library	392,195	389,136	385,522
Garbage	996	5,258	5,199
Audit	996	13,581	13,483
Judgment	479,619	485,980	446,990
Street lighting	996	93,402	91,500
Playground and recreation	177,480	175,265	173,650
Emergency services	996	1,003	991
Social security	269,791	243,283	245,439
Ambulance service	996	83,963	83,178
General obligation bonds (Library series)	<u>576,235</u>	<u>563,058</u>	<u>543,557</u>
 Total	 <u>\$ 4,841,289</u>	 <u>\$ 4,708,957</u>	 <u>\$ 4,545,634</u>
 Net Taxes Collected:			
Municipal levy		\$ 4,528,640	\$ 4,395,612
City's share of township road and bridge		<u>137,811</u>	<u>137,614</u>
 Total		 <u>\$ 4,666,451</u>	 <u>\$ 4,533,226</u>
 Percent Collected		 99.10%	 99.73%
 Net Taxes Collected:			
Tax Increment Finance		<u>\$ 189,552</u>	<u>\$ 163,397</u>

* Includes City share of township road and bridge tax.