

**Rantoul Village Board of Trustees  
Regular Study Session  
July 7, 2009**

*Order of Business*

*Board Packet Page(s)*

- 1. Call to Order – Mayor Williams**  
Roll Call
- 2. Public Participation**  
*Citizens wishing to address the Village Board with respect to any pending item of business listed upon the agenda or any matter not appearing on the agenda are asked to complete a public participation form and submit it to the Village Clerk prior to the meeting. Public comments will be limited to three minutes for each speaker.*
- 3. Items from the Mayor**
- 4. Items from Trustees**
- 5. Items from the Village Clerk**  
A) Semi-Annual Review of Closed Session Minutes 1  
B) Presentation of any Addendum Items for the Agenda
- 6. Items from the Administrator**
- 7. Monthly Department Reports**
- 8. Items for the Consent Agenda**  
*Items placed upon the Consent Agenda for the Regular Board Meeting are considered by the Board of Trustees to be routine and non-controversial in nature, and are to be enacted by a single motion and subsequent roll call vote.*  
A) Approval of Minutes, Special Board Meeting, June 2, 2009  
B) Approval of Minutes, Regular Study Session, June 2, 2009  
C) Approval of Minutes, Regular Board Meeting, June 9, 2009  
D) Approval of Bills & Monthly Financial Reports
- 9. Items from Public Works**  
A) Utilization of Federal Funds for Road Improvements 2-10

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*Order of Business*

*Board Packet Page(s)*

- 10. Items from the Comptroller**
- A) IMRF Rate 11-20
  - B) Budget Amendment – Fire Department 21
  - C) Budget Amendment – Public Works 22
- 11. Items from Counsel**
- A) Amendment to Rental Inspection Ordinance 23-26
- 12. Closed Session**  
Motion to enter into Closed Session pursuant to 5 ILCS 120/2 (C) 21, for the purpose of discussion of minutes of meetings lawfully closed under the Open Meetings Act, whether for the purpose of approval by the body of the minutes or semi-annual review of the minutes as mandated by Section 2.06
- 13. Adjournment**

**Next Meeting Date:**  
**Regular Monthly Meeting, July 14, 2009**

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*The Rantoul Village Board of Trustees meets in Study Session on the first Tuesday of each month at 6:15pm and in Regular Session on the second Tuesday of each month at 6:15pm. Unless otherwise noted, all proceedings are held in the Louis B. Schelling Memorial Board Room of the Rantoul Municipal Building, 333 S. Tanner Street, Rantoul, Illinois.*

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**Statement Regarding the Americans with Disabilities Act (ADA)**

*The Village of Rantoul wishes to ensure that its programs, services, and activities are accessible to individuals with disabilities. All Village Board meetings are wheelchair accessible. Persons with hearing difficulties may obtain auxiliary hearing aids available at each meeting upon request. Persons requiring additional assistance regarding accessibility issues should contact the Village Administrator's office at (217) 892-6802. TTY users should call the Illinois Relay Center at 1-800-526-0844.*



*Citizens may visit our website at [www.village.rantoul.il.us](http://www.village.rantoul.il.us) to view live and archived video of all Village Board meetings. Citizens may also download complete Board packets containing information on all ordinances, resolutions and departmental requests under consideration by the Village Board each month.*

**BOARD OF TRUSTEES  
VILLAGE OF RANTOUL**

**AGENDA ITEM**

1



**OF**

<b>ITEM:</b> Semi-Annual Review of Closed Session Records	<b>DEPARTMENT:</b> Village Clerk
<b>AGENDA SECTION:</b>	<b>AMOUNT:</b> N/A
<b>ATTACHMENTS:</b> ( ) ORDINANCE ( ) RESOLUTION ( ) OTHER (See Summary) ( ) SUPPORTING DOCUMENTS	<b>DATE:</b> 15-Jun-09
<p><b>SUMMARY HIGHLIGHTS:</b></p> <p>The Illinois Open Meetings Act requires each public body to review the records of its closed sessions on a semi-annual basis to determine which records, if any, may be appropriate for release. This item will satisfy the Village Board's obligation for calendar year 2009, as the first review was completed in January.</p> <p>Staff recommends that the Board enter into Closed Session to conduct this review, during which time counsel will advise as to the appropriate action to be taken.</p>	
<p><b>RECOMMENDED ACTION:</b> Enter into Closed Session for the purpose of semi-annual review of Closed Session records, and approval of minutes of Closed Session from January 6, 2009.</p>	
<p><b>DEPARTMENT HEAD APPROVAL</b></p> 	<p><b>VILLAGE ADMINISTRATOR</b></p> 
<p><b>AGENDA PAGE NUMBER:</b></p>	

**BOARD OF TRUSTEES  
VILLAGE OF RANTOUL**

AGENDA ITEM

PAGE \_\_\_ OF \_\_\_

<b>ITEM: Utilization of Federal Funds for Road Improvements</b>	<b>DEPARTMENT: Public Works</b>
<b>AGENDA SECTION:</b>	<b>AMOUNT: \$390,741.00 Federal \$20,000.00 TIF \$20,259.00 TIF 2010-2011</b>
<b>ATTACHMENTS:</b> <input type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION <input checked="" type="checkbox"/> OTHER (See Summary Highlights) <input checked="" type="checkbox"/> SUPPORTING DOCUMENTS	<b>DATE: June 26, 2009</b>
<p><b>SUMMARY HIGHLIGHTS:</b></p> <p>This Agenda Item provides for the utilization of the Federal funds allocated to the Village of Rantoul through the American Recovery Reinvestment Act (ARRA). These federal funds in the amount of \$390,741 were allocated to the Village and initially targeted for use in improving South Murray Road. Due to the complexity of the roadway improvement, the time-line to complete the design and construction, and the federal stipulations imposed on the funds these have made the project cumbersome and unlikely to be ready for the November 2009 IDOT letting. IDOT encouraged the Village to consider alternative improvements in order to not lose the federal dollars.</p> <p>Staff reviewed the possible FAU designated routes for a street that would qualify for an improvement and that could be developed in the compressed time frame. A project involving milling and re-surfacing seemed to be the most viable type of project. A roadway within the TIF district was preferred, as it offered the flexibility of using TIF dollars for engineering, as the 2009-2010 projects (Illinois Drive - bond money and the design of Gleason Drive (drainage &amp; roadway)) were to be developed in-house and no engineering dollars were budgeted. While engineering would also be a qualified expense of a portion of the federal dollars, the length of time to execute such an agreement would be beyond the time allotted for the project letting and any design work prior to the execution of the contract would not qualify for re-imbusement.</p>	
<p><b>RECOMMENDED ACTION:</b> Authorize the execution of an engineering agreement with Foth Infrastructure &amp; Environmental, LLC for an amount not-to-exceed \$20,000 for the design of the project; authorize the execution of an agreement with IDOT for the application of federal funds to the improvement of Flessner Drive; and the budget amendment to allocate TIF funds in the amount of \$20,000.00 for the design of the project.</p>	
<p><b>DEPARTMENT HEAD APPROVAL:</b> G. Gregory Hazel, P.E. </p>	<p><b>VILLAGE ADMINISTRATOR:</b> </p>
<p><b>AGENDA PAGE NUMBER:</b></p>	

**BOARD OF TRUSTEES  
VILLAGE OF RANTOUL**

**AGENDA ITEM**

**PAGE \_\_\_ OF \_\_\_**

**SUBJECT:**

**DEPARTMENT:**

**BACKGROUND/DISCUSSION:**

Of the FAU routes remaining in the TIF district that have not been improved, Flessner Avenue is the most active roadway and appears in the greatest need of resurfacing. The federal funds allocated (plus an additional \$20,259.00) should be sufficient to resurface from Doolittle to Veterans Parkway traveling in front of the Museum, Bell Sports, Hanger 2, ATT, etc.

While there will ultimately be three (3) separate Village Board actions required, for discussion and continuity of the topic, it seemed appropriate to address them under this one agenda item.

The first item is the execution of an engineering agreement with Foth Infrastructure & Environmental, LLC to prepare the construction plans, specification and estimates for the project. This is for the design work only and is a not-to-exceed contract of \$20,000.00. This represents approximately 5% of the project cost. Similar projects would be addressed in-house, but due to the previous projects committed and the compressed time-line, an outside engineering resource was required.

The second item is the execution of an agreement with IDOT identifying the following: FAU roadway project involved, the amount of available federal funds, and an assurance that the Village has set aside sufficient funds for our local requirements (construction costs over \$390,741.00 and engineering not-to-exceed \$20,000.00).

The third aspect is a budget amendment to be prepared to transfer \$20,000.00 from the demolition account (#) to the account (#) for the project design. In discussions with the Comptroller, this account provided the most flexibility without a serious impact to planned work and ensures that these federal dollars were not lost. It is anticipated that construction payment will occur in the next fiscal year and those dollars will be budgeted in TIF in 2010-2011.

The items addressed under this agenda item provide for only the design of this project. At construction time, if staff is available, the Village will perform the construction observation and associated record keeping. If staff is committed to the improvements on Illinois Drive or in the design of Gleason, Public Works may ask for additional TIF funds for an engineer to oversee the construction phase.

**AGENDA PAGE NUMBER:**

# Rantoul to receive two infusions of stimulus funds

By DEBRA RAWLINGS  
Rantoul Press reporter

Federal stimulus funds are on their way to Rantoul.

Village officials announced at the March 3 board study session that the village is to receive nearly \$500,000 from the \$787 billion American Recovery and Reinvestment Act.

Village Public Works Director Greg Sandahl said word had come from the Illinois Department of Transportation the first week of March that the village is to receive \$390,000 for road proj-

ects. Which projects will be funded has yet to be determined.

"We want to apply the money to a project that provides a return rather than just a recap project," Sandahl said.

The money must be used on streets designated as federal routes, Public Works Director Greg Hazel said. Designated year ago, those routes include thoroughfares and neighborhood streets.

South Murray Road is one of them and could be a contender for the money because of com-

mercial and residential developments planned on either side. The village had asked through the Champaign County Regional Plan Commission for \$2 million in stimulus funds to make improvements to the road, but there has been no word on that request.

Hazel said the stimulus money that has been assured could be used in combination with money from other sources to fund a larger project like South Murray Road.

The village will also receive \$98,625 through the Department of Housing and Urban Development Community Development Block Grant Program.

How that money will be spent also remains to be seen. Community Development

Director Mike Loschen said he is waiting on guidelines from HUD.

In any case, he must follow the usual procedure for budgeting grant funds by calling together the Citizens Advisory Council for input and holding public hearings.

Rantoul will benefit indirectly from another road project to be funded by stimulus money. IDOT plans to spend \$855,000 resurfacing U.S. 136 between Dewey-Fisher Road and the South Branch Big Ditch.

In another street-related matter, Trustee Chuck Smith asked Public Works Director Greg Hazel to investigate complaints from residents on Southpointe Drive about the condition of the pavement. The street was resurfaced last year.



1610 Broadmoor Drive  
 Champaign, IL 61821  
 217/352-4169 Fax: 217/352-0085

Memorandum of Agreement

Project Number: 09R027  
 Owner's Number: \_\_\_\_\_

CLIENT DATA:

Name: Village of Rantoul  
 Address: 200 West Grove Avenue Phone: 217.892.2178  
 City: Rantoul State: IL Zip Code: 61866

PROJECT DATA:

Project Name: Rantoul 2009 ARRA Resurfacing Project  
 Project Locations: Village of Rantoul  
 Services to be provided: Prepare plans, specifications and estimates for the 2009 ARRA resurfacing projects.

Coordination with IDOT through the bid opening and contract award. Construction phase service may be authorized at a later date.

AGREEMENT DATA:

Dates: Start: June 09 Completion August 09  
 Contacts Made With:  Owner  Agent On Date: 6/15/09  
 Contacts Made By:  Phone  Letter  In Person  
 Fee Bases:  (3.0 x Direct Labor) + (Reimbursable Expenses, including 1.05 x outside consultant costs)  
 Lump Sum Amount  
 Fee Schedule Explain: \_\_\_\_\_  
 Estimated Fee NTE \$20,000  
 (Revision) (Addition) to Original Agreement  
 Remarks: \_\_\_\_\_

If the above fee basis is indicated as a multiplier times payroll costs plus reimbursable expenses with an estimate, our fee will be based upon the time expended; and additional services requested, unusual problems or difficulties, may necessitate a higher fee. If a maximum fee amount is indicated this amount will not be exceeded without further authorization by the client. The terms and conditions under which we are providing these services are set forth on second page and are incorporated herein by reference.

BILLING DATA:

Billing will be:  Monthly, 30 days Net  At Completion of Services  
 Other Explain \_\_\_\_\_

The above is intended as a summary of our agreement for the performance of the services described. Please examine carefully and, if accurate, indicate your approval and acceptance in the space provided below.

FOTH INFRASTRUCTURE & ENVIRONMENT, LLC ("Engineer") Date: June 23, 2009

By: \_\_\_\_\_ By: \_\_\_\_\_

Title Larry A. Johnson, Director Title Thomas L. Overmyer, Project Director

Accepted:

The undersigned hereby states that they are the person or duly authorized agent of the person or organization contracting for the above services on the above described Project; and that the terms and conditions stated are understood and herewith agreed to and accepted. Engineer is hereby authorized to proceed with the services outlined above

Date: \_\_\_\_\_ By: \_\_\_\_\_  
 (Signature)

\_\_\_\_\_  
 (Printed Name and Title)

INSTRUCTIONS: DATE & SIGN: RETAIN ONE COPY AND RETURN THE REMAINING TO ENGINEER



## TERMS & CONDITIONS

To assure an understanding of matters related to our mutual responsibilities these terms and conditions for professional engineering services are part of this agreement for our services. For the purpose of this agreement, the terms "Owner" and "Client" are considered to be interchangeable.

### AMENDMENTS

This agreement may be amended in writing providing both the Owner and Engineer agree to such modifications.

### COMPENSATION FOR ENGINEERING SERVICES

The basis for compensation will be as identified in the agreement.

When "Lump Sum" payment is utilized it shall include all labor and expenses (for the scope of work as defined in the agreement) incurred by the Engineer and shall not exceed the fixed payment amount without prior authorization of the Owner

When a "Payroll Cost" payment is utilized it shall be computed by multiplier factor times payroll costs with reimbursable expenses reimbursed at cost without multiplier, except for outside consultants.

The "Payroll Costs" means the salaries and wages paid to all Engineer's, and any temporary employment service, personnel engaged directly on the services plus the cost of customary and statutory benefits applicable thereto including social security contributions, unemployment, sick leave, vacation, health, and outside consultants.

"Reimbursable Expenses" means the actual expenses incurred directly, indirectly, or imputed in connection with the services including but not limited to the following: Transportation and subsistence, toll telephone calls, facsimile transmissions, reproductions or printing, engineering and drafting computer time, and outside consultants.

The "Multiplier" is a factor for general direct overhead, indirect costs, profit, and other costs. The Multiplier factor shall be identified in the agreement.

### TIME OF PAYMENT

The Engineer may submit monthly statements for services and expenses based upon the proportion of the actual services completed at the time of billing. Unless provided for otherwise, payments for engineering services will be due and payable thirty (30) calendar days from the issuance of the Engineer's statement. The Client shall be responsible for all collection expenses including attorney's fees and court costs for overdue accounts.

### LATE PAYMENT

If the Owner fails to make any payment due the Engineer for services and expenses within the time period specified, a service charge of 1 2/3% per month will be added to the Owner's account. This is an annual rate of 18%.

### LIMITATION OF LIABILITY

The Owner agrees to limit the Engineer's liability to the Owner and to all construction contractors and subcontractors for costs and damages to them, due to the Engineer's negligent acts, errors or omission, including but not limited to breach of contract, breach of warranty, or strict liability such that the total aggregate liability of the Engineer to all those named shall not exceed the Engineer's total fee received for services rendered under this Agreement or \$50,000.00 whichever is lesser.

### AUTHORITY AND RESPONSIBILITY

The Engineer shall not guarantee the work of any contractor or subcontractor shall have no authority to stop work, shall have no supervision or control as to the work or persons doing the work. Shall not have charge of the work, shall not be responsible for safety in, on, or about the job site or have any control of the safety or adequacy of any equipment, building component, scaffolding, supports, forms or other work aids, and shall have no duties or responsibilities imposed by the Structural Work Act or other safety regulation or law.

### TERMINATION

The obligation to provide further services under this Agreement may be terminated by either party upon seven days' written notice in the event of substantial failure by the other party to perform in accordance with the terms, hereof through no fault of the terminating party. In the event of any termination, Engineer will be paid for all services rendered to the date of termination, including unbilled services at a multiplier of 2.5 time payroll cost plus reimbursable expenses unless otherwise previously provided for and termination expenses.

### REUSE OF DOCUMENTS

All documents including drawings and specification prepared or furnished by Engineer (and Engineer's independent professional associates and consultants) pursuant to this Agreement are instruments of service in respect of the Project and Engineer shall retain an ownership and property interest therein whether or not the Project is completed. Owner may make and retain copies for information and reference in connection with the use and occupancy of the Project by Owner and others; however, such documents are not intended or represented to be suitable for reuse by Owner or others on extensions of the Project or on any other project. Any reuse without written verification or adaptation by Engineer for the specific purpose intended will be at Owner's sole risk and without liability or legal exposure to Engineer or to Engineer's independent professional associates or consultants and Owner shall indemnify and hold harmless Engineer and Engineer's independent professional associates or consultants from all claims, damages, losses and expenses including attorney's fees arising out of or resulting therefrom. Any such verification or adaptation will entitle Engineer to further compensation at rates to be agreed upon by Owner and Engineer.

### OPINIONS OF COST

Since Engineer has no control over the cost of labor, materials, equipment or services furnished by others, or over the contractor(s)' methods of determining prices, or over competitive bidding or market conditions, Engineer's opinions of probable total Project costs and construction cost are to be made on the basis of Engineer's experience and qualifications and represent Engineer's best judgment as an experienced and qualified professional engineer, familiar with the construction industry; but Engineer cannot and does not guarantee that proposals, bids or actual total Project or construction costs will not vary from opinions of probable cost prepared by Engineer. If prior to the bidding or negotiations phase Owner wishes greater assurance as to total Project or construction cost, Owner shall employ an independent cost estimator. Engineer's services to modify the contract documents to bring the construction costs within any limitation established by Owner will be considered additional services and paid for as such by Owner.



Local Agency Agreement for Federal Participation

Local Agency Village of Rantoul		State Contract	Day Labor	Local Contract	RR Force Account
Section 09-00103-00-RS		Fund Type ARJ		ITEP Number	
Construction		Engineering		Right-of-Way	
Job Number	Project Number	Job Number	Project Number	Job Number	Project Number
C-95-349-09	ARA-5059(013)				

This Agreement is made and entered into between the above local agency hereinafter referred to as the "LA" and the state of Illinois, acting by and through its Department of Transportation, hereinafter referred to as "STATE". The STATE and LA jointly propose to improve the designated location as described below. The improvement shall be constructed in accordance with plans approved by the STATE and the STATE's policies and procedures approved and/or required by the Federal Highway Administration hereinafter referred to as "FHWA".

Location

Local Name Flessner Ave Route FAU 7101 Length \_\_\_\_\_  
 Termini Doolittle to Century to Veteran's Parkway

Current Jurisdiction \_\_\_\_\_ Existing Structure No \_\_\_\_\_

Project Description

Division of Cost

Type of Work	FHWA	%	STATE	%	LA	%	Total
Participating Construction	390,741	( )	( )	( )	20,259	( Bal )	411,000
Non-Participating Construction	( )	( )	( )	( )	( )	( )	( )
Preliminary Engineering	( )	( )	( )	( )	( )	( )	( )
Construction Engineering	( )	( )	( )	( )	( )	( )	( )
Right of Way	( )	( )	( )	( )	( )	( )	( )
Railroads	( )	( )	( )	( )	( )	( )	( )
Utilities	( )	( )	( )	( )	( )	( )	( )
Materials	( )	( )	( )	( )	( )	( )	( )
TOTAL	\$ 390,741		\$		\$ 20,259		\$ 411,000

\*100% ARJ funds not to exceed \$390,741

NOTE: The costs shown in the Division of Cost table are approximate and subject to change. The final LA share is dependent on the final Federal and State participation. The actual costs will be used in the final division of cost for billing and reimbursement.

If funding is not a percentage of the total, place an asterisk in the space provided for the percentage and explain above.

The Federal share of construction engineering may not exceed 15% of the Federal share of the final construction cost.

Local Agency Appropriation

By execution of this Agreement, the LA is indicating sufficient funds have been set aside to cover the local share of the project cost and additional funds will be appropriated, if required, to cover the LA's total cost.

Method of Financing (State Contract Work)

- METHOD A—Lump Sum (80% of LA Obligation) \_\_\_\_\_
- METHOD B--- \_\_\_\_\_ Monthly Payments of \_\_\_\_\_
- METHOD C---LA's Share Balance \_\_\_\_\_ divided by estimated total cost multiplied by actual progress payment.

(See page two for details of the above methods and the financing of Day Labor and Local Contracts)

## Agreement Provisions

### THE LA AGREES:

- (1) To acquire in its name, or in the name of the state if on the state highway system, all right-of-way necessary for this project in accordance with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, and established state policies and procedures. Prior to advertising for bids, the LA shall certify to the STATE that all requirements of Titles II and III of said Uniform Act have been satisfied. The disposition of encroachments, if any, will be cooperatively determined by representatives of the LA, and STATE and the FHWA, if required.
- (2) To provide for all utility adjustments, and to regulate the use of the right-of-way of this improvement by utilities, public and private, in accordance with the current Utility Accommodation Policy for Local Agency Highway and Street Systems.
- (3) To provide for surveys and the preparation of plans for the proposed improvement and engineering supervision during construction of the proposed improvement.
- (4) To retain jurisdiction of the completed improvement unless specified otherwise by addendum (addendum should be accompanied by a location map). If the improvement location is currently under road district jurisdiction, an addendum is required.
- (5) To maintain or cause to be maintained, in a manner satisfactory to the STATE and FHWA, the completed improvement, or that portion of the completed improvement within its jurisdiction as established by addendum referred to in item 4 above.
- (6) To comply with all applicable Executive Orders and Federal Highway Acts pursuant to the Equal Employment Opportunity and Nondiscrimination Regulations required by the U.S. Department of Transportation.
- (7) To maintain, for a minimum of 3 years after the completion of the contract, adequate books, records and supporting documents to verify the amounts, recipients and uses of all disbursements of funds passing in conjunction with the contract; the contract and all books, records and supporting documents related to the contract shall be available for review and audit by the Auditor General and the department; and the LA agrees to cooperate fully with any audit conducted by the Auditor General and the department; and to provide full access to all relevant materials. Failure to maintain the books, records and supporting documents required by this section shall establish a presumption in favor of the STATE for the recovery of any funds paid by the STATE under the contract for which adequate books, records and supporting documentation are not available to support their purported disbursement.
- (8) To provide if required, for the improvement of any railroad-highway grade crossing and rail crossing protection within the limits of the proposed improvement.
- (9) To comply with Federal requirements or possibly lose (partial or total) Federal participation as determined by the FHWA.
- (10) (State Contracts Only) That the method of payment designated on page one will be as follows:
  - Method A - Lump Sum Payment. Upon award of the contract for this improvement, the LA will pay to the STATE, in lump sum, an amount equal to 80% of the LA's estimated obligation incurred under this Agreement, and will pay to the STATE the remainder of the LA's obligation (including any nonparticipating costs) in a lump sum, upon completion of the project based upon final costs.
  - Method B - Monthly Payments. Upon award of the contract for this improvement, the LA will pay to the STATE, a specified amount each month for an estimated period of months, or until 80% of the LA's estimated obligation under the provisions of the Agreement has been paid, and will pay to the STATE the remainder of the LA's obligation (including any nonparticipating costs) in a lump sum, upon completion of the project based upon final costs.
  - Method C - Progress Payments. Upon receipt of the contractor's first and subsequent progressive bills for this improvement, the LA will pay to the STATE, an amount equal to the LA's share of the construction cost divided by the estimated total cost, multiplied by the actual payment (appropriately adjusted for nonparticipating costs) made to the contractor until the entire obligation incurred under this Agreement has been paid.
- (11) (Day Labor or Local Contracts) To provide or cause to be provided all of the initial funding, equipment, labor, material and services necessary to construct the complete project.
- (12) (Preliminary Engineering) In the event that right-of-way acquisition for, or actual construction of the project for which this preliminary engineering is undertaken with Federal participation is not started by the close of the tenth fiscal year following the fiscal year in which this agreement is executed, the LA will repay the STATE any Federal funds received under the terms of this Agreement.
- (13) (Right-of-Way Acquisition) In the event that the actual construction of the project on this right-of-way is not undertaken by the close of the twentieth fiscal year following the fiscal year in which this Agreement is executed, the LA will repay the STATE any Federal Funds received under the terms of this Agreement.
- (14) (Railroad Related Work Only) The estimates and general layout plans for at-grade crossing improvements should be forwarded to the Rail Safety and Project Engineer, Room 204, Illinois Department of Transportation, 2300 South Dirksen Parkway, Springfield, Illinois, 62764. Approval of the estimates and general layout plans should be obtained prior to the commencement of railroad related work. All railroad related work is also subject to approval by the Illinois Commerce Commission (ICC). Final inspection for railroad related work should be coordinated through appropriate IDOT District Bureau of Local Roads and Streets office.

Plans and preemption times for signal related work that will be interconnected with traffic signals shall be submitted to the ICC for review and approval prior to the commencement of work. Signal related work involving interconnects with state maintained traffic signals should also be coordinated with the IDOT's District Bureau of Operations.

The LA is responsible for the payment of the railroad related expenses in accordance with the LA/railroad agreement prior to requesting reimbursement from IDOT. Requests for reimbursement should be sent to the appropriate IDOT District Bureau of Local Roads and Streets office.

Engineer's Payment Estimates in accordance with the Division of Cost on page one.

- (15) And certifies to the best of its knowledge and belief its officials:
- (a) are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any Federal department or agency;
  - (b) have not within a three-year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements receiving stolen property;
  - (c) are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, local) with commission of any of the offenses enumerated in item (b) of this certification; and
  - (d) have not within a three-year period preceding the Agreement had one or more public transactions (Federal, State, local) terminated for cause or default.
- (16) To include the certifications, listed in item 15 above and all other certifications required by State statutes, in every contract, including procurement of materials and leases of equipment.
- (17) (State Contracts) That execution of this agreement constitutes the LA's concurrence in the award of the construction contract to the responsible low bidder as determined by the **STATE**.
- (18) That for agreements exceeding \$100,000 in federal funds, execution of this Agreement constitutes the LA's certification that:
- (a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress or any employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan or cooperative agreement;
  - (b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress or an employee of a Member of Congress, in connection with this Federal contract, grant, loan or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions;
  - (c) The LA shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.
- (19) To regulate parking and traffic in accordance with the approved project report.
- (20) To regulate encroachments on public right-of-way in accordance with current Illinois Compiled Statutes.
- (21) To regulate the discharge of sanitary sewage into any storm water drainage system constructed with this improvement in accordance with current Illinois Compiled Statutes.
- (22) That the LA may invoice the **STATE** monthly for the **FHWA** and/or **STATE** share of the costs incurred for this phase of the improvement. The LA will submit supporting documentation with each request for reimbursement from the **STATE**. Supporting documentation is defined as verification of payment, certified time sheets, vendor invoices, vendor receipts, and other documentation supporting the requested reimbursement amount.
- (23) To complete this phase of the project within three years from the date this agreement is approved by the **STATE** if this portion of the project described in the Project Description does not exceed \$1,000,000 (five years if the project costs exceed \$1,000,000).
- (24) Upon completion of this phase of the improvement, the LA will submit to the **STATE** a complete and detailed final invoice with all applicable supporting supporting documentation of all incurred costs, less previous payments, no later than one year from the date of completion of this phase of the improvement. If a final invoice is not received within one year of completion of this phase of the improvement, the most recent invoice may be considered the final invoice and the obligation of the funds closed.
- (25) (Single Audit Requirements) That if the LA receives \$500,000 or more a year in federal financial assistance they shall have an audit made in accordance with the Office of Management and Budget (OMB) Circular No. A-133. LA's that receive less than \$500,000 a year shall be exempt from compliance. A copy of the audit report must be submitted to the **STATE** with 30 days after the completion of the audit, but no later than one year after the end of the LA's fiscal year. The CFDA number for all highway planning and construction activities is 20.205.

**THE STATE AGREES:**

- (1) To provide such guidance, assistance and supervision and to monitor and perform audits to the extent necessary to assure validity of the LA's certification of compliance with Titles II and III requirements.
- (2) (State Contracts) To receive bids for the construction of the proposed improvement when the plans have been approved by the **STATE** (and **FHWA**, if required) and to award a contract for construction of the proposed improvement, after receipt of a satisfactory bid.
- (3) (Day Labor) To authorize the LA to proceed with the construction of the improvement when Agreed Unit Prices are approved and to reimburse the LA for that portion of the cost payable from Federal and/or State funds based on the Agreed Unit Prices and Engineer's Payment Estimates in accordance with the Division of Cost on page one.
- (4) (Local Contracts) That for agreements with Federal and/or State funds in engineering, right-of-way, utility work and/or construction work:

- (a) To reimburse the **LA** for the Federal and/or State share on the basis of periodic billings, provided said billings contain sufficient cost information and show evidence of payment by the **LA**;
- (b) To provide independent assurance sampling, to furnish off-site material inspection and testing at sources normally visited by **STATE** inspectors of steel, cement, aggregate, structural steel and other materials customarily tested by the **STATE**.

**IT IS MUTUALLY AGREED:**

- (1) That this Agreement and the covenants contained herein shall become null and void in the event that the **FHWA** does not approve the proposed improvement for Federal-aid participation or the contract covering the construction work contemplated herein is not awarded within three years of the date of execution of this Agreement.
- (2) This Agreement shall be binding upon the parties, their successors and assigns.
- (3) For contracts awarded by the **LA**, the **LA** shall not discriminate on the basis of race, color, national origin or sex in the award and performance of any USDOT – assisted contract or in the administration of its DBE program or the requirements of 49 CFR part 26. The **LA** shall take all necessary and reasonable steps under 49 CFR part 26 to ensure nondiscrimination in the award and administration of USDOT – assisted contracts. The **LA's** DBE program, as required by 49 CFR part 26 and as approved by USDOT, is incorporated by reference in this Agreement. Upon notification to the recipient of its failure to carry out its approved program, the department may impose sanctions as provided for under part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31U.S.C. 3801 et seq.). In the absence of a USDOT – approved **LA** DBE Program or on State awarded contracts, this Agreement shall be administered under the provisions of the **STATE's** USDOT approved Disadvantaged Business Enterprise Program.
- (4) In cases where the **STATE** is reimbursing the **LA**, obligations of the **STATE** shall cease immediately without penalty or further payment being required if, in any fiscal year, the Illinois General Assembly or applicable Federal Funding source fails to appropriate or otherwise make available funds for the work contemplated herein.
- (5) All projects for the construction of fixed works which are financed in whole or in part with funds provided by this Agreement and/or amendment shall be subject to the Prevailing Wage Act (820 ILCS 130/0.01 et seq.) unless the provisions of that Act exempt its application.

**ADDENDA**

Additional information and/or stipulations are hereby attached and identified below as being a part of this Agreement.

Number 1 Location Map

(insert addendum numbers and titles as applicable)

The **LA** further agrees, as a condition of payment, that it accepts and will comply with the applicable provisions set forth in this Agreement and all addenda indicated above.

**APPROVED**

Name Neal Williams

Title Village President  
County Board Chairperson/Mayor/Village President/etc.

Signature \_\_\_\_\_

Date \_\_\_\_\_

TIN Number \_\_\_\_\_

**APPROVED**

State of Illinois  
Department of Transportation

Gary Hannig, Secretary of Transportation Date \_\_\_\_\_

By: \_\_\_\_\_  
(Delegato's Signature)

\_\_\_\_\_  
(Delegato's Name – Printed)

Christine M. Reed, Director of Highways/Chief Engineer Date \_\_\_\_\_

Ellen J. Schenzle-Haskins, Chief Counsel Date \_\_\_\_\_

Ann L. Schneider, Director of Finance and Administration Date \_\_\_\_\_

**NOTE:** If signature is by an APPOINTED official, a resolution authorizing said appointed official to execute this agreement is required.

**BOARD OF TRUSTEES  
VILLAGE OF RANTOUL**

AGENDA ITEM

PAGE 1 OF 1

ITEM: IMRF RATE	DEPARTMENT: COMPTROLLER
AGENDA SECTION:	AMOUNT:
ATTACHMENTS: ( ) ORDINANCE ( ) RESOLUTION ( ) OTHER (See Summary Highlights) (X) SUPPORTING DOCUMENTS	DATE: 7/1/09

**SUMMARY HIGHLIGHTS:** The Illinois Municipal Retirement Fund (IMRF) had a down year last year in terms of their investment returns. The fund lost approximately \$6.1 billion or about 25% of its value. This is the largest decrease in the fund's value in any one year. Because IMRF is a defined benefit retirement plan, it is the employer that must make up the investment losses. This means that for employers to meet their actuarial required contribution (ARC), the village's IMRF contribution rate will need to increase dramatically for calendar year 2010.

IMRF has provided our new ARC for next year. The ARC has been calculated to be **13.87%** for next year (2010). This rate is up from our current rate of **10.71%**, an increase of 29.5%. This would have a huge impact on our payroll costs village wide. The rates change on January 1. The new rate will be in effect in the final four months of our current fiscal year. Because we expected an increase in our rate next year, we budgeted our IMRF contribution rate at 12% of payroll. If we choose the ARC rate, our blended rate for this fiscal year would be 11.76% (eight months at 10.71% and four months at 13.87%). Our budget for IMRF costs for FY 2009-10 is \$583,260 village-wide. The Corporate Fund portion of that amount is \$189,740. We do not know what our IMRF rate will be the following year, but it is expected to continue increase for the next few years.

IMRF realizes that large increases in the rate may cause significant hardships on some municipalities. Because of this, they are offering a phase-in rate that is less than the ARC. The phase-in rate for Rantoul would be 11.50%. This is a 10% increase over this year's rate. The village can choose this rate, the ARC or a rate in between these two numbers. If the village chooses to accept the ARC, I estimate our IMRF cost for next year would be \$713,400, an increase of \$130,140 (22.3%). If we choose the phase-in rate of 11.5%, I estimate our IMRF cost would be \$594,750, an increase of only \$11,490 over this year's budget.

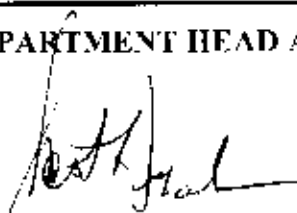
We had originally thought that we should go with the ARC rate. However, after consultation with IMRF we are recommending that we choose the lower phase-in rate. This gives the village more flexibility and minimizes our cost increase for next year. We can choose at a later date to go with a higher rate or even make additional contributions to reduce

our unfunded liability. In addition, part of our rate currently goes to paying off our cost of the early retirement incentive (ERI) which the village adopted five years ago. This will be paid off in five years. At that time, if we are still underfunded, we can raise our contribution rate to reduce our remaining unfunded liability.

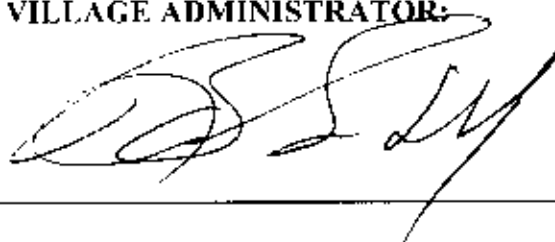
I have attached additional information from IMRF that helps explain the issue.

**RECOMMENDED ACTION:** We recommend that the board choose the phase-in rate of 11.5% for 2010 as proposed by IMRF.

**DEPARTMENT HEAD APPROVAL:**



**VILLAGE ADMINISTRATOR:**





# Illinois Municipal Retirement Fund

2211 York Road Suite 500 Oak Brook, IL 60523-7337  
Service Representatives 1-800-ASK-IMRF  
www.imrf.org

March 3, 2009

## PRELIMINARY PHASE-IN NOTICE (FOR 2010 CALENDAR YEAR)

Village of Rantoul  
Scot E. Brandon  
P O Box 38  
Rantoul IL 61866

ER 03119

On February 27, 2009, the IMRF Board of Trustees adopted an optional phase-in plan for employer rates for 2010. Most employers will see their 2010 rate increase 10% from their 2009 rate. Because the Early Retirement Incentive (ERI) and the SLEP Enhancement employer rate components are set based upon a specific liability and are not directly impacted by investment returns, the ERI and SLEP component will be excluded from the cap calculation and will not be increased by 10%. Employers who were overfunded in 2007 and had a 2009 contribution rate less than the annual cost of the IMRF program will pay the full cost for their employees' current service (8.37% for the Regular plan and 12.58% for the SLEP plan based on 2009 data). Because we will not be billing the actuarially calculated annual required contribution (ARC), the Phase-In Plan will extend beyond 2010.

Based upon a review of individual employers' funded status as of December 31, 2007, we believe very few employers will be overfunded as of December 31, 2008. We estimate that an employer would have to be 200% funded as of December 31, 2007 to be overfunded as of December 31, 2008. Employers who are over 100% funded as of December 31, 2008 will not be impacted by the phase-in plan.

Each year the phase-in plan is in effect, we will annually review employer rates in light of current year investment returns and other relevant factors. The percentage cap may change from year to year.

Below are the preliminary 2010 phase-in rates.

<b>Regular</b>	
2010 Phase-in Employer Rate	11.50%
<b>SLEP</b>	
2010 Phase-in Employer Rate	16.25%

In mid-April you will be provided the preliminary rate notice, showing the actuarially calculated rates (ARC), and a confirmation of the phase-in contribution rates. At that time, employers will be given the option to contribute the phase-in rate, the higher ARC rate, or some rate between the two. Employers who choose a rate less than the ARC rate will be required by generally accepted accounting principles to record a net pension obligation on its books in 2010. If you have any questions regarding this Phase-In Employer Rate Notice, please contact either Audrey Brown-Ryce (630 706-4246) or Corey Lockwood (630 706-4226) of the IMRF Employer Relations Unit.



**Preliminary Notice of Illinois Municipal Retirement Fund  
Contribution Rate for Calendar Year 2010**

Date April 2009

Employer name VILLAGE OF RANTOUL

Employer No. 03119

The IMRF Board of Trustees adopted an optional phase-in plan for 2010 employer contribution rates. Shown below are member contribution rates and 2010 employer contribution rates. Your preliminary 2010 IMRF ARC Contributions rate(s) are based on the actuarially calculated annual required contribution (ARC). The Optional Phase-in Contribution rate(s) are based upon the Board's optional phase-in plan.

	<b>IMRF ARC Contribution Rates</b>	
	<b>Regular</b>	<b>SLEP</b>
<b>Member Contributions (tax-deferred)</b>	<b>4.50%</b>	<b>7.50%</b>
<b>Employer Contributions</b>		
• <b>Retirement Rate</b>		
Normal Cost .....	7.58%	11.97%
Funding Adjustment <over> under .....	2.34%	< 0.40% >
Net Retirement Rate .....	9.92%	11.57%
• <b>Other Program Benefits</b>		
Death .....	0.17%	0.40%
Disability .....	0.15%	0.15%
Supplemental Benefit Payment .....	0.62%	0.62%
Early Retirement Incentive .....	3.01%	0.00%
SLEP Enhancement .....	0.00%	3.02%
• <b>TOTAL EMPLOYER RATE</b> .....	<b>13.87%</b>	<b>15.76%</b>

Below are the 2010 optional phase-in rate(s):

	<b>IMRF Optional Phase-in Contribution Rates</b>	
	<b>Regular</b>	<b>SLEP</b>
<b>TOTAL EMPLOYER RATE</b>	<b>11.65%</b>	<b>N/A</b>

You may select the ARC, the optional phase-in employer rate, or a rate between the two. If you do not provide us with your selection by August 31, 2009, we will assume you have chosen the optional phase-in rate. This rate will be reflected on your 'Final Notice of Illinois Municipal Retirement Fund Contribution Rate for Calendar Year 2010,' which will be available in November 2009.

For more information about the Preliminary Notice of IMRF Contribution Rates for Calendar Year 2010, refer to General Memo 587. If you have any questions, please contact IMRF Employer Relations Audit Supervisor Audrey Brown-Ryce at 630-706-4246 or IMRF Employer Account Associate Analyst Corey Lockwood at 630-706-4226.



# Illinois Municipal Retirement Fund

Suite 500 2211 York Road Oak Brook IL 60523-2337

Member Services Representatives 1-800-ASK-IMRF

www.imrf.org

## GENERAL MEMORANDUM

Number: 587

Date: April 14, 2009

To: All Authorized Agents

Subject: Preliminary Notice of IMRF Contribution Rate for Calendar Year 2010

**We encourage you to share this memorandum  
with your chief financial officer, other officials, and governing body members.**

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### Executive Summary

Each employer's "Preliminary Notice of Illinois Municipal Retirement Fund Contribution Rate for Calendar Year 2010" was made available the week of April 13, 2009.

- The notice shows the actuarial required contribution rate, or "ARC," for 2010 for each employer plan as well as the optional phase-in plan rate, if applicable. Out of the 2,999 employers in the Regular plan, 34% will not be offered a phase in rate since their ARC is lower than the phase-in rate.
- The higher ARC rate was calculated by IMRF's actuaries and reflects the recovery of your employer's actuarial accrued unfunded liability.
- The lower rate, the optional phase in contribution rate, is based upon the IMRF Board of Trustees' phase in plan.
- Beginning in 2010, employers who choose to contribute less than the ARC will be required to record a net pension obligation on their books for the difference between what they actually contributed and what would have been contributed using the ARC.
- Employers have until August 31, 2009, to select their 2010 contribution rate. **If IMRF does not hear from an employer by August 31, 2009, we will assume the employer has chosen the optional phase-in rate.**
- While the phase-in rate is lower and results in lower contributions currently, it does result in higher contributions over the long term due to the additional carrying costs on the resulting higher unfunded liability. IMRF encourages employers who have the financial capability to contribute at the higher level.
- If an employer is concerned with its ability to sustain a commitment to a higher contribution level, it could select the lower phase-in rate for 2010 and make additional voluntary contributions to reduce its unfunded liability. This would allow the employer to reduce its long term pension costs while maintaining maximum flexibility to manage its contribution rate in future years.
- **If an employer wishes to contribute an amount above the optional phase-in rate in connection with the normal monthly wage reporting process, contact IMRF.**
- Employers should carefully consider their selection of their 2010 contribution rate since the rate selected for 2010 will impact the choices that will be available in 2011.

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**Preliminary 2010 Rate Notice**

Recently we advised you that your employer's "Preliminary Notice of Illinois Municipal Retirement Fund Contribution Rate for Calendar Year 2010" was available. This notice provided two rates for each IMRF plan your employer offers, e.g. Regular, Sheriff's Law Enforcement Personnel ("SLEP") or Elected County Official ("ECO") plans, if applicable:

- The higher rate, the annual required contribution or "ARC," was calculated by IMRF's actuaries and reflects the recovery of your employer's actuarial accrued unfunded liability ("Funding Adjustment") over 30 years for employers who can levy property taxes and over 10 years for employers who cannot.
- The lower rate, the optional phase-in contribution rate, is based upon the IMRF Board of Trustees' decision. The Board wanted to provide employers flexibility because of the dramatic increase in employer contribution rates caused by large investment losses suffered by IMRF in 2008.

**If you were not offered an optional phase-in rate**

If an employer was not offered an optional phase-in contribution rate for one of its plans, that means that the employer's ARC rate for that plan was lower than the optional phase-in rate. Out of the 2,999 employers in the Regular plan, 34% were not offered a phase-in rate since their ARC was lower than the phase-in rate.

**If your rate includes ERI or SLEP enhancement**

For most employers, the optional phase-in plan contribution rate will be 10% higher than their 2009 contribution rate. Employers who have an Early Retirement Incentive ("ERI") or SLEP Enhancement component of their contribution rate may have an increase of less than 10% because ERI and SLEP Enhancement costs are based on a fixed liability and are not directly impacted by investment returns.

**If you were overfunded as of December 31, 2007**

Employers who were over funded as of December 31, 2007, and had a 2009 employer contribution rate that was less than the full cost of the IMRF program will be required to pay—at a minimum—the full cost of pension service earned by its IMRF members in 2010. The average full cost of current service for 2010 is 8.52% for the Regular plan, 12.91% for SLEP, and 18.18% for ECO.

Individual employers' full cost of 2010 current pension service can vary from these averages. If an employer's 2009 contribution rate was less than the full cost of current service in 2009, the employer will see their 2010 contribution rate increase to at least the full cost of current service for 2010. In all cases these employers will see at least a 10% increase in their 2010 employer contribution rate.

**Options Available for 2010 Employer Contribution Rates**

Employers may select:

- The optional phase-in employer rate,
- The ARC, or
- A rate between the optional phase-in rate and the ARC.

**If an employer wishes to contribute an amount above the optional phase-in rate in connection with the normal monthly wage reporting process, contact IMRF staff.** (See the "Questions" section for whom to contact.)

**If IMRF does not hear from you by August 31, 2009, we will assume you have chosen the optional phase-in rate.** This rate will be reflected on your "Final Notice of Illinois Municipal Retirement Fund Contribution Rate for Calendar Year 2010," which will be available in November 2009.

If you have the financial capability to select the higher ARC contribution rate, IMRF encourages you to do so since higher contributions will lower your pension costs over the long term. An employer's actuarial accrued unfunded liability is subject to interest charges based upon IMRF's actuarial assumed rate of return, currently 7.5%. By selecting the higher ARC rate, you will reduce your unfunded balance more quickly thus reducing the long-term carrying costs of the unfunded liability.

**Choice letters: Employers that are more than 120% funded**

Approximately 75 employers are more than 120% funded on a market value basis as of December 31, 2008. These employers have an additional option. They may choose a lower minimum contribution rate calculated by IMRF.

In May, IMRF will mail these employers a "choice letter" explaining this additional option.

**Lump sum payments**

In addition to paying normal contributions through the monthly wage reporting process, employers can make lump sum contributions to reduce their unfunded liability.

While these contributions can be made at any time throughout the year, from the employer's perspective it is most advantageous to make such payments in December since IMRF grants interest on beginning of the calendar year balances.

Any employers thinking of making additional payments may want to contact IMRF staff before doing so. (See Exhibit 1 of this memorandum for detailed instructions on how to make additional contributions using IMRF's Electronic Funds Transfer system.)

### **Recording net pension obligation**

From a financial accounting perspective, an employer's pension expense is based on its ARC rate. The fact that an employer is allowed to contribute something less than its ARC does not change the employer's actual pension cost.

Beginning in 2010, employers who choose to contribute less than the ARC will be required by generally accepted governmental accounting principles to record a net pension obligation on their books for the difference between what they actually contributed and what would have been contributed using the ARC. GASB Statement 27 "Accounting for Pensions by State and Local Governmental Employers" has a detailed example on how to account for this difference.

### **Impact of 2010 Choices on 2011 and Beyond**

Because of the significant investment losses suffered in 2008, IMRF currently believes that the optional phase-in plan placed into effect for 2010 will extend beyond 2010. At the present time, IMRF intends to offer optional phase-in rates for 2011 which will be capped at 10% in a manner similar to 2010. Thus for most employers, the 2011 optional phase-in rate will be 10% higher than the 2010 contribution rate selected by the employer. **The rate an employer selects for 2010 will impact its rate in 2011.**

For example, assume two identical employers, A and B, had the following choices for 2010: a phase-in rate of 9.5% or an ARC rate of 12%:

- For 2010, Employer A selects the 9.5% phase in rate for 2010 and employer B selects the ARC rate of 12%.
- For 2011,
  - Employer A will have a phase-in rate option of 10.45% (10% over its 2010 rate of 9.5%) or its 2011 ARC rate computed by IMRF's actuaries.
  - Employer B will have a phase-in rate option of 13.2% (10% over its 2010 rate of 12%) or its 2011 ARC rate computed by IMRF's actuaries. It is possible that Employer B's 2011 ARC rate might be less than the 2011 phase-in rate. In this case, IMRF's optional phase-in plan would no longer be applicable to employer B since it would not provide any benefit.

Assuming IMRF were to earn 7.5% on its investments over the next four years, it is estimated that the average ARC for the Regular plan would increase approximately 6% per year over that time period. The 6% increase is due to the \$3.6 billion of unrecognized losses which will be included in employer rate calculations over that time. The unrecognized losses are included in the rate calculations because of the actuarial smoothing technique actuaries use for investment gains and losses.

As noted above, IMRF strongly encourages employers with the financial ability to contribute at the higher ARC level because it is cost beneficial. However, we realize there is a great deal of economic uncertainty at this time and employers may be reluctant to commit to higher contribution levels in 2010 in light of its impact on 2011 and later years.

- more -

April 14, 2009

Preliminary Notice of IMRF Contribution Rate for Calendar Year 2010

Page 5 of 6

If an employer is concerned with its ability to sustain a commitment to a higher contribution level, it could select the lower phase-in rate for 2010 and make additional voluntary contributions to reduce its unfunded liability. This would allow the employer to reduce its long term pension costs while maintaining maximum flexibility to manage its contribution rate in future years.

**IMRF's Annual Review of the Optional Phase-in Plan**

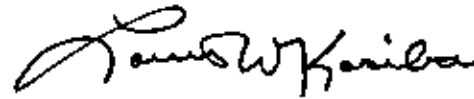
When the IMRF Board adopted the optional phase-in plan at its February 27, 2009, meeting, it retained the right to review the phase-in plan annually and to modify it based on future investment returns and other relevant factors.

At this time, IMRF believes that the phase-in plan will not be modified for 2011 rate contribution purposes. If the IMRF Board believes that the plan will have to be modified for 2011 rates, IMRF will promptly communicate that information to employers. Since the current plan calls for increasing an employer's contribution rate 10% a year until the rate reaches the ARC, the current phase-in plan has a built-in sunset provision.

**Questions?**

If you have any questions regarding the information presented in this memorandum, please call or e-mail IMRF Employer Relations Audit Supervisor Audrey Brown-Ryce at (630) 706-4246 or [abrown-ryce@imrf.org](mailto:abrown-ryce@imrf.org) or IMRF Employer Account Associate Analyst Corey Lockwood at (630) 706-4226 or [coreylockwood@imrf.org](mailto:coreylockwood@imrf.org).

Sincerely,



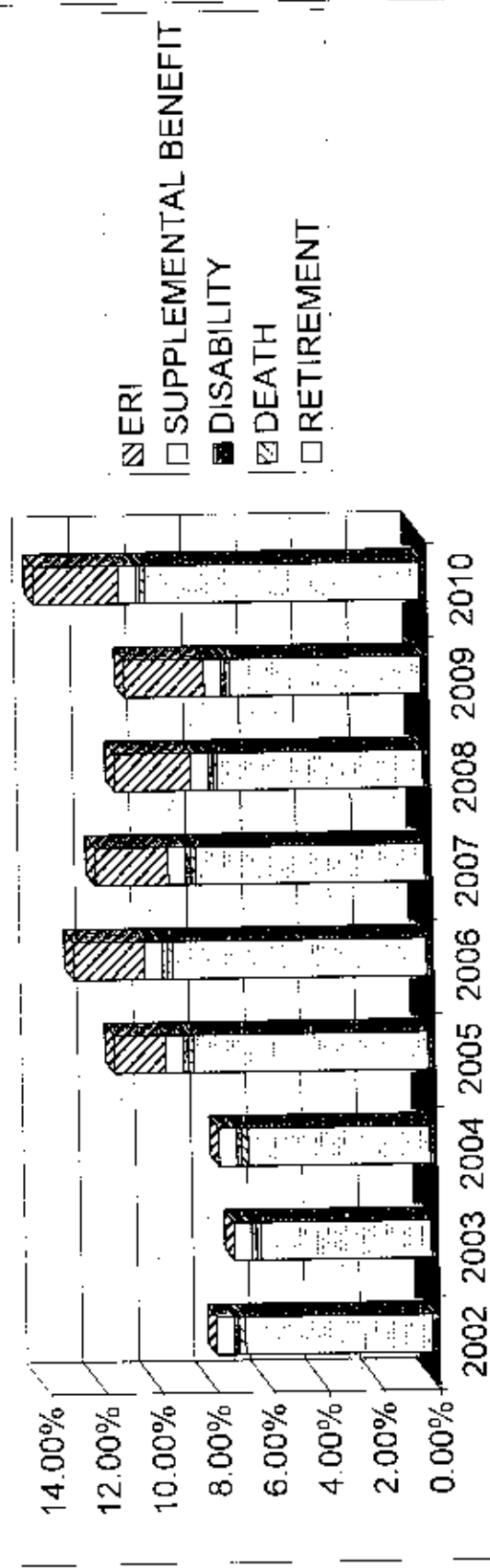
Louis W. Kosiba  
Executive Director

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**IMRF RATE COMPARISON**

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
RETIREMENT	6.73%	6.76%	6.14%	6.57%	8.46%	9.14%	8.26%	7.44%	6.91%	9.32%
DEATH	0.30%	0.25%	0.17%	0.22%	0.18%	0.19%	0.16%	0.14%	0.16%	0.17%
DISABILITY	0.15%	0.15%	0.19%	0.19%	0.21%	0.21%	0.21%	0.17%	0.16%	0.15%
SUPPLEMENTAL BENEFIT	0.62%	0.62%	0.62%	0.62%	0.62%	0.62%	0.62%	0.62%	0.62%	0.62%
ERI	2.28%	0.00%	0.00%	0.00%	1.83%	2.51%	2.51%	2.74%	2.86%	3.01%
<b>TOTAL RATE</b>	<b>10.08%</b>	<b>7.78%</b>	<b>7.12%</b>	<b>7.60%</b>	<b>11.30%</b>	<b>12.67%</b>	<b>11.86%</b>	<b>11.11%</b>	<b>10.71%</b>	<b>13.87%</b>

**IMRF RATES**



**SLEP RATE COMPARISON**

	2007	2008	2009	2010
RETIREMENT	10.22%	10.72%	10.73%	11.57%
DEATH	2.12%	0.36%	0.37%	0.40%
DISABILITY	0.21%	0.17%	0.16%	0.15%
SUPPLEMENTAL BENEFIT	0.62%	0.62%	0.62%	0.62%
ERI	0.00%	0.00%	0.00%	0.00%
<b>TOTAL RATE</b>	<b>13.17%</b>	<b>14.80%</b>	<b>15.06%</b>	<b>15.76%</b>





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

**AN ORDINANCE  
SUPPLEMENTING AND AMENDING SECTION 6.11.2.6 OF THE  
VILLAGE OF RANTOUL CODE-1977, AS SUPPLEMENTED AND AMENDED,  
IN CONNECTION WITH INSPECTIONS OF RENTAL RESIDENTIAL PROPERTY**

**VILLAGE OF RANTOUL  
CHAMPAIGN COUNTY, ILLINOIS**

**CERTIFICATE OF PUBLICATION**

Published in pamphlet form this 14th day of July, 2009, by authority of the President and Board of Trustees of the Village of Rantoul, Champaign County, Illinois.

\_\_\_\_\_  
Village Clerk

ORDINANCE NO. \_\_\_\_

AN ORDINANCE  
SUPPLEMENTING AND AMENDING SECTION 6.11.2.6 OF THE  
VILLAGE OF RANTOUL CODE-1977, AS SUPPLEMENTED AND AMENDED,  
IN CONNECTION WITH INSPECTIONS OF RENTAL RESIDENTIAL PROPERTY

**WHEREAS**, the Village of Rantoul, Champaign County, Illinois (the “Village”) is a Home Rule Unit of Local Government under Section 6, Article VII of the Constitution of the State of Illinois; and

**WHEREAS**, as a Home Rule Unit of Local Government, the Village has the authority to adopt ordinances and to promulgate rules and regulations that pertain to its government and affairs, that protect the public health, safety and welfare of its citizens, that license, that tax and that incur debt; and

**WHEREAS**, the President and Board of Trustees (the “Corporate Authorities”) of the Village now find it necessary, desirable and appropriate to completely revise the provisions of Section 6.11.2.6, entitled “Inspection”, of Division 2, entitled “Rental Property Registration and Inspection”, of Article XI of Chapter 6 of the Village of Rantoul Code, 1977, as heretofore supplemented and amended, under and pursuant to its power and authority as a Home Rule Unit of Local Government and the Illinois Municipal Code (65 ILCS 5/1-1-1 et seq.), as supplemented and amended, in order to establish and provide revised procedures related to the inspection of rental residential premises and rental residential units.

**NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF RANTOUL, CHAMPAIGN COUNTY, ILLINOIS**, as follows:

**Section 1. Adoption.** Section 6.11.2.6, entitled “Inspection”, of Division 2, entitled “Rental Property Registration and Inspection”, of Article XI of Chapter 6 of the Village of Rantoul Code, 1977, as supplemented and amended, be and the same is hereby further supplemented and amended to provide as follows:

**Section 6.11.2.6. Inspection.**

(a) All Rental Residential Premises required to be registered under Section 6.11.2.4 of this Division shall be periodically inspected by the Inspection Department of the Village for the purpose of determining whether such Rental Residential Premises complies with the applicable provisions of the Property Maintenance Code.

(b) The Village Inspector shall establish a schedule of such periodic inspections by systematic zones throughout the Village. The Village Inspector may exempt the requirement for an inspection of any Rental Residential Premises under circumstances where a certificate of occupancy has been issued upon the new construction of any such Rental Residential Premises within the most previous five (5) year period.

(c) The Village Inspector shall send notice to the Owner and to the Occupant of each Rental Residential Unit within the Rental Registration Premises to be inspected of the date and time that the inspection is scheduled to take place at least fifteen (15) calendar days prior to the scheduled inspection date. Such notice shall be mailed by first class mail, postage prepaid, to the Owner at the address of the Owner or the manager or agent, if any, specified in the registration statement and to the Occupant at the address of the Rental Residential Unit. Any Owner who fails to register a Rental Residential Premises as provided in this Division shall be deemed to consent to receiving such notice by means of having a copy of such notice posted at the Rental Residential Premises. Any such notice to the Occupant may be addressed as being to the "Occupant", and notice to one (1) or multiple persons or legal entities as Owner or Occupant shall be effective as to all persons or legal entities as Owner or Occupant. The notice shall advise that any Owner or Occupant may object to any such inspection by mail, telephone, facsimile transmission, e-mail or in person at the office of the Village Inspector.

(d) If the Owner does not have the right to enter any Rental Residential Unit for the purposes of inspection under the terms of any applicable lease or other agreement, it shall be the responsibility of the Owner or the manager or agent on behalf of the Owner to obtain the consent of the Occupant of any such Rental Residential Unit to enter such Rental Residential Unit for the purposes of such inspection. The Owner, or any manager or agent on behalf of the Owner, shall be present at the time and date of any scheduled inspection to provide applicable access for such inspection. If any such Owner, or any manager or agent on behalf of the Owner, fails to be present at the time and date of any such scheduled inspection or fails to reschedule any such scheduled inspection at least five (5) calendar days prior to the date of any such scheduled inspection, such Rental Residential Premises shall be scheduled for another inspection and such Owner shall be subject to a reinspection fee in the amount specified in Section 6.11.2.8 of this Division. If the Owner, including any manager or agent on behalf of the Owner, or any Occupant objects to a scheduled inspection of any Rental Residential Premises or of any Rental Residential Unit within such Rental Residential Premises, or if the Owner does not have the right to enter the Rental Residential Premises under the terms of any applicable lease or other agreement or with the consent of the Occupant for the purposes of such inspection, the Village Inspector may apply to the Circuit Court for an administrative search warrant to conduct any such inspection.

**Section 2. Effective Date.** The provisions of this Ordinance shall become effective immediately upon its passage, approval and publication as required by law.

**Section 3. Conflict.** All ordinances or parts of ordinances which are in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed.

**Section 4. Publication.** The Village Clerk is hereby authorized and directed to cause this Ordinance to be published in pamphlet form.

This Ordinance is hereby passed, the "ayes" and "nays" being called, by the concurrence of a majority of the members of the Corporate Authorities then holding office on the date set forth below upon a roll call vote as follows:

"Ayes" \_\_\_\_\_  
"Nays" \_\_\_\_\_  
"Absent" \_\_\_\_\_

**PASSED** this 14th day of July, 2009.

\_\_\_\_\_  
Village Clerk

**APPROVED** this 14th day of July, 2009.

\_\_\_\_\_  
Village President