

AGENDA
ST. CHARLES CITY COUNCIL MEETING
RAYMOND P. ROGINA, MAYOR

TUESDAY, SEPTEMBER 4, 2018 – 7:00 P.M.
CITY COUNCIL CHAMBERS
2 E. MAIN STREET

- 1. Call to Order.**
- 2. Roll Call.**
- 3. Invocation.**
- 4. Pledge of Allegiance.**
- 5. Presentations**
 - Proclamation declaring the month of September, 2018 as Lyme Disease Awareness Month in the City of St. Charles.
 - Proclamation to declare September 14 – 16 the George E Thompson High School Class of 1968 50th Reunion Weekend in the City of St. Charles.
 - Award Presentation From Fire Chief Schelstreet to Captain Peterson of the St. Charles Fire Department.
- 6. Omnibus Vote. Items with an asterisk (*) are considered to be routine matters and will be enacted by one motion. There will be no separate discussion on these items unless a council member/citizen so requests, in which event the item will be removed from the consent agenda and considered in normal sequence on the agenda.**
- *7. Motion to accept and place on file minutes of the regular City Council meetings held August 20, 2018.**
- *8. Motion to accept and place on file the Treasurer's Report for periods ending April 30, 2018, May 31, 2018, June 30, 2018 and July 31, 2018.**

I. New Business

- A. Presentation of a Recommendation from Mayor Rogina to Approve the Appointment of Frances Zollers to the St. Charles Liquor Control Commission.**

II. Committee Reports

- A. Government Operations**
- *1. Motion to approve a Proposal for an E7 Special Event Liquor License for Blue Goose Super Market, Inc., Located at 300 S 2nd Street, St. Charles for September 16, 2018. (Fox Valley Marathon – Blue Goose Beer Tent).**

2. Motion to approve a Proposal for a Class A6 Liquor License for Deepa Foods, Inc., d/b/a 7-Eleven located at 2400 E. Main St. Charles.
- *3. Motion to approve a Proposal for an A4 Liquor License for Riverlands Brewing Company, LLC located at 1860 Dean Street, Unit A, St. Charles.
- *4. Motion to approve an Agreement between the City of St. Charles and the City of South Elgin related to Sales Tax Distribution.
- *5. Motion to accept and place on file the Minutes of the August 20, 2018 Government Operations Committee meeting.

B. Government Services

- *1. Motion to accept and place on file the Minutes of the June 25, 2018 Government Services Committee Meeting.
- *2. Motion to accept and place on file the Minutes of the July 23, 2018 Government Services Committee Meeting.
- *3. Motion to approve Street and Parking Lot Closures and Amplification for the 2018 Scarecrow Festival.
- *4. Motion to approve Downtown St. Charles Partnership Request for Amplification and to Partially Close 1st Street to Host Lighting of Lights on the 1st Street Plaza.
- *5. Motion to approve Amplification and a **Resolution** for the Closure of Routes 64 and 31 for the Holiday Homecoming Electric Christmas Parade.
- *6. Motion to approve an **Ordinance** Amending Title 10 “Vehicles and Traffic”, Chapter 10.11 “Rules of the Road”, Section 10.11.2100 “Intersections Where Stop or Yield Required”, Chapter 10.40 “Stopping, Standing and Parking”, Section 10.40.043 “No Parking on School Days”, and Chapter 10.40 “Residential Parking Only on School Days”, Section 10.40.044 “Residential Parking Only on School Days” of the St. Charles Municipal Code.
- *7. Motion to approve a **Resolution** Authorizing the Mayor and City Clerk of the City of St. Charles to approve an Agreement for Design, Construction Documents and Construction Services for the Renovation to City Owned Building at 107-109 East Main Street (Former George’s Sport) to Schramm Construction in the amount of \$44,350.
- *8. Motion to Waive the Formal Bid Procedure and approve a **Resolution** Authorizing the Mayor and City Clerk of the City of St. Charles to Approve a Proposal for the Eastside Lift Station Fine Screen Rebuild to JWC Environmental in the amount of \$40,000.
- *9. Motion to approve a **Resolution** Authorizing the Director of Public Works to Execute Change Order No. 3 for the Phosphorus Removal and Digester Improvements Project to IHC.

- *10. Motion to approve a **Resolution** Authorizing the Mayor and City Clerk of the City of St. Charles to award Capacity, Management, Operations and Maintenance Plan (CMOM) Phase II Sewer System Evaluation Survey of Subbasin WOR West to Engineering Enterprises, Inc. in the amount of \$165,880.
- *11. Motion to approve a **Resolution** Authorizing the Mayor and City Clerk of the City of St. Charles to award the Bid for the Sanitary Sewer and Storm Sewer Lining Program to Hoerr Construction in the amount of \$705,000.
- *12. Motion to approve a **Resolution** Authorizing the Mayor and City Clerk of the City of St. Charles to approve a Purchase Order for the Installation of Electric Manhole at the Valley Shopping Center to Electric Conduit Construction in the amount of \$31,611.15.
- *13. Motion to approve a **Resolution** Authorizing the Mayor and City Clerk of the City of St. Charles to approve a Permanent Utility Easement for 1102 S. 7th Avenue with Mark and Carla Macaluso.
- *14. Motion to approve a **Resolution** Authorizing the Mayor and City Clerk of the City of St. Charles to approve a Construction Contract for the 7th Avenue Culvert Repairs Project with Kovilic Construction Company, Inc. in the amount of \$63,100.
- *15. Motion to accept and place on file the Minutes of the August 27, 2018 Government Services Committee Meeting.

C. Planning and Development
None

D. Executive Session

- Personnel – 5 ILCS 120/2(c)(1)
- Pending Litigation – 5 ILCS 120/2(c)(11)
- Probable or Imminent Litigation – 5 ILCS 120/2(c)(11)
- Property Acquisition – 5 ILCS 120/2(c)(5)
- Collective Bargaining – 5 ILCS 120/2(c)(2)
- Review of Executive Session Minutes – 5 ILCS 120/2(c)(21)

9. Additional Items from Mayor, Council, Staff, or Citizens

10. Adjournment

ADA Compliance

Any individual with a disability requesting a reasonable accommodation in order to participate in a public meeting should contact the ADA Coordinator, Jennifer McMahon, at least 48 hours in advance of the scheduled meeting. The ADA Coordinator can be reached in person at 2 East Main Street, St. Charles, IL, via telephone at (630) 377 4446 or 800 526 0844 (TDD), or via e-mail at jmcmahon@stcharlesil.gov. Every effort will be made to allow for meeting participation. Notices of this meeting were posted consistent with the requirements of 5 ILCS 120/1 et seq. (Open Meetings Act).



City of St. Charles
ILLINOIS

Proclamation

Lyme Disease Awareness Month September, 2018

WHEREAS, The City of St. Charles Illinois, its council and citizens stand firmly committed to promoting awareness in regards to the devastating physical and financial effects of Lyme Disease; and

WHEREAS, Fox River Harley Davidson, St. Charles and the Lyme Aide Team has provided significant leadership with community involvement and education regarding Lyme Disease; and

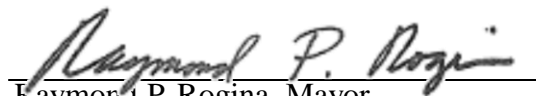
WHEREAS, “Lyme Aide”, an event promoting awareness and charitable help for victims of Lyme Disease is being held on September 9, 2018, and will encourage the support of victims and bring awareness of this disease to the community.

NOW, THEREFORE, I, Raymond P. Rogina, Mayor of the City of St. Charles, Illinois do hereby proclaim that the month of September will be know as **Lyme Disease Awareness Month**, in the City of St. Charles.

AND BE IT FURTHER RESOLVED, that this body enthusiastically endorses the event “**Lyme Aide**” and recommits our community to engage in programs and activities to bring awareness.

SEAL:




Raymond P. Rogina, Mayor



City of St. Charles
ILLINOIS

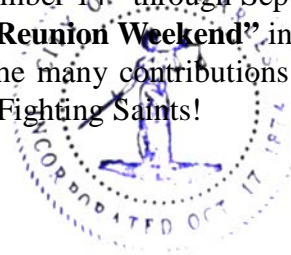
Proclamation

George E. Thompson High School Class of 1968 50th Reunion Weekend

- WHEREAS,** the members of the St. Charles George E. Thompson High School **Class of 1968** will gather together the weekend of September 14th through September 16th to celebrate their 50 year class reunion; and
- WHEREAS,** the members of the **Class of 1968** will remember all the fun times they had, such as Bonfires, Homecoming Games, Parades, Jr. Class Trip, Powder Keg and Sadie Hawkins, "Tooling" Main Street from Rex's to McDonald's, school dances (Homecoming, Christmas Formal, Prom), interacting with exchange students, pranking teachers or classmates and finally --- making it to Baccalaureate and Graduation; and
- WHEREAS,** the members of the **Class of 1968** participated in many school activities, such as the X-ray paper, Halo Yearbook, Plays, Musicals, Band and Choir Ensembles and Concerts, Academic, Career and Social Clubs, Sports, Cheerleading, Drill Teams, Student Council, Assemblies, Debates, It's Academic, Honors Day; and
- WHEREAS,** the members of the **Class of 1968** valued their education and support by teachers, coaches, staff, community leaders and neighbors who helped shape their lives so they could be outstanding examples of citizens and role models to those in communities where they chose to work and live; and
- WHEREAS,** the City of St. Charles is hopeful that this 50 year class reunion of the **Class of 1968** will be a memorable and enjoyable time for all who attend.

NOW, THEREFORE, I, Raymond P. Rogina, Mayor of the City of St. Charles, Illinois do so proclaim September 14th through September 16th as "**The George E. Thompson High School Class of 1968 Reunion Weekend**" in the City of St. Charles, Illinois, and extend our thanks to this class for the many contributions they have made over the last 50 years including future generations of Fighting Saints!

SEAL:




Raymond P. Rogina, Mayor

**MINUTES FOR THE MEETING OF THE ST. CHARLES CITY COUNCIL
MONDAY AUGUST 20, 2018 – 7:00 P.M.
CITY COUNCIL CHAMBER, CITY OF ST. CHARLES**

1. **Call to Order** by Mayor Rogina at 7:00 pm.
2. **Roll Call**
Present: Stellato, Silkaitis, Payleitner, Lemke, Turner, Gaugel, Vitek, Bessner, Lewis

Absent: Bancroft
3. **Invocation** by Ald. Payleitner.
4. **Pledge of Allegiance** by Mayor Rogina.
5. **Presentations**
 - Presentation of a Proclamation Honoring the 20th Anniversary of Youth Outlook.
 - Resident Recognition from America in Bloom.
 - Presentation of an Update on the St. Charles Youth Commission from Cheryl Denz.
 - Presentation from Fire Chief Joe Schelstreet of the International Accreditation Awarded to the St. Charles Fire Department from the Commission on Fire Accreditation International.
6. **Omnibus Vote. Items with an asterisk (*)** are considered to be routine matters and will be enacted by one motion. There will be no separate discussion on these items unless a council member/citizen so requests, in which event the item will be removed from the consent agenda and considered in normal sequence on the agenda.
- *7. Motion by Ald. Stellato and seconded by Ald. Silkaitis to accept and place on file minutes of the regular City Council meeting held August 6, 2018.

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner, Gaugel,
Vitek, Bessner, Lewis
NAY: 0
ABSENT: Bancroft
ABSTAIN: NONE

- *8. Motion by Ald. Stellato and seconded by Ald. Silkaitis to approve and authorize issuance of vouchers from the Expenditure Approval Lists for the periods of 7/16/2018 – 7/29/2018 the amount of \$2,689,039.41, and the period of 7/30/2018 – 8/12/2018 in the amount of \$2,178,377.40.

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner, Gaugel,
Vitek, Bessner, Lewis
NAY: 0
ABSENT: Bancroft
ABSTAIN: NONE

I. New Business

- A. Presentation of a Recommendation from Mayor Rogina to Approve the Appointment of Colleen Wiese to the St. Charles Youth Commission, motion by Ald. Turner and seconded by Ald. Bessner to approve.

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner, Gaugel,
Vitek, Bessner, Lewis
NAY: 0
ABSENT: Bancroft
ABSTAIN: NONE

- B. Presentation of a Recommendation from Mayor Rogina to Approve the Appointment of Richard Escalante to the St. Charles Corridor Improvement Commission, motion by Ald. Stellato and seconded by Ald. Silkaitis to approve.

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner, Gaugel,
Vitek, Bessner, Lewis
NAY: 0
ABSENT: Bancroft
ABSTAIN: NONE

- C. Motion by Ald. Payleitner and seconded by Ald. Bessner to approve a **Resolution 2018-103** requesting a Certificate of Necessity from the Illinois Department of Commerce and Economic Opportunity regarding Anthony Place at Prairie Centre.

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner, Gaugel,
Vitek, Bessner, Lewis
NAY: 0
ABSENT: Bancroft
ABSTAIN: NONE

II. Committee Reports

A. Government Operations

- *1. Motion by Ald. Stellato and seconded by Ald. Silkaitis to approve the closing of Parking Lot J and the 100 Block of Riverside Drive from 7 a.m. to 4 p.m. on Saturday, October 13 for Fire Department Open House Events.

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner, Gaugel,
Vitek, Bessner, Lewis
NAY: 0
ABSENT: Bancroft
ABSTAIN: NONE

- *2. Motion by Ald. Stellato and seconded by Ald. Silkaitis to approve the Purchase of 5 Zoll Medical Corporation Cardiac Monitors for the St. Charles Fire Department in the amount of \$139,420.60.

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner, Gaugel,
Vitek, Bessner, Lewis
NAY: 0
ABSENT: Bancroft
ABSTAIN: NONE

- *3. Motion by Ald. Stellato and seconded by Ald. Silkaitis to accept and place on file the minutes of the August 6, 2018 Government Operations Committee meeting.

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner, Gaugel,
Vitek, Bessner, Lewis
NAY: 0
ABSENT: Bancroft
ABSTAIN: NONE

B. Government Services

- *1. Motion by Ald. Stellato and seconded by Ald. Silkaitis to approve and place on file minutes of the May 29, 2018 Government Services Committee meeting.

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner, Gaugel,
Vitek, Bessner, Lewis
NAY: 0
ABSENT: Bancroft
ABSTAIN: NONE

C. Planning and Development

- *1. Motion by Ald. Stellato and seconded by Ald. Silkaitis to approve an **Ordinance 2018Z-17** granting approval of a Final Plat of Subdivision for Resubdivision #3 of the Resubdivision of Meijer #182 Subdivision.

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner, Gaugel,
Vitek, Bessner, Lewis
NAY: 0
ABSENT: Bancroft
ABSTAIN: NONE

- *2. Motion by Ald. Stellato and seconded by Ald. Silkaitis to approve an **Ordinance 2018-Z-18** granting approval of a Final Plat of Subdivision for Replat of LeRoy Oakes Re-subdivision.

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner, Gaugel,
Vitek, Bessner, Lewis
NAY: 0
ABSENT: Bancroft
ABSTAIN: NONE

- *3. Motion by Ald. Stellato and seconded by Ald. Silkaitis to approve an **Ordinance 2018-M-33** renaming New Peck Rd. to Peck Rd.

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner, Gaugel,
Vitek, Bessner, Lewis
NAY: 0
ABSENT: Bancroft
ABSTAIN: NONE

- *4. Motion by Ald. Stellato and seconded by Ald. Silkaitis to accept and place on file Plan Commission Resolution No. 12-2018 A Resolution Recommending Approval of an Application for Special Use to Amend PUD Ordinance 2004-Z-14 for Part of Lot 2, Tyler & 64 Business Park PUD (Vincent Fiore).

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner, Gaugel,
Vitek, Bessner, Lewis
NAY: 0
ABSENT: Bancroft
ABSTAIN: NONE

- *5. Motion by Ald. Stellato and seconded by Ald. Silkaitis to approve an **Ordinance 2018-Z-19** amending Ordinance No. 2004-Z-14 to allow Personal Services, Limited on part of Lot 2 (Tyler & 64 Business Park PUD).

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner, Gaugel,
Vitek, Bessner, Lewis
NAY: 0
ABSENT: Bancroft
ABSTAIN: NONE

- *6. Motion by Ald. Stellato and seconded by Ald. Silkaitis to accept and place on file Plan Commission Resolution 13-2018 A Resolution Recommending Approval of a General Amendment to Ch. 17.14 "Business and Mixed Use Districts", Table 17.14-1 "Permitted and Special Uses" to permit Health/Fitness Clubs in the BL District (Michael Saracco).

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner, Gaugel,
Vitek, Bessner, Lewis
NAY: 0
ABSENT: Bancroft
ABSTAIN: NONE

- *7. Motion by Ald. Stellato and seconded by Ald. Silkaitis to approve an **Ordinance 2018-Z-20** amending Title 17 of the St. Charles Municipal Code entitled "Zoning", Ch. 17.14 "Business and Mixed Use Districts", Table 17.14-1 "Permitted and Special Uses" (Health/Fitness Clubs in BL District).

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner, Gaugel,
Vitek, Bessner, Lewis
NAY: 0
ABSENT: Bancroft
ABSTAIN: NONE

- *8. Motion by Ald. Stellato and seconded by Ald. Silkaitis to accept and place on file Historic Preservation Commission Resolution No. **3-2018** A Resolution Recommending Approval of a Façade Improvement Grant Application (201 Chestnut Ave.).

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner, Gaugel,
Vitek, Bessner, Lewis
NAY: 0
ABSENT: Bancroft
ABSTAIN: NONE

- *9. Motion by Ald. Stellato and seconded by Ald. Silkaitis to approve A Resolution Authorizing the Mayor and City Council to Execute a Façade Improvement Agreement between the City of St. Charles and Laura Rice (201 Chestnut Ave.).

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner, Gaugel,
Vitek, Bessner, Lewis
NAY: 0
ABSENT: Bancroft
ABSTAIN: NONE

- *10. Motion by Ald. Stellato and seconded by Ald. Silkaitis to accept and place on file Plan Commission Resolution No. 14-2018 A Resolution Recommending Approval of an Amendment to Special Use for PUD Ordinance 2000-Z-1 and Minor Change to PUD Preliminary Plan for Main Street Commons PUD- Signs (Phillip Ramming).

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner, Gaugel,
Vitek, Bessner, Lewis
NAY: 0
ABSENT: Bancroft
ABSTAIN: NONE

- *11. Motion by Ald. Stellato and seconded by Ald. Silkaitis to approve an **Ordinance 2018-Z-21** Amending Ordinance No. 2000-Z-1 regarding Signs and Granting Approval of a Minor Change to PUD Preliminary Plan for Main Street Commons PUD (Signs and Landscaping).

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner, Gaugel,
Vitek, Bessner, Lewis
NAY: 0
ABSENT: Bancroft
ABSTAIN: NONE

- *12. Motion by Ald. Stellato and seconded by Ald. Silkaitis to accept and place on file Plan Commission Resolution No. 16-2018 A Resolution Recommending Approval of a General Amendment to Title 17 “Zoning” regarding “Small Wireless Facilities” (City of St. Charles).

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner, Gaugel,
Vitek, Bessner, Lewis
NAY: 0
ABSENT: Bancroft
ABSTAIN: NONE

- *13. Motion by Ald. Stellato and seconded by Ald. Silkaitis to approve an **Ordinance 2018-Z-22** Amending Title 17 of the St. Charles Municipal Code Entitled “Zoning” regarding Small Cell Wireless Facilities.

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner, Gaugel,
Vitek, Bessner, Lewis
NAY: 0
ABSENT: Bancroft
ABSTAIN: NONE

- *14. Motion by Ald. Stellato and seconded by Ald. Silkaitis to Approve an **Ordinance 2018-Z-23** Granting Approval of a Revised Final Plat of Subdivision for St. Charles Prairie Centre Re-subdivision No. 1.

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner, Gaugel,
Vitek, Bessner, Lewis
NAY: 0
ABSENT: Bancroft
ABSTAIN: NONE

- *15. Motion by Ald. Stellato and seconded by Ald. Silkaitis to accept and place on file minutes of the August 13, 2018 Planning & Development Committee meeting.

ROLL CALL VOTE: AYE: Stellato, Silkaitis, Payleitner, Lemke, Turner, Gaugel,
Vitek, Bessner, Lewis
NAY: 0
ABSENT: Bancroft
ABSTAIN: NONE

D. Executive Session

- Personnel – 5 ILCS 120/2(c)(1)
- Pending Litigation – 5 ILCS 120/2(c)(11)
- Probable or Imminent Litigation – 5 ILCS 120/2(c)(11)
- Property Acquisition – 5 ILCS 120/2(c)(5)
- Collective Bargaining – 5 ILCS 120/2(c)(2)
- Review of Executive Session Minutes – 5 ILCS 120/2(c)(21)

9. **Additional Items from Mayor, Council, Staff, or Citizen**
10. **Adjournment** motion by Ald. Bessner and seconded by Ald. Lewis at 7:35
VOICE VOTE: AYE - UNANIMOUS ABSENT: Bancroft MOTION CARRIED

Charles Amenta, City Clerk

CERTIFIED TO BE A TRUE COPY OF ORIGINAL

Charles Amenta, City Clerk

ADA Compliance

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Treasurer's Report
April 30, 2018

MONTHLY COUNCIL TREASURER'S REPORT

For The Period Ending April 30, 2018

Overview

The attached report is a summary of City financial activity from the beginning of the fiscal year through the above date. It is meant to provide adequate information in a form easily readable for members of the City Council to understand the financial status of the City. Definitions of the various report components are shown at the end of the report.

Budget Philosophy

The City budgeting philosophy is that the budget is not a static plan, but a working plan that must be routinely monitored and adjusted as new opportunities develop, prior projections do not materialize, or priorities change. Revisions are always made in the light of maintaining adequate cash surpluses, in accordance with City policies, and not making revisions that will severely hamper future years' operations.

Report Format

The report shows each fund summarized by major categories of revenues and expenditures. Year-to-date and annual projections show where we are today and where we expect to be at the end of the fiscal year. Each column provides meaningful information when compared with other columns. For instance, differences between the revised budget column and forecast column should be noted. The forecast is a calculated projection and the revised budget is a formal budget adjustment. Any material differences between the two should be investigated.

Comments

Property Taxes, Corporate Fund - Generally, we collect approximately 99% of the levy request.

Sale Taxes, Corporate Fund - Sale Tax from retailers are received 90 days after the date of sale. Sales tax receipts year to date were lower than anticipated, making receipts \$157,085 lower than proposed budget.

Franchise Fees, Corporate Fund - Actual receipts are \$232,326 lower than the proposed budget.

Income Tax, Corporate Fund - Actual receipts are \$277,017 lower than the projected year to date budget. These receipts are subject to changes in the economy and can fluctuate from projections.

Hotel Tax, Corporate Fund - Actual receipts are \$54,259 higher than the proposed budget.

Intergovernmental Revenue, Corporate Fund - This line includes all Federal and State grants as well as replacement tax.

User Charges, All Funds - Revenue from user charges for the year are \$604,718 lower than the projected year to date budget. These revenues can fluctuate with weather, particularly during the summer months.

Personal Services, All Funds - Personal Services are lower than the year to date budget projection for the year. This is due to the timing of new hires, vacancies and employer pension contributions.

Operating Expenses, All Funds - Operating expenses overall are lower than the budget projection for the year. This is due primarily to timing differences.

Capital Expenditures, All Funds - Capital variances are monitored by the department on a quarterly basis. Due to the nature of large expenditures, a specific date of purchase is sometimes difficult to predict.

Definitions

Reporting Periods - The report shows information for two broad reporting periods, year-to-date (YTD) and annual. Year-to-date is an indication of the status from the beginning of the fiscal year through the period being reported. Under this YTD category, three sub-categories are shown. Annual projections show the entire fiscal year and are also broken down into three categories.

Actual - The amount of money actually received or expended from the beginning of the fiscal year (May 1) through the period being

Budget - The revised budget from the beginning of the fiscal year through the period shown.

Last Year - The amount of money actually received or expended last fiscal year for the same months shown under "actual".

Original Budget - The amount originally budgeted and approved by the City Council for the fiscal year in April.

Revised Budget - This is the budget resulting from changes to the original budget. It reflects the most recent formal review and reflects the revisions approved periodically by the City Council.

Forecast - The forecast shows a projection determined by adding the amount actually received or expended to date, plus the months remaining of the revised budget after the period being reported, i.e. annual revised budget - YTD budget + actual.

Permanent Variance - A variance between the budget and forecast which will be permanent and not corrected at a later date.

Timing Variance - A variance between the budget and forecast which will be corrected at a later time during the fiscal year.

Jo Krieger, Treasurer

Balance Sheet
As of April 30, 2018

City of St. Charles, Illinois
All Fund Types and Account Groups
Combined Balance Sheet
April 30, 2018

		Governmental Funds				Proprietary Funds		Fiduciary Funds	Account Groups
	Total Memorandum Only	General Corporate	Special Revenue	Capital Projects	Debt Service	Enterprise	Internal Service	Trust	General Fixed Assets & Debt
<u>Assets</u>									
Cash & Investments	\$ 139,864,262	\$ 20,558,035	\$ 2,682,541	\$ 5,196,933	\$ 1,991	\$ 26,838,653	\$ 12,420,334	\$ 72,165,775	\$ -
Restricted Cash	23,314,529	-	-	19,100,033	1,977,938	2,214,183	22,375	-	-
Receivables									
Property Taxes	14,443,652	12,461,883	1,683,724	24,192	238,853	35,000	-	-	-
Customers - Net	10,728,090	636,935	-	44	-	10,002,001	89,110	-	-
Interest	179,690	23,330	-	-	-	18,643	3,597	134,120	-
Prepaid Expenses	631,569	159,867	-	26,283	-	181,201	218,482	45,736	-
Due from Other Governments	4,605,497	4,503,517	75,486	26,494	-	-	-	-	-
Due from Other Funds	1,772,585	370,336	-	-	701,249	701,000	-	-	-
Due from Other Companies	-	-	-	-	-	-	-	-	-
Inventory	4,680,777	-	-	-	-	-	4,680,777	-	-
Deferred Charges	14,541,692	-	-	-	-	1,527,638	-	-	13,014,054
Advances to Other Funds	6,998,996	5,549,802	-	-	-	801,624	647,570	-	-
Other Assets	621,798	621,798	-	-	-	-	-	-	-
Capital Assets									
Land	65,078,192	-	-	-	-	2,162,294	-	-	62,915,898
Intangibles	5,014,857	-	-	-	-	647,753	-	-	4,367,104
Buildings	118,233,703	-	-	-	-	66,026,930	-	-	52,206,773
Improvements	347,260,253	-	-	-	-	189,571,394	1,233,272	-	156,455,587
Equipment	12,278,621	-	-	-	-	6,839,532	456,117	-	4,982,972
Vehicles	14,663,595	-	-	-	-	4,249,375	10,414,220	-	-
Construction in Progress	12,481,450	-	-	-	-	10,965,093	-	-	1,516,357
Accumulated Depreciation	(246,008,068)	-	-	-	-	(129,810,581)	(6,189,733)	-	(110,007,754)
Total Assets	\$ 551,385,740	\$ 44,885,503	\$ 4,441,751	\$ 24,373,979	\$ 2,920,031	\$ 192,971,733	\$ 23,996,121	\$ 72,345,631	\$ 185,450,991

City of St. Charles, Illinois
All Fund Types and Account Groups
Combined Balance Sheet
April 30, 2018

		Governmental Funds				Proprietary Funds		Fiduciary Funds	Account Groups
	Total Memorandum Only	General Corporate	Special Revenue	Capital Projects	Debt Service	Enterprise	Internal Service	Trust	General Fixed Assets & Debt
Liabilities & Equity									
Liabilities-									
Accounts Payable	\$ 9,371,353	\$ 1,192,358	\$ 317,289	\$ 1,048,563	\$ -	\$ 6,397,705	\$ 414,298	\$ 1,140	\$ -
Contracts Payable	498,617	-	1,039	34,506	-	463,072	-	-	-
Claims Payable	1,480,359	-	-	-	-	78,424	1,401,935	-	-
Accrued Salaries	635,151	496,471	-	-	-	118,938	19,742	-	-
Accrued Interest	1,451,423	-	-	-	-	379,294	-	-	1,072,129
Escrows & Deposits	2,614,643	2,075,666	-	-	-	538,977	-	-	-
Due to Other Funds	1,772,585	701,249	-	-	370,336	-	701,000	-	-
Deferred Revenue	27,911,066	12,728,865	1,683,724	24,192	238,853	3,421,833	584	-	9,813,015
Due to Other Governments	860,372	-	63,784	-	-	228,444	-	-	568,144
Advances from Other Funds	6,998,996	-	3,345,386	1,791,986	-	1,060,000	801,624	-	-
Accrued Compensated Absences	4,038,536	-	-	-	-	435,715	82,434	-	3,520,387
Net OPEB Obligation	3,430,419	-	-	-	-	501,538	39,847	-	2,889,034
Net Pension Liability	53,463,923	-	-	-	-	1,339,612	-	-	52,124,311
General Obligation Bonds	103,344,868	-	-	-	-	18,204,617	-	-	85,140,251
Revenue Bonds	5,770,000	-	-	-	-	-	-	-	5,770,000
Installment Contracts	61,523	-	-	-	-	-	-	-	61,523
IEPA Loans	31,707,172	-	-	-	-	31,707,172	-	-	-
Total Liabilities	255,411,006	17,194,609	5,411,222	2,899,247	609,189	64,875,341	3,461,464	1,140	160,958,794
Equity-									
Fund Balance	74,999,194	27,690,894	(969,471)	21,474,732	2,310,842	-	-	-	24,492,197
Retained Earnings	220,975,540	-	-	-	-	128,096,392	20,534,657	72,344,491	-
Total Equity	295,974,734	27,690,894	(969,471)	21,474,732	2,310,842	128,096,392	20,534,657	72,344,491	24,492,197
Total Liabilities & Equity	\$ 551,385,740	\$ 44,885,503	\$ 4,441,751	\$ 24,373,979	\$ 2,920,031	\$ 192,971,733	\$ 23,996,121	\$ 72,345,631	\$ 185,450,991

Summary of Revenue and Expenditures
for the Period Ending April 30, 2018

Monthly Council Treasurer's Report
May 1, 2017 - April 30, 2018

<u>Actual</u>	<u>Budget</u>	<u>Last Year</u>		<u>Original Budget</u>	<u>Revised Budget</u>	<u>Forecast</u>
Corporate Fund						
Revenue						
12,389,897	12,498,375	12,447,465	Property Taxes	12,498,375	12,498,375	12,389,897
17,506,879	17,663,964	17,025,805	Sales & Use Taxes	17,766,634	17,663,964	17,506,879
55,662	70,668	58,839	Admission Taxes	70,668	70,668	55,662
3,695,127	3,927,453	3,738,184	Franchise Fees	3,927,453	3,927,453	3,695,127
1,939,791	1,885,532	1,905,544	Hotel Tax	1,885,532	1,885,532	1,939,791
830,799	958,848	901,280	Telecommunication Tax	958,848	958,848	830,799
1,211,935	1,159,725	1,130,982	Alcohol Tax	1,159,725	1,159,725	1,211,935
735,823	550,876	557,836	Licenses & Permits	550,876	550,876	735,823
475,527	412,606	368,727	Fines & Court Fees	412,606	412,606	475,527
2,990,144	3,267,161	3,157,534	State Tax Allotments	3,546,146	3,267,161	2,990,144
309,476	281,118	283,685	Intergovernmental Revenue	266,972	281,118	309,476
537,310	504,558	552,401	Reimbursement for Services	466,805	504,558	537,310
114,289	91,647	179,358	Miscellaneous Revenue	91,647	91,647	114,289
7,428	8,500	20,570	Sale of Property	8,500	8,500	7,428
162,162	146,350	164,853	Investment Income	146,350	146,350	162,162
195,000	195,000	190,000	Interfund Transfers	195,000	195,000	195,000
43,157,249	43,622,381	42,683,063	Total Revenue	43,952,137	43,622,381	43,157,249
Expenditures						
29,346,891	30,004,731	27,568,788	Personal Services	30,003,305	30,004,731	29,346,891
1,460,672	1,761,444	1,281,332	Commodities	1,526,661	1,761,444	1,460,672
9,156,561	10,562,821	9,004,871	Contractual Services	10,043,644	10,562,821	9,156,561
1,373,189	1,375,090	1,404,547	Replacement Reserves	1,375,090	1,375,090	1,373,189
(64,866)	(70,311)	(37,507)	Other Operating Expenditures	174,383	(70,311)	(64,866)
(5,126,250)	(5,126,250)	(5,004,768)	Allocations	(5,126,250)	(5,126,250)	(5,126,250)
109,107	148,080	121,453	Capital	136,350	148,080	109,107
4,586	4,586	4,586	Debt Service Costs	4,586	4,586	4,586
6,900,636	6,996,716	6,232,517	Interfund Transfers	6,464,368	6,996,716	6,900,636
43,160,526	45,656,907	40,575,819	Total Expenditures	44,602,137	45,656,907	43,160,526

Monthly Council Treasurer's Report
May 1, 2017 - April 30, 2018

<u>Actual</u>	<u>Budget</u>	<u>Last Year</u>		<u>Original Budget</u>	<u>Revised Budget</u>	<u>Forecast</u>
Electric Fund						
Revenue						
35,000	35,000	35,000	Property Taxes	35,000	35,000	35,000
61,835,798	61,799,564	62,273,905	User Charges	61,799,564	61,799,564	61,835,798
1,060,134	1,109,000	933,424	Reimbursement for Services	279,000	1,109,000	1,060,134
242,932	174,500	170,844	Miscellaneous Revenue	174,500	174,500	242,932
61,149	40,000	97,514	Sale of Property	40,000	40,000	61,149
304,927	304,927	287,192	Reserves	304,927	304,927	304,927
156,553	15,000	49,054	Investment Income	15,000	15,000	156,553
684,983	708,026	3,121,983	Financing Proceeds	2,230,000	708,026	684,983
297,202	297,203	318,712	Interfund Transfers	295,664	297,203	297,202
64,678,678	64,483,220	67,287,628	Total Revenue	65,173,655	64,483,220	64,678,678
Expenditures						
3,713,658	3,875,312	3,774,487	Personal Services	3,875,812	3,875,312	3,713,658
267,644	346,404	184,175	Commodities	292,443	346,404	267,644
42,752,559	44,944,522	42,344,815	Contractual Services	44,741,814	44,944,522	42,752,559
226,750	226,750	212,192	Replacement Reserves	226,750	226,750	226,750
5,419,346	6,218,060	5,660,163	Other Operating Expenditures	6,215,723	6,218,060	5,419,346
2,068,619	2,068,619	1,971,701	Allocations	2,068,619	2,068,619	2,068,619
4,548,996	7,961,591	4,129,839	Capital	4,664,350	7,961,591	4,548,996
1,180,800	1,288,222	1,125,022	Debt Service Costs	1,282,771	1,288,222	1,180,800
499,870	499,870	498,429	Interfund Transfers	499,869	499,870	499,870
60,678,242	67,429,350	59,900,823	Total Expenditures	63,868,151	67,429,350	60,678,242
Water Fund						
Revenue						
144,660	220,000	-	Intergovernmental Revenue	220,000	220,000	144,660
6,062,170	6,276,524	5,711,490	User Charges	6,276,524	6,276,524	6,062,170
24,177	22,850	24,851	Reimbursement for Services	22,850	22,850	24,177
646,560	171,170	499,018	Miscellaneous Revenue	171,170	171,170	646,560
64,389	30,000	36,054	Sale of Property	30,000	30,000	64,389
129,614	129,614	132,868	Reserves	129,614	129,614	129,614
28,154	32,650	32,004	Investment Income	32,650	32,650	28,154
500,037	505,877	3,068,440	Financing Proceeds	672,000	505,877	500,037
7,599,761	7,388,685	9,504,725	Total Revenue	7,554,808	7,388,685	7,599,761

Monthly Council Treasurer's Report
May 1, 2017 - April 30, 2018

<u>Actual</u>	<u>Budget</u>	<u>Last Year</u>		<u>Original Budget</u>	<u>Revised Budget</u>	<u>Forecast</u>
Water Fund Continued						
Expenditures						
1,488,651	1,537,332	1,463,804	Personal Services	1,536,932	1,537,332	1,488,651
537,055	603,290	416,820	Commodities	573,154	603,290	537,055
1,266,469	1,163,382	1,217,643	Contractual Services	1,100,752	1,163,382	1,266,469
91,352	91,352	92,868	Replacement Reserves	91,352	91,352	91,352
65,541	132,742	(86,638)	Other Operating Expenditures	72,612	132,742	65,541
908,373	908,373	896,012	Allocations	908,373	908,373	908,373
1,021,574	2,458,475	1,325,721	Capital	2,570,192	2,458,475	1,021,574
1,235,057	1,275,748	912,061	Debt Service Costs	1,240,816	1,275,748	1,235,057
159,509	159,509	159,415	Interfund Transfers	159,509	159,509	159,509
6,773,581	8,330,203	6,397,706	Total Expenditures	8,253,692	8,330,203	6,773,581
Wastewater Fund						
Revenue						
29,151	28,000	27,557	Intergovernmental Revenue	28,000	28,000	29,151
9,551,129	9,926,701	8,891,307	User Charges	9,926,701	9,926,701	9,551,129
28,289	25,000	24,846	Reimbursement for Services	25,000	25,000	28,289
890,613	119,000	164,358	Miscellaneous Revenue	119,000	119,000	890,613
-	5,050	(2,313)	Sale of Property	5,050	5,050	-
298,890	298,890	306,671	Reserves	298,890	298,890	298,890
32,405	15,500	16,382	Investment Income	15,500	15,500	32,405
5,956,328	14,769,256	-	Financing Proceeds	7,108,000	14,769,256	5,956,328
16,786,805	25,187,397	9,428,808	Total Revenue	17,526,141	25,187,397	16,786,805
Expenditures						
2,080,104	2,108,872	2,102,846	Personal Services	2,108,982	2,108,872	2,080,104
282,097	300,371	263,212	Commodities	288,210	300,371	282,097
2,476,298	2,276,034	2,153,265	Contractual Services	2,180,966	2,276,034	2,476,298
198,768	198,768	206,671	Replacement Reserves	198,768	198,768	198,768
74,158	85,848	67,641	Other Operating Expenditures	85,848	85,848	74,158
1,347,093	1,347,093	1,332,164	Allocations	1,347,093	1,347,093	1,347,093
5,626,054	15,999,687	1,649,733	Capital	7,890,200	15,999,687	5,626,054
2,123,851	2,166,225	2,057,043	Debt Service Costs	2,162,331	2,166,225	2,123,851
304,175	304,175	303,692	Interfund Transfers	304,175	304,175	304,175
14,512,598	24,787,073	10,136,267	Total Expenditures	16,566,573	24,787,073	14,512,598

Monthly Council Treasurer's Report
May 1, 2017 - April 30, 2018

<u>Actual</u>	<u>Budget</u>	<u>Last Year</u>		<u>Original Budget</u>	<u>Revised Budget</u>	<u>Forecast</u>
Refuse Fund						
Revenue						
519,050	516,560	513,854	User Charges	516,560	516,560	519,050
-	-	-	Reimbursement for Services	-	-	-
6,758	7,900	7,110	Miscellaneous Revenue	7,900	7,900	6,758
17,157	10,000	43,585	Sale of Property	10,000	10,000	17,157
2,135	900	1,290	Investment Income	900	900	2,135
80,000	80,000	232,345	Interfund Transfers	80,000	80,000	80,000
625,100	615,360	798,184	Total Revenue	615,360	615,360	625,100
Expenditures						
5,510	6,000	3,778	Commodities	6,000	6,000	5,510
558,274	562,786	735,278	Contractual Services	534,336	562,786	558,274
-	1,332	-	Other Operating Expenditures	1,332	1,332	-
69,744	69,744	92,824	Allocations	69,744	69,744	69,744
633,528	639,862	831,880	Total Expenditures	611,412	639,862	633,528
TIF Funds						
Revenue						
1,452,752	1,633,970	1,494,040	Property Taxes	1,633,970	1,633,970	1,452,752
-	33,492	28,156	Sales & Use Taxes	33,492	33,492	-
-	73,586	52,791	Hotel Tax	73,586	73,586	-
3,168	1,458	1,532	Investment Income	1,458	1,458	3,168
-	-	-	Interfund Transfers	-	-	-
1,455,920	1,742,506	1,576,519	Total Revenue	1,742,506	1,742,506	1,455,920
Expenditures						
14,146	14,146	125,322	Contractual Services	-	14,146	14,146
1,152,352	1,152,352	1,505,045	Interfund Transfers	1,307,420	1,152,352	1,152,352
1,166,498	1,166,498	1,630,367	Total Expenditures	1,307,420	1,166,498	1,166,498
Motor Fuel Tax Fund						
Revenue						
876,028	845,000	870,414	State Tax Allotments	845,000	845,000	876,028
16,270	4,000	7,713	Investment Income	4,000	4,000	16,270
-	-	-	Interfund Transfers	-	-	-
892,298	849,000	878,127	Total Revenue	849,000	849,000	892,298

Monthly Council Treasurer's Report
May 1, 2017 - April 30, 2018

<u>Actual</u>	<u>Budget</u>	<u>Last Year</u>		<u>Original Budget</u>	<u>Revised Budget</u>	<u>Forecast</u>
Motor Fuel Tax Fund Continued						
Expenditures						
883,015	1,453,822	1,235,888	Capital	1,453,822	1,453,822	883,015
883,015	1,453,822	1,235,888	Total Expenditures	1,453,822	1,453,822	883,015
Capital Project Funds						
Revenue						
24,305	24,475	24,475	Property Taxes	24,475	24,475	24,305
114,327	65,000	-	State Tax Allotments	65,000	65,000	114,327
82,890	-	557,220	Intergovernmental Revenue	-	-	82,890
-	-	1,200	Reimbursement for Services	-	-	-
108,230	170,517	396,182	Miscellaneous Revenue	44,000	170,517	108,230
-	1,901	-	Reserves	250,872	1,901	-
68,116	20,600	38,709	Investment Income	20,600	20,600	68,116
19,848,784	19,848,784	4,436,502	Financing Proceeds	2,843,468	19,848,784	19,848,784
5,682,863	6,097,741	2,656,549	Interfund Transfers	2,777,926	6,097,741	5,682,863
25,929,515	26,229,018	8,110,837	Total Revenue	6,026,341	26,229,018	25,929,515
Expenditures						
-	-	-	Commodities	-	-	-
302,350	539,187	182,081	Contractual Services	161,000	539,187	302,350
-	-	208	Other Operating Expenditures	-	-	-
6,345,337	13,165,629	6,089,297	Capital	7,181,900	13,165,629	6,345,337
152,778	152,779	32,510	Debt Service Costs	-	152,779	152,778
3,347,313	3,666,118	917,750	Interfund Transfers	722,044	3,666,118	3,347,313
10,147,778	17,523,713	7,221,846	Total Expenditures	8,064,944	17,523,713	10,147,778
Debt Service Funds						
Revenue						
238,455	-	237,387	Property Taxes	-	-	238,455
1,064,286	1,071,470	910,854	Sales & Use Taxes	1,071,470	1,071,470	1,064,286
14,488	750	1,751	Investment Income	750	750	14,488
-	-	16,903,573	Financing Proceeds	-	-	-
6,170,454	6,170,460	6,220,907	Interfund Transfers	6,170,460	6,170,460	6,170,454
7,487,683	7,242,680	24,274,472	Total Revenue	7,242,680	7,242,680	7,487,683
Expenditures						
7,273	7,348	121,378	Contractual Services	7,278	7,348	7,273
7,366,448	7,366,455	24,400,683	Debt Service Costs	7,366,455	7,366,455	7,366,448
7,373,721	7,373,803	24,522,061	Total Expenditures	7,373,733	7,373,803	7,373,721

Monthly Council Treasurer's Report
May 1, 2017 - April 30, 2018

<u>Actual</u>	<u>Budget</u>	<u>Last Year</u>		<u>Original Budget</u>	<u>Revised Budget</u>	<u>Forecast</u>
Inventory Fund						
Revenue						
445	-	-	Miscellaneous Revenue	-	-	445
1,076,721	1,006,024	882,876	Charges to Other Funds	1,006,024	1,006,024	1,076,721
3,001,176	3,000,000	2,395,318	Sale of Inventory	3,000,000	3,000,000	3,001,176
455	6,000	6,700	Sale of Property	6,000	6,000	455
23,964	22,063	24,613	Reserves	22,063	22,063	23,964
(2,587)	-	(509)	Investment Income	-	-	(2,587)
4,100,174	4,034,087	3,308,998	Total Revenue	4,034,087	4,034,087	4,100,174
Expenditures						
446,180	461,347	447,295	Personal Services	461,887	461,347	446,180
2,964,831	3,042,053	2,463,551	Commodities	3,041,443	3,042,053	2,964,831
68,564	68,776	57,088	Contractual Services	66,513	68,776	68,564
15,579	15,579	14,613	Replacement Reserves	13,678	15,579	15,579
4,098	3,893	2,881	Other Operating Expenditures	2,076	3,893	4,098
310,092	310,092	300,120	Allocations	310,092	310,092	310,092
1,416	1,416	1,195	Capital	-	1,416	1,416
3,810,760	3,903,156	3,286,743	Total Expenditures	3,895,689	3,903,156	3,810,760
Motor Vehicle Replacement Fund						
Revenue						
-	-	127,560	Miscellaneous Revenue	-	-	-
1,049,962	1,640,285	1,269,519	Charges to Other Funds	1,640,285	1,640,285	1,049,962
26,292	-	254,563	Sale of Property	-	-	26,292
1,215,553	1,215,553	1,264,572	Reserves	1,215,553	1,215,553	1,215,553
44,454	7,500	13,339	Investment Income	7,500	7,500	44,454
2,336,261	2,863,338	2,929,553	Total Revenue	2,863,338	2,863,338	2,336,261
Expenditures						
545,713	674,451	613,598	Personal Services	672,451	674,451	545,713
352,855	398,591	355,668	Commodities	398,624	398,591	352,855
191,080	212,459	165,246	Contractual Services	209,555	212,459	191,080
9,147	9,147	8,746	Replacement Reserves	9,147	9,147	9,147
43,999	116,263	40,514	Other Operating Expenditures	43,080	116,263	43,999
286,021	286,021	278,975	Allocations	286,021	286,021	286,021
1,106,757	1,044,043	1,482,889	Capital	289,000	1,044,043	1,106,757
-	-	-	Interfund Transfers	-	-	-
2,535,572	2,740,975	2,945,636	Total Expenditures	1,907,878	2,740,975	2,535,572

Monthly Council Treasurer's Report
May 1, 2017 - April 30, 2018

<u>Actual</u>	<u>Budget</u>	<u>Last Year</u>		<u>Original Budget</u>	<u>Revised Budget</u>	<u>Forecast</u>
Health Insurance Fund						
Revenue						
-	-	-	Miscellaneous Revenue	-	-	-
4,249,473	4,279,000	4,256,821	Insurance Premiums	4,279,000	4,279,000	4,249,473
21,540	18,000	15,260	Investment Income	18,000	18,000	21,540
4,271,013	4,297,000	4,272,081	Total Revenue	4,297,000	4,297,000	4,271,013
Expenditures						
19,765	38,920	22,054	Personal Services	38,920	38,920	19,765
2,589	4,300	1,637	Commodities	4,300	4,300	2,589
822,383	906,258	759,161	Contractual Services	784,025	906,258	822,383
3,500,522	3,449,979	3,205,351	Other Operating Expenditures	3,288,500	3,449,979	3,500,522
112,476	112,476	109,728	Allocations	112,476	112,476	112,476
-	-	-	Interfund Transfers	-	-	-
4,457,735	4,511,933	4,097,931	Total Expenditures	4,228,221	4,511,933	4,457,735
WC & Liability Fund						
Revenue						
52,601	20,000	51,625	Miscellaneous Revenue	20,000	20,000	52,601
1,000,000	1,000,000	1,000,000	Insurance Premiums	1,000,000	1,000,000	1,000,000
43,796	15,000	18,695	Investment Income	15,000	15,000	43,796
-	-	60,000	Interfund Transfers	-	-	-
1,096,397	1,035,000	1,130,320	Total Revenue	1,035,000	1,035,000	1,096,397
Expenditures						
503,014	526,835	481,188	Contractual Services	485,700	526,835	503,014
639,931	570,697	610,728	Other Operating Expenditures	456,000	570,697	639,931
11,172	11,172	10,896	Allocations	11,172	11,172	11,172
-	-	-	Interfund Transfers	-	-	-
1,154,117	1,108,704	1,102,812	Total Expenditures	952,872	1,108,704	1,154,117

Monthly Council Treasurer's Report
May 1, 2017 - April 30, 2018

<u>Actual</u>	<u>Budget</u>	<u>Last Year</u>		<u>Original Budget</u>	<u>Revised Budget</u>	<u>Forecast</u>
Communications Fund						
Revenue						
422,958	476,474	440,473	User Charges	476,474	476,474	422,958
11,510	11,510	12,037	Reserves	11,510	11,510	11,510
1,696	650	822	Investment Income	650	650	1,696
-	-	-	Interfund Transfers	-	-	-
436,164	488,634	453,332	Total Revenue	488,634	488,634	436,164
Expenditures						
97,307	183,662	132,036	Personal Services	171,988	183,662	97,307
7,765	10,600	2,878	Commodities	8,100	10,600	7,765
47,162	82,473	41,403	Contractual Services	83,373	82,473	47,162
1,103	1,103	1,037	Replacement Reserves	1,103	1,103	1,103
9,226	9,740	11,914	Other Operating Expenditures	8,840	9,740	9,226
12,660	12,660	12,348	Allocations	12,660	12,660	12,660
102,850	173,476	126,356	Capital	127,500	173,476	102,850
61,664	61,664	61,664	Interfund Transfers	61,664	61,664	61,664
339,737	535,378	389,636	Total Expenditures	475,228	535,378	339,737

Monthly Council Treasurer's Report
May 1, 2017 - April 30, 2018

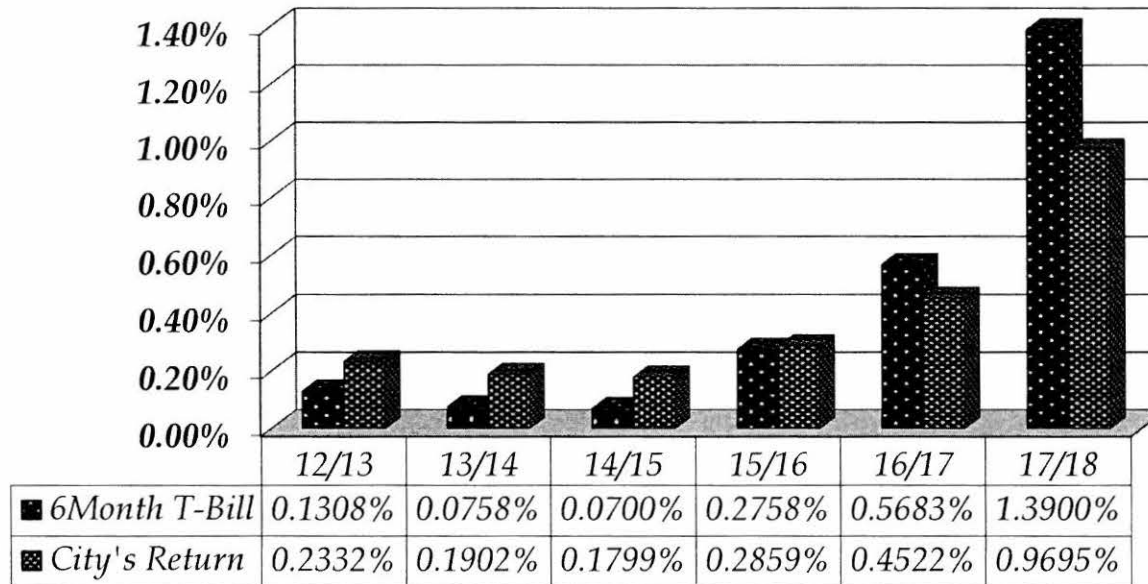
<u>Actual</u>	<u>Budget</u>	<u>Last Year</u>		<u>Original Budget</u>	<u>Revised Budget</u>	<u>Forecast</u>
All Funds						
Revenue						
14,140,409	14,191,820	14,238,367	Property Tax	14,191,820	14,191,820	14,140,409
18,571,165	18,768,926	17,964,815	Sales & Use Tax	18,871,596	18,768,926	18,571,165
55,662	70,668	58,839	Admissions Tax	70,668	70,668	55,662
3,695,127	3,927,453	3,738,184	Franchise Fees	3,927,453	3,927,453	3,695,127
1,939,791	1,959,118	1,958,335	Hotel Tax	1,959,118	1,959,118	1,939,791
830,799	958,848	901,280	Telecommunication Tax	958,848	958,848	830,799
1,211,935	1,159,725	1,130,982	Alcohol Tax	1,159,725	1,159,725	1,211,935
735,823	550,876	557,836	Licenses & Permits	550,876	550,876	735,823
475,527	412,606	368,727	Fines & Court Fees	412,606	412,606	475,527
3,980,499	4,177,161	4,027,948	State Tax Allotments	4,456,146	4,177,161	3,980,499
566,177	529,118	868,462	Intergovernmental Revenue	514,972	529,118	566,177
78,391,105	78,995,823	77,831,029	User Charges	78,995,823	78,995,823	78,391,105
1,649,910	1,661,408	1,536,722	Reimbursement for Services	793,655	1,661,408	1,649,910
2,062,428	754,734	1,596,055	Miscellaneous Revenue	628,217	754,734	2,062,428
2,126,683	2,646,309	2,152,395	Charges to Other Funds	2,646,309	2,646,309	2,126,683
3,178,046	3,099,550	2,851,991	Sale Of Property	3,099,550	3,099,550	3,178,046
1,984,458	1,984,458	2,027,953	Reserves	2,233,429	1,984,458	1,984,458
5,249,473	5,279,000	5,256,821	Insurance Premiums	5,279,000	5,279,000	5,249,473
592,350	278,358	360,895	Investment Income	278,358	278,358	592,350
26,990,132	35,831,943	27,530,498	Financing Proceeds	12,853,468	35,831,943	26,990,132
12,425,519	12,840,404	9,678,513	Interfund Transfers	9,519,050	12,840,404	12,425,519
180,853,018	190,078,306	176,636,647	Total Revenue	163,400,687	190,078,306	180,853,018
Expenditures						
37,738,269	38,884,627	36,124,908	Personal Services	38,870,277	38,884,627	37,738,269
5,881,018	6,473,053	4,973,051	Commodities	6,138,935	6,473,053	5,881,018
58,166,133	61,867,027	57,388,739	Contractual Services	60,398,956	61,867,027	58,166,133
1,915,888	1,917,789	1,940,674	Replacement Reserves	1,915,888	1,917,789	1,915,888
9,691,955	10,518,243	9,475,255	Other Operating Expenditures	10,348,394	10,518,243	9,691,955
-	-	-	Allocations	-	-	-
19,745,106	42,406,219	16,162,371	Capital	24,313,314	42,406,219	19,745,106
12,063,520	12,254,015	28,531,905	Debt Service Costs	12,056,959	12,254,015	12,063,520
12,425,519	12,840,404	9,678,512	Interfund Transfers	9,519,049	12,840,404	12,425,519
157,627,408	187,161,377	164,275,415	Total Expenditures	163,561,772	187,161,377	157,627,408

Investment Summary

April 30, 2018

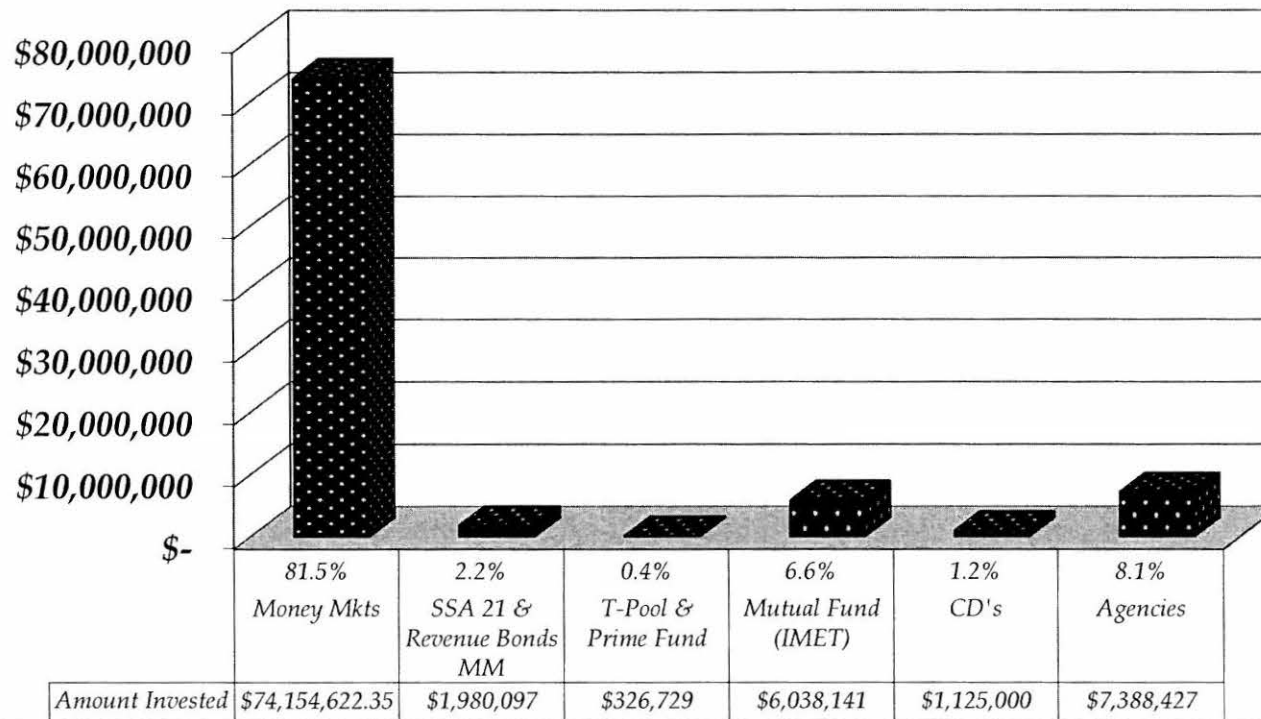


City of St. Charles Investment Portfolio Earnings Comparison



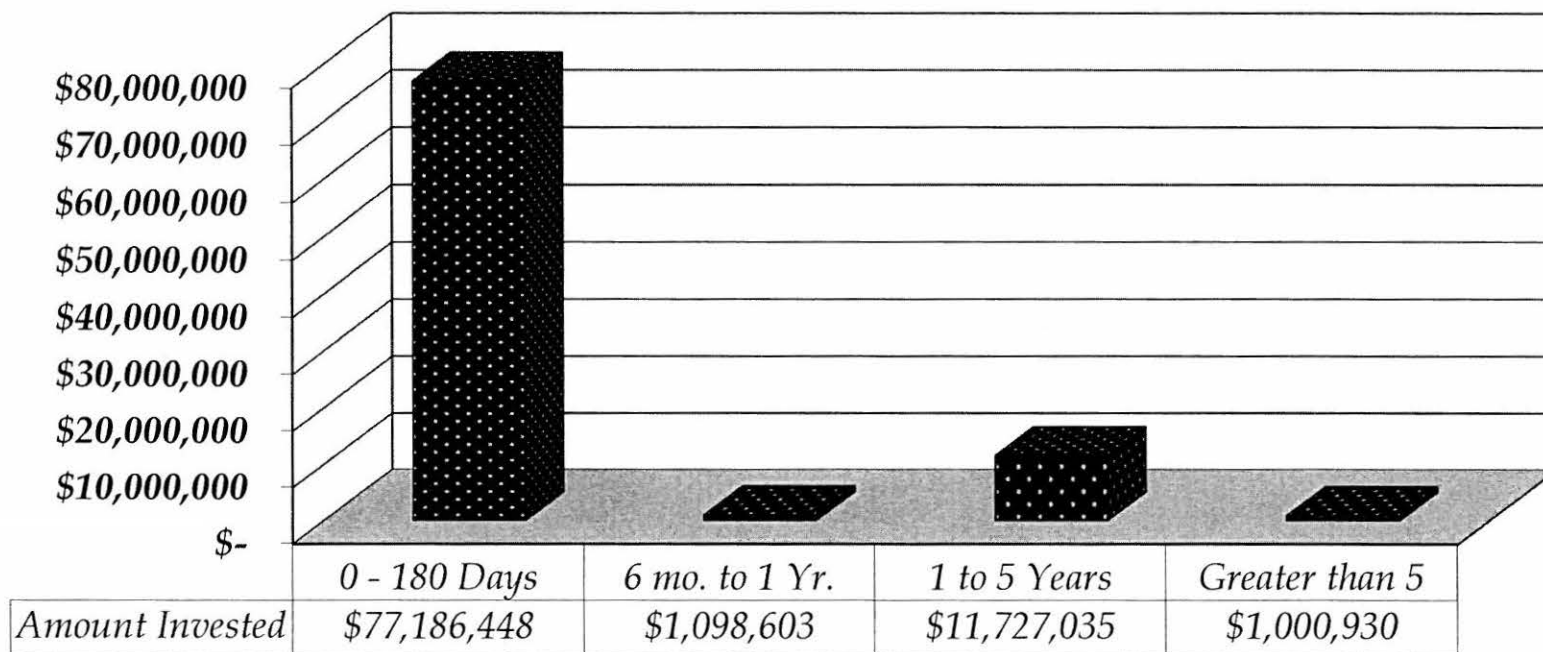
The chart above displays the return on investments for the City of St. Charles portfolio by fiscal year. The Current fiscal year return is computed from May 1 to the current month end. We are comparing the City's return to the average return on the 6 month T-Bill for the same period of time. The City invests in some longer term securities in order to maximize returns. Historically, the City has proven to prevail with this type of philosophy. During sharp rises in interest rates, the City's portfolio may not seem to perform as well, but over time, when combined with the higher returns, the City still comes out ahead. This graph does not include any pension funds.

City of St. Charles Investment Portfolio by Type - April 30, 2018



The chart above displays the City of St. Charles investment portfolio by type of investment. As shown the portfolio is distributed among several investment types. US Treasuries include Treasury Bills, Treasury Notes, Zero Coupon Bonds and Treasury Bonds. The City invests in US Agencies which are government agencies such as Federal Home Loan Bank and Farm Credit Bank. These yield a higher return than treasuries and afford government protection. Money is invested in the Treasurer's Pool, IMET, Commercial Paper and Certificates of Deposit. The City tries to maintain a diversified portfolio to maximize return yet, most importantly, to preserve principal. This chart is only the City's main portfolio and bond investments. SSA 21 and Revenue Bonds money markets are held by Amalgamated Bank in Chicago for investment for those bond issues. This chart does not include pension funds.

City of St. Charles Investment Portfolio Composition - April 30, 2018



The chart above displays the aging of the City of St. Charles investment portfolio. A portion of the City's money is invested in U.S. Agencies, the Treasurer's Pool, commercial paper, collateralized certificates of deposit, as well as IMET (the intergovernmental mutual fund). The City's portfolio is also inflated by bond proceeds which must remain short term to cover construction payouts. The City does invest in some long term securities for capital gains purposes. However, according to policy that amount does not exceed 9% of cost. Timing maturities is very important for the City. We need to allow for cash flow yet maximize return by investing in longer maturities which typically earn a higher yield. Investment maturities are "laddered" as much as possible, to allow for any unforeseen expenditure. The City does not invest funds for the police and fire pension funds, therefore they are not part of this chart.

Treasurer's Report
May 31, 2018

MONTHLY COUNCIL TREASURER'S REPORT

For The Period Ending May 31, 2018

Overview

The attached report is a summary of City financial activity from the beginning of the fiscal year through the above date. It is meant to provide adequate information in a form easily readable for members of the City Council to understand the financial status of the City. Definitions of the various report components are shown at the end of the report.

Budget Philosophy

The City budgeting philosophy is that the budget is not a static plan, but a working plan that must be routinely monitored and adjusted as new opportunities develop, prior projections do not materialize, or priorities change. Revisions are always made in the light of maintaining adequate cash surpluses, in accordance with City policies, and not making revisions that will severely hamper future years' operations.

Report Format

The report shows each fund summarized by major categories of revenues and expenditures. Year-to-date and annual projections show where we are today and where we expect to be at the end of the fiscal year. Each column provides meaningful information when compared with other columns. For instance, differences between the revised budget column and forecast column should be noted. The forecast is a calculated projection and the revised budget is a formal budget adjustment. Any material differences between the two should be investigated.

Comments

Property Taxes, Corporate Fund - Generally, we collect approximately 99% of the levy request.

Sale Taxes, Corporate Fund - Sale Tax from retailers are received 90 days after the date of sale. Sales tax receipts year to date were lower than anticipated, making receipts \$191,785 lower than proposed budget.

Franchise Fees, Corporate Fund - Actual receipts are \$25,681 lower than the proposed budget.

Income Tax, Corporate Fund - Actual receipts are \$97,150 lower than the projected year to date budget. These receipts are subject to changes in the economy and can fluctuate from projections.

Hotel Tax, Corporate Fund - Actual receipts are \$15,839 higher than the proposed budget.

Intergovernmental Revenue, Corporate Fund - This line includes all Federal and State grants as well as replacement tax.

User Charges, All Funds - Revenue from user charges for the year are \$35,540 lower than the projected year to date budget. These revenues can fluctuate with weather, particularly during the summer months.

Personal Services, All Funds - Personal Services are lower than the year to date budget projection for the year. This is due to the timing of new hires, vacancies and employer pension contributions.

Operating Expenses, All Funds - Operating expenses overall are lower than the budget projection for the year. This is due primarily to timing differences.

Capital Expenditures, All Funds - Capital variances are monitored by the department on a quarterly basis. Due to the nature of large expenditures, a specific date of purchase is sometimes difficult to predict.

Definitions

Reporting Periods - The report shows information for two broad reporting periods, year-to-date (YTD) and annual. Year-to-date is an indication of the status from the beginning of the fiscal year through the period being reported. Under this YTD category, three sub-categories are shown. Annual projections show the entire fiscal year and are also broken down into three categories.

Actual - The amount of money actually received or expended from the beginning of the fiscal year (May 1) through the period being

Budget - The revised budget from the beginning of the fiscal year through the period shown.

Last Year - The amount of money actually received or expended last fiscal year for the same months shown under "actual".

Original Budget - The amount originally budgeted and approved by the City Council for the fiscal year in April.

Revised Budget - This is the budget resulting from changes to the original budget. It reflects the most recent formal review and reflects the revisions approved periodically by the City Council.

Forecast - The forecast shows a projection determined by adding the amount actually received or expended to date, plus the months remaining of the revised budget after the period being reported, i.e. annual revised budget - YTD budget + actual.

Permanent Variance - A variance between the budget and forecast which will be permanent and not corrected at a later date.

Timing Variance - A variance between the budget and forecast which will be corrected at a later time during the fiscal year.

Jo Krieger, Treasurer

Balance Sheet
As of May 31, 2018

City of St. Charles, Illinois
All Fund Types and Account Groups
Combined Balance Sheet
May 31, 2018

		Governmental Funds				Proprietary Funds		Fiduciary Funds	Account Groups
	Total Memorandum Only	General Corporate	Special Revenue	Capital Projects	Debt Service	Enterprise	Internal Service	Trust	General Fixed Assets & Debt
<u>Assets</u>									
Cash & Investments	\$ 138,948,034	\$ 18,495,897	\$ 2,292,488	\$ 4,650,221	\$ 1,991	\$ 26,271,333	\$ 14,224,466	\$ 73,011,638	\$ -
Restricted Cash	23,346,837	-	-	19,127,084	1,980,106	2,217,272	22,375	-	-
Receivables									
Property Taxes	14,443,652	12,461,883	1,683,724	24,192	238,853	35,000	-	-	-
Customers - Net	10,910,363	371,769	-	-	-	10,453,341	85,253	-	-
Interest	165,128	14,454	-	-	-	15,152	1,402	134,120	-
Prepaid Expenses	83,702	24,940	-	-	-	7,656	5,370	45,736	-
Due from Other Governments	4,605,497	4,503,517	75,486	26,494	-	-	-	-	-
Due from Other Funds	1,941,335	404,086	-	-	836,249	701,000	-	-	-
Due from Other Companies	-	-	-	-	-	-	-	-	-
Inventory	4,678,923	-	-	-	-	-	4,678,923	-	-
Deferred Charges	14,541,692	-	-	-	-	1,527,638	-	-	13,014,054
Advances to Other Funds	6,998,996	5,549,802	-	-	-	801,624	647,570	-	-
Other Assets	621,375	621,375	-	-	-	-	-	-	-
Capital Assets									
Land	65,078,192	-	-	-	-	2,162,294	-	-	62,915,898
Intangibles	5,014,857	-	-	-	-	647,753	-	-	4,367,104
Buildings	118,233,703	-	-	-	-	66,026,930	-	-	52,206,773
Improvements	347,260,253	-	-	-	-	189,571,394	1,233,272	-	156,455,587
Equipment	12,278,621	-	-	-	-	6,839,532	456,117	-	4,982,972
Vehicles	14,663,595	-	-	-	-	4,249,375	10,414,220	-	-
Construction in Progress	12,481,450	-	-	-	-	10,965,093	-	-	1,516,357
Accumulated Depreciation	(246,008,068)	-	-	-	-	(129,810,581)	(6,189,733)	-	(110,007,754)
Total Assets	\$ 550,288,137	\$ 42,447,723	\$ 4,051,698	\$ 23,827,991	\$ 3,057,199	\$ 192,681,806	\$ 25,579,235	\$ 73,191,494	\$ 185,450,991

City of St. Charles, Illinois
All Fund Types and Account Groups
Combined Balance Sheet
May 31, 2018

		Governmental Funds				Proprietary Funds		Fiduciary Funds	Account Groups
	Total Memorandum Only	General Corporate	Special Revenue	Capital Projects	Debt Service	Enterprise	Internal Service	Trust	General Fixed Assets & Debt
<u>Liabilities & Equity</u>									
Liabilities-									
Accounts Payable	\$ 7,918,523	\$ 997,408	\$ 279,417	\$ 357,857	\$ -	\$ 6,215,360	\$ 68,481	\$ -	\$ -
Contracts Payable	498,617	-	1,039	34,506	-	463,072	-	-	-
Claims Payable	1,480,359	-	-	-	-	78,424	1,401,935	-	-
Accrued Salaries	635,151	496,471	-	-	-	118,938	19,742	-	-
Accrued Interest	1,451,423	-	-	-	-	379,294	-	-	1,072,129
Escrows & Deposits	2,618,756	2,082,794	-	-	-	535,962	-	-	-
Due to Other Funds	1,941,335	836,249	-	-	404,086	-	701,000	-	-
Deferred Revenue	27,704,548	12,522,347	1,683,724	24,192	238,853	3,421,833	584	-	9,813,015
Due to Other Governments	860,372	-	63,784	-	-	228,444	-	-	568,144
Advances from Other Funds	6,998,996	-	3,345,386	1,791,986	-	1,060,000	801,624	-	-
Accrued Compensated Absences	4,038,536	-	-	-	-	435,715	82,434	-	3,520,387
Net OPEB Obligation	3,430,419	-	-	-	-	501,538	39,847	-	2,889,034
Net Pension Liability	53,463,923	-	-	-	-	1,339,612	-	-	52,124,311
General Obligation Bonds	103,344,868	-	-	-	-	18,204,617	-	-	85,140,251
Revenue Bonds	5,770,000	-	-	-	-	-	-	-	5,770,000
Installment Contracts	61,523	-	-	-	-	-	-	-	61,523
IEPA Loans	31,707,172	-	-	-	-	31,707,172	-	-	-
Total Liabilities	253,924,521	16,935,269	5,373,350	2,208,541	642,939	64,689,981	3,115,647	-	160,958,794
Equity-									
Fund Balance	72,716,709	25,512,454	(1,321,652)	21,619,450	2,414,260	-	-	-	24,492,197
Retained Earnings	223,646,907	-	-	-	-	127,991,825	22,463,588	73,191,494	-
Total Equity	296,363,616	25,512,454	(1,321,652)	21,619,450	2,414,260	127,991,825	22,463,588	73,191,494	24,492,197
Total Liabilities & Equity	\$ 550,288,137	\$ 42,447,723	\$ 4,051,698	\$ 23,827,991	\$ 3,057,199	\$ 192,681,806	\$ 25,579,235	\$ 73,191,494	\$ 185,450,991

**Summary of Revenue and Expenditures
for the Period Ending May 31, 2018**

Monthly Council Treasurer's Report
May 1, 2018 - May 31, 2018

<u>Actual</u>	<u>Budget</u>	<u>Last Year</u>		<u>Original Budget</u>	<u>Revised Budget</u>	<u>Forecast</u>
Corporate Fund						
Revenue						
1,073,808	1,073,808	434,595	Property Taxes	12,457,873	12,457,873	12,457,873
1,120,285	1,312,070	1,174,427	Sales & Use Taxes	18,029,362	18,029,362	17,837,577
4,117	6,413	4,341	Admission Taxes	76,644	76,644	74,348
228,468	254,149	220,632	Franchise Fees	3,951,640	3,951,640	3,925,959
178,974	163,135	152,264	Hotel Tax	1,984,953	1,984,953	2,000,792
64,519	79,641	72,315	Telecommunication Tax	862,259	862,259	847,137
96,407	104,928	100,588	Alcohol Tax	1,217,460	1,217,460	1,208,939
260,350	274,135	276,717	Licenses & Permits	713,057	713,057	699,272
25,589	33,614	34,967	Fines & Court Fees	426,470	426,470	418,445
452,241	549,391	441,948	State Tax Allotments	3,369,023	3,369,023	3,271,873
133,043	137,692	130,379	Intergovernmental Revenue	228,164	228,164	223,515
23,166	40,391	34,583	Reimbursement for Services	592,720	592,720	575,495
3,148	1,602	1,814	Miscellaneous Revenue	116,669	116,669	118,215
4,585	208	-	Sale of Property	12,500	12,500	16,877
19,669	9,278	11,693	Investment Income	188,500	188,500	198,891
-	-	-	Interfund Transfers	365,000	365,000	365,000
3,688,369	4,040,455	3,091,263	Total Revenue	44,592,294	44,592,294	44,240,208
Expenditures						
3,401,044	4,244,177	3,043,475	Personal Services	30,878,484	30,913,496	30,070,364
100,921	155,329	87,961	Commodities	1,494,926	1,542,303	1,487,897
600,444	1,160,941	738,676	Contractual Services	9,936,143	10,282,689	9,722,193
1,342,071	1,341,842	1,375,090	Replacement Reserves	1,342,071	1,342,071	1,342,300
120,759	124,073	111,649	Other Operating Expenditures	232,272	232,875	229,561
(429,766)	(429,766)	(427,188)	Allocations	(5,157,192)	(5,157,192)	(5,157,192)
3,529	3,529	6,787	Capital	100,850	119,418	119,418
382	382	382	Debt Service Costs	4,586	4,586	4,586
727,426	727,426	1,005,918	Interfund Transfers	6,563,053	6,563,053	6,563,053
5,866,810	7,327,933	5,942,750	Total Expenditures	45,395,193	45,843,299	44,382,180

Monthly Council Treasurer's Report
May 1, 2018 - May 31, 2018

<u>Actual</u>	<u>Budget</u>	<u>Last Year</u>		<u>Original Budget</u>	<u>Revised Budget</u>	<u>Forecast</u>
Electric Fund						
Revenue						
-	-	-	Property Taxes	35,000	35,000	35,000
5,373,198	5,304,145	5,179,779	User Charges	62,651,767	62,651,767	62,720,820
98,765	34,060	338,469	Reimbursement for Services	185,000	185,000	249,705
3,563	18,104	18,321	Miscellaneous Revenue	221,000	221,000	206,459
-	-	-	Sale of Property	42,500	42,500	42,500
331,188	331,188	304,927	Reserves	331,188	331,188	331,188
16,483	5,426	8,394	Investment Income	85,000	85,000	96,057
-	-	-	Financing Proceeds	1,400,000	1,400,000	1,400,000
74,273	74,273	-	Interfund Transfers	301,664	301,664	301,664
5,897,470	5,767,196	5,849,890	Total Revenue	65,253,119	65,253,119	65,383,393
Expenditures						
362,261	385,265	365,378	Personal Services	3,943,893	3,954,608	3,931,604
6,896	13,461	7,979	Commodities	288,526	290,020	283,455
4,237,835	4,131,059	3,670,709	Contractual Services	46,047,672	46,181,709	46,288,485
253,011	253,011	226,750	Replacement Reserves	253,011	253,011	253,011
389,590	477,696	409,070	Other Operating Expenditures	6,309,095	6,309,095	6,220,989
146,966	146,966	172,385	Allocations	1,763,592	1,763,592	1,763,592
354,226	354,226	114,207	Capital	3,571,000	5,275,378	5,275,378
169,995	169,995	213,464	Debt Service Costs	963,336	963,336	963,336
33,741	33,741	39,524	Interfund Transfers	483,384	483,384	483,384
5,954,521	5,965,420	5,219,466	Total Expenditures	63,623,509	65,474,133	65,463,234
Water Fund						
Revenue						
-	-	-	Intergovernmental Revenue	-	-	-
434,465	466,509	420,422	User Charges	6,494,689	6,494,689	6,462,645
2,370	3,179	2,770	Reimbursement for Services	27,100	27,100	26,291
3,530	1,207	7,512	Miscellaneous Revenue	227,081	227,081	229,404
2,800	2,624	4,320	Sale of Property	40,250	40,250	40,426
151,910	151,910	129,614	Reserves	151,910	151,910	151,910
4,866	1,136	1,289	Investment Income	39,000	39,000	42,730
-	-	-	Financing Proceeds	1,673,600	1,673,600	1,673,600
599,941	626,565	565,927	Total Revenue	8,653,630	8,653,630	8,627,006

Monthly Council Treasurer's Report
May 1, 2018 - May 31, 2018

<u>Actual</u>	<u>Budget</u>	<u>Last Year</u>		<u>Original Budget</u>	<u>Revised Budget</u>	<u>Forecast</u>
Water Fund Continued						
Expenditures						
151,883	159,105	142,127	Personal Services	1,543,489	1,548,169	1,540,947
32,009	33,286	24,977	Commodities	602,045	662,196	660,919
90,661	137,189	78,454	Contractual Services	1,217,816	1,224,516	1,177,988
113,648	113,648	91,352	Replacement Reserves	113,648	113,648	113,648
5,290	5,991	3,409	Other Operating Expenditures	76,920	76,920	76,219
108,803	108,803	75,698	Allocations	1,305,636	1,305,636	1,305,636
1,106	1,106	1,106	Capital	2,833,800	3,951,500	3,951,500
188,626	188,626	204,946	Debt Service Costs	1,301,319	1,301,319	1,301,319
11,386	11,386	13,337	Interfund Transfers	217,737	217,737	217,737
703,412	759,140	635,406	Total Expenditures	9,212,410	10,401,641	10,345,913
Wastewater Fund						
Revenue						
-	-	-	Intergovernmental Revenue	29,000	29,000	29,000
794,121	834,502	729,979	User Charges	10,506,466	10,506,466	10,466,085
2,763	3,718	3,243	Reimbursement for Services	30,463	30,463	29,508
3,907	1,635	9,954	Miscellaneous Revenue	180,700	180,700	182,972
-	-	-	Sale of Property	-	-	-
319,829	319,829	298,890	Reserves	319,829	319,829	319,829
3,926	944	1,077	Investment Income	22,000	22,000	24,982
-	-	-	Financing Proceeds	3,853,060	3,853,060	3,853,060
1,124,546	1,160,628	1,043,143	Total Revenue	14,941,518	14,941,518	14,905,436
Expenditures						
245,537	254,780	254,257	Personal Services	2,133,136	2,130,136	2,120,893
14,050	11,439	11,041	Commodities	373,575	373,575	376,186
160,426	250,605	174,025	Contractual Services	2,334,856	2,355,341	2,265,162
219,707	219,707	198,768	Replacement Reserves	219,707	219,707	219,707
1,561	1,065	879	Other Operating Expenditures	72,828	72,828	73,324
110,858	110,858	112,258	Allocations	1,330,296	1,330,296	1,330,296
1,352	1,352	6,758	Capital	5,352,110	15,889,929	15,889,929
385,339	385,339	393,323	Debt Service Costs	2,197,365	2,197,365	2,197,365
21,661	21,661	25,373	Interfund Transfers	343,790	343,790	343,790
1,160,491	1,256,806	1,176,682	Total Expenditures	14,357,663	24,912,967	24,816,652

**Monthly Council Treasurer's Report
May 1, 2018 - May 31, 2018**

<u>Actual</u>	<u>Budget</u>	<u>Last Year</u>		<u>Original Budget</u>	<u>Revised Budget</u>	<u>Forecast</u>
Refuse Fund						
Revenue						
43,096	48,659	43,019	User Charges	553,560	553,560	547,997
-	-	-	Reimbursement for Services	-	-	-
39	129	68	Miscellaneous Revenue	6,900	6,900	6,810
143	132	140	Sale of Property	9,000	9,000	9,011
-	-	-	Investment Income	1,800	1,800	1,800
81,259	81,259	-	Interfund Transfers	81,259	81,259	81,259
124,537	130,179	43,227	Total Revenue	652,519	652,519	646,877
Expenditures						
-	-	-	Commodities	6,120	6,120	6,120
23,814	13,299	1,156	Contractual Services	671,660	671,660	682,175
-	113	-	Other Operating Expenditures	1,356	1,356	1,243
8,825	8,825	5,812	Allocations	105,900	105,900	105,900
32,639	22,237	6,968	Total Expenditures	785,036	785,036	795,438
TIF Funds						
Revenue						
757	757	16,828	Property Taxes	1,627,452	1,627,452	1,627,452
-	-	-	Investment Income	2,872	2,872	2,872
-	-	-	Interfund Transfers	-	-	-
757	757	16,828	Total Revenue	1,630,324	1,630,324	1,630,324
Expenditures						
-	-	-	Contractual Services	-	-	-
431,938	431,938	108,227	Interfund Transfers	1,032,399	1,032,399	1,032,399
431,938	431,938	108,227	Total Expenditures	1,032,399	1,032,399	1,032,399
Motor Fuel Tax Fund						
Revenue						
75,486	75,439	72,196	State Tax Allotments	845,000	845,000	845,047
3,150	335	588	Investment Income	8,000	8,000	10,815
-	-	-	Interfund Transfers	-	-	-
78,636	75,774	72,784	Total Revenue	853,000	853,000	855,862

Monthly Council Treasurer's Report
May 1, 2018 - May 31, 2018

<u>Actual</u>	<u>Budget</u>	<u>Last Year</u>		<u>Original Budget</u>	<u>Revised Budget</u>	<u>Forecast</u>
Motor Fuel Tax Fund Continued						
Expenditures						
-	-	-	Capital	1,110,000	1,390,538	1,390,538
-	-	-	Total Expenditures	1,110,000	1,390,538	1,390,538
Capital Project Funds						
Revenue						
-	-	-	Property Taxes	25,000	25,000	25,000
12,901	10,000	-	State Tax Allotments	120,000	120,000	122,901
-	-	-	Intergovernmental Revenue	120,000	120,000	120,000
-	-	-	Reimbursement for Services	-	-	-
-	-	-	Miscellaneous Revenue	-	-	-
283,719	283,719	296,872	Reserves	283,719	283,719	283,719
29,848	4,848	3,791	Investment Income	38,000	38,000	63,000
-	-	-	Financing Proceeds	8,028,421	8,028,421	8,028,421
-	-	-	Interfund Transfers	3,769,442	3,769,442	3,769,442
326,468	298,567	300,663	Total Revenue	12,384,582	12,384,582	12,412,483
Expenditures						
-	-	-	Commodities	-	-	-
-	52,006	-	Contractual Services	335,900	594,165	542,159
-	40,833	-	Other Operating Expenditures	490,000	490,000	449,167
59,118	59,118	118,013	Capital	28,596,737	31,300,265	31,300,265
-	-	-	Debt Service Costs	-	-	-
122,633	122,633	126,150	Interfund Transfers	2,830,776	2,830,776	2,830,776
181,751	274,590	244,163	Total Expenditures	32,253,413	35,215,206	35,122,367
Debt Service Funds						
Revenue						
-	-	-	Property Taxes	-	-	-
101,250	104,648	101,250	Sales & Use Taxes	975,000	975,000	971,602
2,168	93	566	Investment Income	2,000	2,000	4,075
-	-	-	Financing Proceeds	-	-	-
1,254,915	1,254,915	1,318,530	Interfund Transfers	7,183,660	7,183,660	7,183,660
1,358,333	1,359,656	1,420,346	Total Revenue	8,160,660	8,160,660	8,159,337
Expenditures						
-	-	-	Contractual Services	7,424	7,424	7,424
1,254,915	1,254,915	1,318,530	Debt Service Costs	8,378,598	8,378,598	8,378,598
1,254,915	1,254,915	1,318,530	Total Expenditures	8,386,022	8,386,022	8,386,022

Monthly Council Treasurer's Report
May 1, 2018 - May 31, 2018

<u>Actual</u>	<u>Budget</u>	<u>Last Year</u>		<u>Original Budget</u>	<u>Revised Budget</u>	<u>Forecast</u>
Inventory Fund						
Revenue						
-	-	-	Miscellaneous Revenue	-	-	-
51,111	60,375	50,712	Charges to Other Funds	921,492	921,492	912,228
302,081	188,586	167,370	Sale of Inventory	3,000,000	3,000,000	3,113,495
-	-	-	Sale of Property	-	-	-
23,145	23,145	22,063	Reserves	23,145	23,145	25,046
-	-	-	Investment Income	-	-	-
376,337	272,106	240,145	Total Revenue	3,944,637	3,944,637	4,050,769
Expenditures						
50,977	48,482	43,473	Personal Services	530,159	530,159	532,654
318,984	189,686	203,462	Commodities	3,056,275	3,056,275	3,185,573
4,886	3,974	3,567	Contractual Services	66,888	66,888	67,800
14,760	14,760	13,678	Replacement Reserves	14,760	14,760	16,661
116	197	167	Other Operating Expenditures	2,992	2,992	2,911
19,510	19,510	25,841	Allocations	234,120	234,120	234,120
989	989	989	Capital	1,500	1,500	1,500
-	-	-	Interfund Transfers	14,755	14,755	14,755
410,222	277,598	291,177	Total Expenditures	3,921,449	3,921,449	4,055,974
Motor Vehicle Replacement Fund						
Revenue						
-	-	-	Miscellaneous Revenue	-	-	-
102,039	136,028	81,060	Charges to Other Funds	1,625,879	1,625,879	1,591,890
-	-	-	Sale of Property	5,500	5,500	5,500
1,205,687	1,205,687	1,215,553	Reserves	1,205,687	1,205,687	1,205,687
5,794	637	977	Investment Income	25,000	25,000	30,157
-	-	-	Interfund Transfers	60,000	60,000	60,000
1,313,520	1,342,352	1,297,590	Total Revenue	2,922,066	2,922,066	2,893,234
Expenditures						
65,586	73,451	64,000	Personal Services	670,674	670,674	662,809
27,877	14,139	11,666	Commodities	410,191	410,191	423,929
9,342	5,137	3,548	Contractual Services	207,296	207,296	211,501
9,147	9,147	9,147	Replacement Reserves	9,147	9,147	9,147
3,462	2,622	1,990	Other Operating Expenditures	41,712	41,712	42,552
22,663	22,663	23,835	Allocations	271,956	271,956	271,956
20,659	20,659	605,006	Capital	1,627,888	1,734,638	1,734,638
-	-	-	Interfund Transfers	18,467	18,467	18,467
158,736	147,818	719,192	Total Expenditures	3,257,331	3,364,081	3,374,999

Monthly Council Treasurer's Report
May 1, 2018 - May 31, 2018

<u>Actual</u>	<u>Budget</u>	<u>Last Year</u>		<u>Original Budget</u>	<u>Revised Budget</u>	<u>Forecast</u>
Health Insurance Fund						
Revenue						
-	-	-	Miscellaneous Revenue	-	-	-
347,643	358,053	348,455	Insurance Premiums	4,324,000	4,324,000	4,313,590
2,786	1,546	1,576	Investment Income	22,000	22,000	23,240
350,429	359,599	350,031	Total Revenue	4,346,000	4,346,000	4,336,830
Expenditures						
-	250	242	Personal Services	3,000	32,600	32,350
(184)	1,067	1,424	Commodities	2,500	2,500	1,249
105,324	113,290	98,613	Contractual Services	926,200	926,200	918,234
107,147	204,653	183,698	Other Operating Expenditures	3,713,300	3,683,700	3,586,194
6,523	6,523	9,373	Allocations	78,276	78,276	78,276
-	-	-	Interfund Transfers	-	-	-
218,810	325,783	293,350	Total Expenditures	4,723,276	4,723,276	4,616,303
WC & Liability Fund						
Revenue						
-	-	-	Miscellaneous Revenue	-	-	-
1,000,000	1,000,000	1,000,000	Insurance Premiums	1,000,000	1,000,000	1,000,000
4,031	1,481	2,152	Investment Income	25,000	25,000	27,550
-	-	-	Interfund Transfers	-	-	-
1,004,031	1,001,481	1,002,152	Total Revenue	1,025,000	1,025,000	1,027,550
Expenditures						
224,861	245,071	225,247	Contractual Services	506,700	506,700	486,490
24,257	38,975	28,065	Other Operating Expenditures	456,000	457,599	442,881
2,116	2,116	931	Allocations	25,392	25,392	25,392
-	-	-	Interfund Transfers	195,000	195,000	195,000
251,234	286,162	254,243	Total Expenditures	1,183,092	1,184,691	1,149,763

Monthly Council Treasurer's Report
May 1, 2018 - May 31, 2018

<u>Actual</u>	<u>Budget</u>	<u>Last Year</u>		<u>Original Budget</u>	<u>Revised Budget</u>	<u>Forecast</u>
Communications Fund						
Revenue						
-	26,605	-	User Charges	433,397	433,397	406,792
12,349	12,349	11,510	Reserves	12,349	12,349	12,349
-	-	-	Investment Income	1,500	1,500	1,500
-	-	-	Interfund Transfers	-	-	-
12,349	38,954	11,510	Total Revenue	447,246	447,246	420,641
Expenditures						
10,868	12,300	35,232	Personal Services	105,467	105,467	104,035
-	10	-	Commodities	7,470	7,470	7,460
5,298	5,655	3,068	Contractual Services	77,918	77,918	77,561
1,942	1,942	1,103	Replacement Reserves	1,942	1,942	1,942
5,313	5,243	5,243	Other Operating Expenditures	12,116	12,116	12,186
3,502	3,502	1,055	Allocations	42,024	42,024	42,024
144	144	20,179	Capital	234,000	250,000	250,000
61,664	61,664	-	Interfund Transfers	61,664	61,664	61,664
88,731	90,460	65,880	Total Expenditures	542,601	558,601	556,872

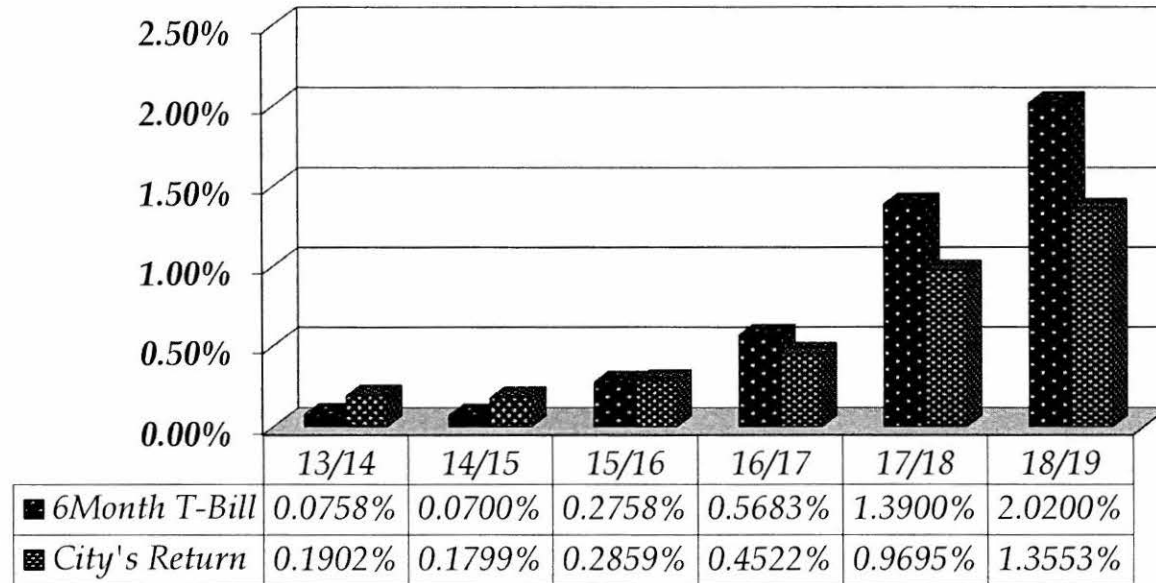
Monthly Council Treasurer's Report
May 1, 2018 - May 31, 2018

<u>Actual</u>	<u>Budget</u>	<u>Last Year</u>		<u>Original Budget</u>	<u>Revised Budget</u>	<u>Forecast</u>
All Funds						
Revenue						
1,074,565	1,074,565	451,423	Property Tax	14,145,325	14,145,325	14,145,325
1,221,535	1,416,718	1,275,677	Sales & Use Tax	19,004,362	19,004,362	18,809,179
4,117	6,413	4,341	Admissions Tax	76,644	76,644	74,348
228,468	254,149	220,632	Franchise Fees	3,951,640	3,951,640	3,925,959
178,974	163,135	152,264	Hotel Tax	1,984,953	1,984,953	2,000,792
64,519	79,641	72,315	Telecommunication Tax	862,259	862,259	847,137
96,407	104,928	100,588	Alcohol Tax	1,217,460	1,217,460	1,208,939
260,350	274,135	276,717	Licenses & Permits	713,057	713,057	699,272
25,589	33,614	34,967	Fines & Court Fees	426,470	426,470	418,445
540,628	634,830	514,144	State Tax Allotments	4,334,023	4,334,023	4,239,821
133,043	137,692	130,379	Intergovernmental Revenue	377,164	377,164	372,515
6,644,880	6,680,420	6,373,199	User Charges	80,639,879	80,639,879	80,604,339
127,064	81,348	379,065	Reimbursement for Services	835,283	835,283	880,999
14,187	22,677	37,669	Miscellaneous Revenue	752,350	752,350	743,860
153,150	196,403	131,772	Charges to Other Funds	2,547,371	2,547,371	2,504,118
309,609	191,550	171,830	Sale Of Property	3,109,750	3,109,750	3,227,809
2,327,827	2,327,827	2,279,429	Reserves	2,327,827	2,327,827	2,329,728
1,347,643	1,358,053	1,348,455	Insurance Premiums	5,324,000	5,324,000	5,313,590
92,721	25,724	32,103	Investment Income	460,672	460,672	527,669
-	-	-	Financing Proceeds	14,955,081	14,955,081	14,955,081
1,410,447	1,410,447	1,318,530	Interfund Transfers	11,761,025	11,761,025	11,761,025
16,255,723	16,474,269	15,305,499	Total Revenue	169,806,595	169,806,595	169,589,950
Expenditures						
4,288,156	5,177,810	3,948,184	Personal Services	39,808,302	39,885,309	38,995,656
500,553	418,417	348,510	Commodities	6,241,628	6,350,650	6,432,788
5,462,891	6,118,226	4,997,063	Contractual Services	62,336,473	63,102,506	62,447,172
1,954,286	1,954,057	1,915,888	Replacement Reserves	1,954,286	1,954,286	1,956,416
657,495	901,461	744,170	Other Operating Expenditures	11,408,591	11,381,193	11,137,227
-	-	-	Allocations	-	-	-
441,123	441,123	873,045	Capital	43,427,885	59,913,166	59,913,166
1,999,257	1,999,257	2,130,645	Debt Service Costs	12,845,204	12,845,204	12,845,204
1,410,447	1,410,447	1,318,530	Interfund Transfers	11,761,025	11,761,025	11,761,025
16,714,208	18,420,798	16,276,035	Total Expenditures	189,783,394	207,193,339	205,488,654

Investment Summary
May 31, 2018

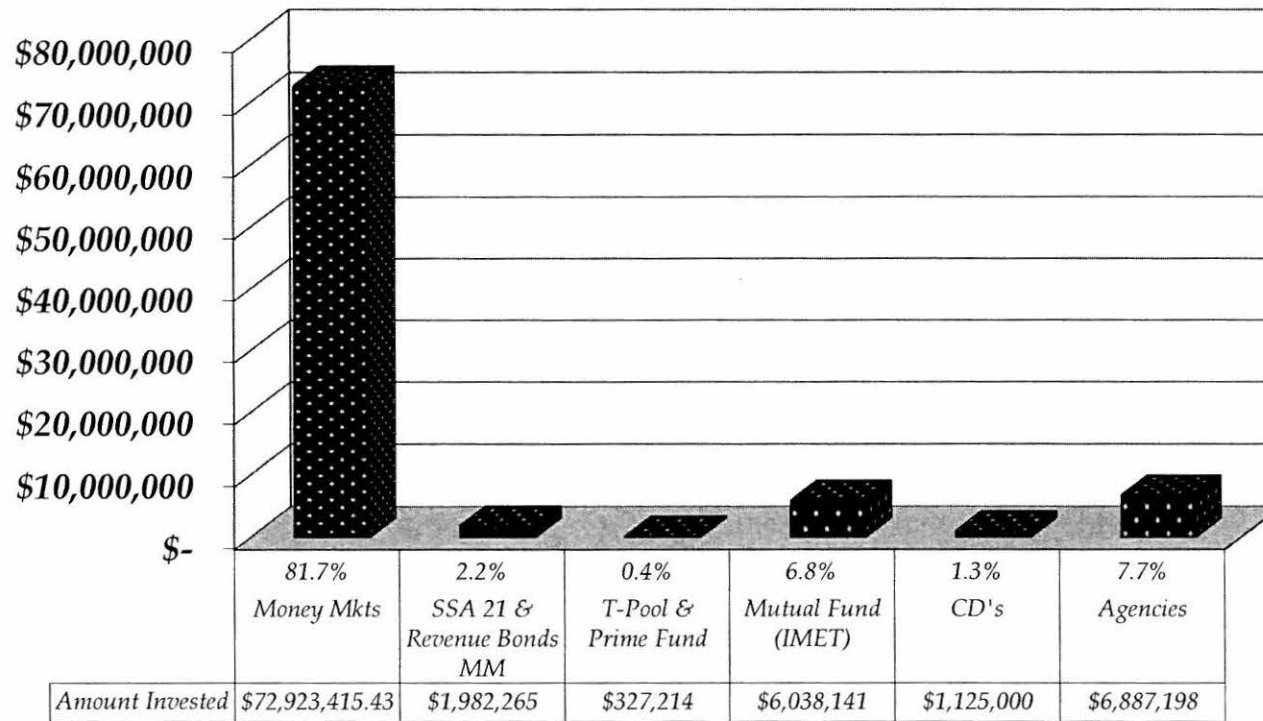


City of St. Charles Investment Portfolio Earnings Comparison



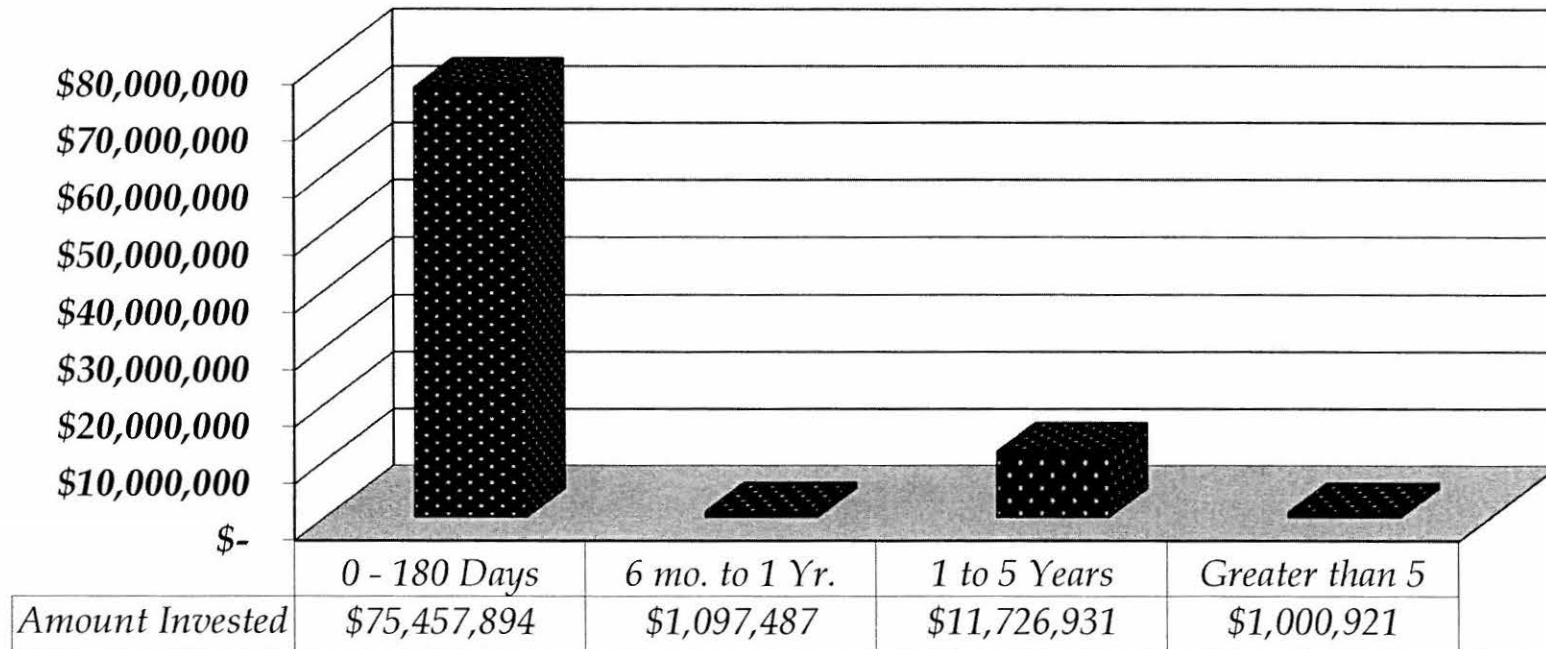
The chart above displays the return on investments for the City of St. Charles portfolio by fiscal year. The Current fiscal year return is computed from May 1 to the current month end. We are comparing the City's return to the average return on the 6 month T-Bill for the same period of time. The City invests in some longer term securities in order to maximize returns. Historically, the City has proven to prevail with this type of philosophy. During sharp rises in interest rates, the City's portfolio may not seem to perform as well, but over time, when combined with the higher returns, the City still comes out ahead. This graph does not include any pension funds.

City of St. Charles Investment Portfolio by Type - May 31, 2018



The chart above displays the City of St. Charles investment portfolio by type of investment. As shown the portfolio is distributed among several investment types. US Treasuries include Treasury Bills, Treasury Notes, Zero Coupon Bonds and Treasury Bonds. The City invests in US Agencies which are government agencies such as Federal Home Loan Bank and Farm Credit Bank. These yield a higher return than treasuries and afford government protection. Money is invested in the Treasurer's Pool, IMET, Commercial Paper and Certificates of Deposit. The City tries to maintain a diversified portfolio to maximize return yet, most importantly, to preserve principal. This chart is only the City's main portfolio and bond investments. SSA 21 and Revenue Bonds money markets are held by Amalgamated Bank in Chicago for investment for those bond issues. This chart does not include pension funds.

City of St. Charles Investment Portfolio Composition - May 31, 2018



The chart above displays the aging of the City of St. Charles investment portfolio. A portion of the City's money is invested in U.S. Agencies, the Treasurer's Pool, commercial paper, collateralized certificates of deposit, as well as IMET (the intergovernmental mutual fund). The City's portfolio is also inflated by bond proceeds which must remain short term to cover construction payouts. The City does invest in some long term securities for capital gains purposes. However, according to policy that amount does not exceed 9% of cost. Timing maturities is very important for the City. We need to allow for cash flow yet maximize return by investing in longer maturities which typically earn a higher yield. Investment maturities are "laddered" as much as possible, to allow for any unforeseen expenditure. The City does not invest funds for the police and fire pension funds, therefore they are not part of this chart.

Treasurer's Report
June 30, 2018

MONTHLY COUNCIL TREASURER'S REPORT

For The Period Ending June 30, 2018

Overview

The attached report is a summary of City financial activity from the beginning of the fiscal year through the above date. It is meant to provide adequate information in a form easily readable for members of the City Council to understand the financial status of the City. Definitions of the various report components are shown at the end of the report.

Budget Philosophy

The City budgeting philosophy is that the budget is not a static plan, but a working plan that must be routinely monitored and adjusted as new opportunities develop, prior projections do not materialize, or priorities change. Revisions are always made in the light of maintaining adequate cash surpluses, in accordance with City policies, and not making revisions that will severely hamper future years' operations.

Report Format

The report shows each fund summarized by major categories of revenues and expenditures. Year-to-date and annual projections show where we are today and where we expect to be at the end of the fiscal year. Each column provides meaningful information when compared with other columns. For instance, differences between the revised budget column and forecast column should be noted. The forecast is a calculated projection and the revised budget is a formal budget adjustment. Any material differences between the two should be investigated.

Comments

Property Taxes, Corporate Fund - Generally, we collect approximately 99% of the levy request.

Sale Taxes, Corporate Fund - Sale Tax from retailers are received 90 days after the date of sale. Sales tax receipts year to date were lower than anticipated, making receipts \$243,676 lower than proposed budget.

Franchise Fees, Corporate Fund - Actual receipts are \$50,862 lower than the proposed budget.

Income Tax, Corporate Fund - Actual receipts are \$172,359 lower than the projected year to date budget. These receipts are subject to changes in the economy and can fluctuate from projections.

Hotel Tax, Corporate Fund - Actual receipts are \$5,531 higher than the proposed budget.

Intergovernmental Revenue, Corporate Fund - This line includes all Federal and State grants as well as replacement tax.

User Charges, All Funds - Revenue from user charges for the year are \$259,179 lower than the projected year to date budget. These revenues can fluctuate with weather, particularly during the summer months.

Personal Services, All Funds - Personal Services are lower than the year to date budget projection for the year. This is due to the timing of new hires, vacancies and employer pension contributions.

Operating Expenses, All Funds - Operating expenses overall are lower than the budget projection for the year. This is due primarily to timing differences.

Capital Expenditures, All Funds - Capital variances are monitored by the department on a quarterly basis. Due to the nature of large expenditures, a specific date of purchase is sometimes difficult to predict.

Definitions

Reporting Periods - The report shows information for two broad reporting periods, year-to-date (YTD) and annual. Year-to-date is an indication of the status from the beginning of the fiscal year through the period being reported. Under this YTD category, three sub-categories are shown. Annual projections show the entire fiscal year and are also broken down into three categories.

Actual - The amount of money actually received or expended from the beginning of the fiscal year (May 1) through the period being

Budget - The revised budget from the beginning of the fiscal year through the period shown.

Last Year - The amount of money actually received or expended last fiscal year for the same months shown under "actual".

Original Budget - The amount originally budgeted and approved by the City Council for the fiscal year in April.

Revised Budget - This is the budget resulting from changes to the original budget. It reflects the most recent formal review and reflects the revisions approved periodically by the City Council.

Forecast - The forecast shows a projection determined by adding the amount actually received or expended to date, plus the months remaining of the revised budget after the period being reported, i.e. annual revised budget - YTD budget + actual.

Permanent Variance - A variance between the budget and forecast which will be permanent and not corrected at a later date.

Timing Variance - A variance between the budget and forecast which will be corrected at a later time during the fiscal year.

Jo Krieger, Treasurer

Balance Sheet
As of June 30, 2018

City of St. Charles, Illinois
All Fund Types and Account Groups
Combined Balance Sheet
June 30, 2018

		Governmental Funds				Proprietary Funds		Fiduciary Funds	Account Groups
	Total Memorandum Only	General Corporate	Special Revenue	Capital Projects	Debt Service	Enterprise	Internal Service	Trust	General Fixed Assets & Debt
<u>Assets</u>									
Cash & Investments	\$ 144,696,064	\$ 21,267,037	\$ 3,151,538	\$ 4,715,074	\$ 121,417	\$ 26,580,669	\$ 14,358,698	\$ 74,501,631	\$ -
Restricted Cash	23,467,676	-	-	18,723,158	2,548,667	2,173,476	22,375	-	-
Receivables									
Property Taxes	14,443,652	12,461,883	1,683,724	24,192	238,853	35,000	-	-	-
Customers - Net	10,201,407	359,501	-	-	-	9,813,014	28,892	-	-
Interest	158,994	17,374	-	-	-	7,491	9	134,120	-
Prepaid Expenses	93,167	31,697	-	-	-	8,660	7,074	45,736	-
Due from Other Governments	4,605,497	4,503,517	75,486	26,494	-	-	-	-	-
Due from Other Funds	1,543,836	437,836	-	-	405,000	701,000	-	-	-
Due from Other Companies	1,595	-	-	-	-	-	1,595	-	-
Inventory	4,593,430	-	-	-	-	-	4,593,430	-	-
Deferred Charges	14,541,692	-	-	-	-	1,527,638	-	-	13,014,054
Advances to Other Funds	6,998,996	5,549,802	-	-	-	801,624	647,570	-	-
Other Assets	620,858	620,858	-	-	-	-	-	-	-
Capital Assets									
Land	65,078,192	-	-	-	-	2,162,294	-	-	62,915,898
Intangibles	5,014,857	-	-	-	-	647,753	-	-	4,367,104
Buildings	118,233,703	-	-	-	-	66,026,930	-	-	52,206,773
Improvements	347,260,253	-	-	-	-	189,571,394	1,233,272	-	156,455,587
Equipment	12,278,621	-	-	-	-	6,839,532	456,117	-	4,982,972
Vehicles	14,663,595	-	-	-	-	4,249,375	10,414,220	-	-
Construction in Progress	12,481,450	-	-	-	-	10,965,093	-	-	1,516,357
Accumulated Depreciation	(246,008,068)	-	-	-	-	(129,810,581)	(6,189,733)	-	(110,007,754)
Total Assets	\$ 554,969,467	\$ 45,249,505	\$ 4,910,748	\$ 23,488,918	\$ 3,313,937	\$ 192,300,362	\$ 25,573,519	\$ 74,681,487	\$ 185,450,991

City of St. Charles, Illinois
All Fund Types and Account Groups
Combined Balance Sheet
June 30, 2018

		Governmental Funds				Proprietary Funds		Fiduciary Funds	Account Groups
	Total Memorandum Only	General Corporate	Special Revenue	Capital Projects	Debt Service	Enterprise	Internal Service	Trust	General Fixed Assets & Debt
Liabilities & Equity									
Liabilities-									
Accounts Payable	\$ 6,360,038	\$ 665,676	\$ 279,417	\$ 211,608	\$ -	\$ 5,109,334	\$ 94,003	\$ -	\$ -
Contracts Payable	498,617	-	1,039	34,506	-	463,072	-	-	-
Claims Payable	1,480,359	-	-	-	-	78,424	1,401,935	-	-
Accrued Salaries	635,151	496,471	-	-	-	118,938	19,742	-	-
Accrued Interest	1,451,423	-	-	-	-	379,294	-	-	1,072,129
Escrows & Deposits	2,622,366	2,087,092	-	-	-	535,274	-	-	-
Due to Other Funds	1,543,836	405,000	-	-	437,836	-	701,000	-	-
Deferred Revenue	27,689,576	12,507,375	1,683,724	24,192	238,853	3,421,833	584	-	9,813,015
Due to Other Governments	811,240	-	14,652	-	-	228,444	-	-	568,144
Advances from Other Funds	6,998,996	-	3,345,386	1,791,986	-	1,060,000	801,624	-	-
Accrued Compensated Absences	4,038,536	-	-	-	-	435,715	82,434	-	3,520,387
Net OPEB Obligation	3,430,419	-	-	-	-	501,538	39,847	-	2,889,034
Net Pension Liability	53,463,923	-	-	-	-	1,339,612	-	-	52,124,311
General Obligation Bonds	103,344,868	-	-	-	-	18,204,617	-	-	85,140,251
Revenue Bonds	5,770,000	-	-	-	-	-	-	-	5,770,000
Installment Contracts	61,523	-	-	-	-	-	-	-	61,523
IEPA Loans	31,707,172	-	-	-	-	31,707,172	-	-	-
Total Liabilities	251,908,043	16,161,614	5,324,218	2,062,292	676,689	63,583,267	3,141,169	-	160,958,794
Equity-									
Fund Balance	77,230,492	29,087,891	(413,470)	21,426,626	2,637,248	-	-	-	24,492,197
Retained Earnings	225,830,932	-	-	-	-	128,717,095	22,432,350	74,681,487	-
Total Equity	303,061,424	29,087,891	(413,470)	21,426,626	2,637,248	128,717,095	22,432,350	74,681,487	24,492,197
Total Liabilities & Equity	\$ 554,969,467	\$ 45,249,505	\$ 4,910,748	\$ 23,488,918	\$ 3,313,937	\$ 192,300,362	\$ 25,573,519	\$ 74,681,487	\$ 185,450,991

**Summary of Revenue and Expenditures
for the Period Ending June 30, 2018**

**Monthly Council Treasurer's Report
May 1, 2018 - June 30, 2018**

<u>Actual</u>	<u>Budget</u>	<u>Last Year</u>		<u>Original Budget</u>	<u>Revised Budget</u>	<u>Forecast</u>
Corporate Fund						
Revenue						
6,448,793	6,448,793	6,119,715	Property Taxes	12,457,873	12,457,873	12,457,873
2,612,904	2,856,580	2,556,892	Sales & Use Taxes	18,029,362	18,029,362	17,785,686
9,088	12,436	8,418	Admission Taxes	76,644	76,644	73,296
485,202	536,064	465,368	Franchise Fees	3,951,640	3,951,640	3,900,778
391,232	385,701	359,999	Hotel Tax	1,984,953	1,984,953	1,990,484
133,806	163,249	148,233	Telecommunication Tax	862,259	862,259	832,816
195,929	203,502	195,084	Alcohol Tax	1,217,460	1,217,460	1,209,887
315,093	317,590	320,934	Licenses & Permits	713,057	713,057	710,560
59,716	63,818	64,507	Fines & Court Fees	426,470	426,470	422,368
661,159	833,518	670,510	State Tax Allotments	3,369,023	3,369,023	3,196,664
133,043	138,212	130,421	Intergovernmental Revenue	228,164	228,164	222,995
72,207	93,988	96,038	Reimbursement for Services	592,720	592,720	570,939
15,527	14,627	12,506	Miscellaneous Revenue	116,669	116,669	117,569
4,585	416	-	Sale of Property	12,500	12,500	16,669
41,208	19,469	24,652	Investment Income	188,500	188,500	210,239
-	-	-	Interfund Transfers	365,000	365,000	365,000
11,579,492	12,087,963	11,173,277	Total Revenue	44,592,294	44,592,294	44,083,823
Expenditures						
7,329,824	7,407,080	6,795,218	Personal Services	30,878,484	30,920,547	30,843,291
203,162	294,765	223,686	Commodities	1,494,926	1,542,538	1,450,935
1,284,385	2,054,060	1,481,506	Contractual Services	9,936,143	10,283,186	9,513,511
1,342,071	1,342,071	1,375,090	Replacement Reserves	1,342,071	1,342,071	1,342,071
126,704	137,830	121,659	Other Operating Expenditures	232,272	233,478	222,351
(859,532)	(859,536)	(854,376)	Allocations	(5,157,192)	(5,157,192)	(5,157,192)
14,104	14,104	25,505	Capital	100,850	120,312	120,312
764	764	764	Debt Service Costs	4,586	4,586	4,586
741,014	741,014	1,030,924	Interfund Transfers	6,563,053	6,563,053	6,563,053
10,182,496	11,132,152	10,199,976	Total Expenditures	45,395,193	45,852,579	44,902,918

Monthly Council Treasurer's Report
May 1, 2018 - June 30, 2018

<u>Actual</u>	<u>Budget</u>	<u>Last Year</u>		<u>Original Budget</u>	<u>Revised Budget</u>	<u>Forecast</u>
Electric Fund						
Revenue						
15,692	18,751	18,751	Property Taxes	35,000	35,000	35,000
11,074,984	10,955,801	10,698,445	User Charges	62,651,767	62,651,767	62,770,950
115,423	50,137	451,779	Reimbursement for Services	185,000	185,000	250,286
6,033	24,951	24,184	Miscellaneous Revenue	221,000	221,000	202,082
-	3,531	4,771	Sale of Property	42,500	42,500	38,969
331,188	331,188	304,927	Reserves	331,188	331,188	331,188
33,629	11,288	17,461	Investment Income	85,000	85,000	107,341
-	-	-	Financing Proceeds	1,400,000	1,400,000	1,400,000
87,862	87,862	-	Interfund Transfers	301,664	301,664	301,664
11,664,811	11,483,509	11,520,318	Total Revenue	65,253,119	65,253,119	65,437,480
Expenditures						
646,859	681,590	631,769	Personal Services	3,943,893	3,955,524	3,920,793
31,369	26,619	18,289	Commodities	288,526	290,020	294,770
8,387,956	8,601,064	7,833,727	Contractual Services	46,047,672	46,181,709	45,968,601
253,011	253,011	226,750	Replacement Reserves	253,011	253,011	253,011
826,184	968,322	812,913	Other Operating Expenditures	6,309,095	6,309,095	6,166,957
293,932	293,934	344,770	Allocations	1,763,592	1,763,592	1,763,592
596,972	596,972	273,843	Capital	3,571,000	5,275,378	5,275,378
173,013	173,013	219,288	Debt Service Costs	963,336	963,336	963,336
33,741	33,741	39,524	Interfund Transfers	483,384	483,384	483,384
11,243,037	11,628,266	10,400,873	Total Expenditures	63,623,509	65,475,049	65,089,822
Water Fund						
Revenue						
-	-	-	Intergovernmental Revenue	-	-	-
955,928	1,034,473	932,486	User Charges	6,494,689	6,494,689	6,416,144
3,616	5,074	4,325	Reimbursement for Services	27,100	27,100	25,642
13,800	6,737	16,319	Miscellaneous Revenue	227,081	227,081	234,144
6,920	4,945	8,140	Sale of Property	40,250	40,250	42,225
151,910	151,910	129,614	Reserves	151,910	151,910	151,910
10,680	3,748	4,900	Investment Income	39,000	39,000	45,932
-	-	-	Financing Proceeds	1,673,600	1,673,600	1,673,600
1,142,854	1,206,887	1,095,784	Total Revenue	8,653,630	8,653,630	8,589,597

Monthly Council Treasurer's Report
May 1, 2018 - June 30, 2018

<u>Actual</u>	<u>Budget</u>	<u>Last Year</u>		<u>Original Budget</u>	<u>Revised Budget</u>	<u>Forecast</u>
Water Fund Continued						
Expenditures						
269,013	275,873	249,454	Personal Services	1,543,489	1,548,169	1,541,309
106,771	103,177	80,951	Commodities	602,045	662,196	665,790
207,105	246,399	158,191	Contractual Services	1,217,816	1,224,516	1,185,222
113,648	113,648	91,352	Replacement Reserves	113,648	113,648	113,648
10,202	13,347	63,951	Other Operating Expenditures	76,920	76,920	73,775
217,606	217,608	151,396	Allocations	1,305,636	1,305,636	1,305,636
19,805	19,805	215,525	Capital	2,833,800	3,951,500	3,951,500
188,626	188,626	204,946	Debt Service Costs	1,301,319	1,301,319	1,301,319
11,386	11,386	13,337	Interfund Transfers	217,737	217,737	217,737
1,144,162	1,189,869	1,229,103	Total Expenditures	9,212,410	10,401,641	10,355,936
Wastewater Fund						
Revenue						
-	-	-	Intergovernmental Revenue	29,000	29,000	29,000
1,646,768	1,768,398	1,543,038	User Charges	10,506,466	10,506,466	10,384,836
4,222	5,807	5,065	Reimbursement for Services	30,463	30,463	28,878
17,622	2,336	16,067	Miscellaneous Revenue	180,700	180,700	195,986
-	-	-	Sale of Property	-	-	-
319,829	319,829	298,890	Reserves	319,829	319,829	319,829
9,441	2,346	3,674	Investment Income	22,000	22,000	29,095
-	-	-	Financing Proceeds	3,853,060	3,853,060	3,853,060
1,997,882	2,098,716	1,866,734	Total Revenue	14,941,518	14,941,518	14,840,684
Expenditures						
387,016	411,085	404,107	Personal Services	2,133,136	2,136,090	2,112,021
34,615	26,584	24,859	Commodities	373,575	373,575	381,606
290,841	429,256	332,577	Contractual Services	2,334,856	2,355,341	2,216,926
219,707	219,707	198,768	Replacement Reserves	219,707	219,707	219,707
3,103	54,207	51,562	Other Operating Expenditures	72,828	72,828	21,724
221,716	221,716	224,516	Allocations	1,330,296	1,330,296	1,330,296
82,414	82,414	56,323	Capital	5,352,110	15,889,929	15,889,929
667,824	667,824	675,809	Debt Service Costs	2,197,365	2,197,365	2,197,365
21,661	21,661	25,373	Interfund Transfers	343,790	343,790	343,790
1,928,897	2,134,454	1,993,894	Total Expenditures	14,357,663	24,918,921	24,713,364

Monthly Council Treasurer's Report
May 1, 2018 - June 30, 2018

<u>Actual</u>	<u>Budget</u>	<u>Last Year</u>		<u>Original Budget</u>	<u>Revised Budget</u>	<u>Forecast</u>
Refuse Fund						
Revenue						
87,023	97,857	86,516	User Charges	553,560	553,560	542,726
-	-	-	Reimbursement for Services	-	-	-
39	140	73	Miscellaneous Revenue	6,900	6,900	6,799
4,393	612	646	Sale of Property	9,000	9,000	12,781
-	-	-	Investment Income	1,800	1,800	1,800
81,259	81,259	-	Interfund Transfers	81,259	81,259	81,259
172,714	179,868	87,235	Total Revenue	652,519	652,519	645,365
Expenditures						
-	2,391	2,153	Commodities	6,120	6,120	3,729
23,814	50,185	25,667	Contractual Services	671,660	671,660	645,289
-	226	-	Other Operating Expenditures	1,356	1,356	1,130
17,650	17,650	11,624	Allocations	105,900	105,900	105,900
41,464	70,452	39,444	Total Expenditures	785,036	785,036	756,048
TIF Funds						
Revenue						
835,738	776,416	698,165	Property Taxes	1,627,452	1,627,452	1,686,774
-	-	-	Investment Income	2,872	2,872	2,872
-	-	-	Interfund Transfers	-	-	-
835,738	776,416	698,165	Total Revenue	1,630,324	1,630,324	1,689,646
Expenditures						
-	-	-	Contractual Services	-	-	-
431,938	431,938	108,227	Interfund Transfers	1,032,399	1,032,399	1,032,399
431,938	431,938	108,227	Total Expenditures	1,032,399	1,032,399	1,032,399
Motor Fuel Tax Fund						
Revenue						
144,980	151,927	145,395	State Tax Allotments	845,000	845,000	838,053
6,497	733	1,286	Investment Income	8,000	8,000	13,764
-	-	-	Interfund Transfers	-	-	-
151,477	152,660	146,681	Total Revenue	853,000	853,000	851,817

**Monthly Council Treasurer's Report
May 1, 2018 - June 30, 2018**

<u>Actual</u>	<u>Budget</u>	<u>Last Year</u>		<u>Original Budget</u>	<u>Revised Budget</u>	<u>Forecast</u>
Motor Fuel Tax Fund Continued						
Expenditures						
-	-	99,405	Capital	1,110,000	1,390,538	1,390,538
-	-	99,405	Total Expenditures	1,110,000	1,390,538	1,390,538
Capital Project Funds						
Revenue						
12,096	12,500	12,152	Property Taxes	25,000	25,000	24,596
26,494	20,000	-	State Tax Allotments	120,000	120,000	126,494
-	-	-	Intergovernmental Revenue	120,000	120,000	120,000
-	-	-	Reimbursement for Services	-	-	-
2,000	-	-	Miscellaneous Revenue	-	-	2,000
283,719	283,719	296,872	Reserves	283,719	283,719	283,719
60,869	8,401	7,862	Investment Income	38,000	38,000	90,468
-	-	-	Financing Proceeds	8,028,421	8,028,421	8,028,421
-	-	2,530,203	Interfund Transfers	3,769,442	3,769,442	3,769,442
385,178	324,620	2,847,089	Total Revenue	12,384,582	12,384,582	12,445,140
Expenditures						
-	-	-	Commodities	-	-	-
-	101,293	17,870	Contractual Services	335,900	594,165	492,872
-	81,666	-	Other Operating Expenditures	490,000	490,000	408,334
297,689	297,689	740,578	Capital	28,596,737	31,300,265	31,300,265
-	-	-	Debt Service Costs	-	-	-
135,595	135,595	2,656,354	Interfund Transfers	2,830,776	2,830,776	2,830,776
433,284	616,243	3,414,802	Total Expenditures	32,253,413	35,215,206	35,032,247
Debt Service Funds						
Revenue						
119,426	-	119,227	Property Taxes	-	-	119,426
202,500	209,296	202,500	Sales & Use Taxes	975,000	975,000	968,204
4,480	195	1,191	Investment Income	2,000	2,000	6,285
-	-	-	Financing Proceeds	-	-	-
1,267,877	1,267,877	1,343,536	Interfund Transfers	7,183,660	7,183,660	7,183,660
1,594,283	1,477,368	1,666,454	Total Revenue	8,160,660	8,160,660	8,277,575
Expenditures						
-	-	-	Contractual Services	7,424	7,424	7,424
1,267,877	1,267,877	1,343,536	Debt Service Costs	8,378,598	8,378,598	8,378,598
1,267,877	1,267,877	1,343,536	Total Expenditures	8,386,022	8,386,022	8,386,022

Monthly Council Treasurer's Report
May 1, 2018 - June 30, 2018

<u>Actual</u>	<u>Budget</u>	<u>Last Year</u>		<u>Original Budget</u>	<u>Revised Budget</u>	<u>Forecast</u>
Inventory Fund						
Revenue						
-	-	-	Miscellaneous Revenue	-	-	-
122,415	119,537	100,481	Charges to Other Funds	921,492	921,492	924,370
546,364	371,361	329,583	Sale of Inventory	3,000,000	3,000,000	3,175,003
-	-	-	Sale of Property	-	-	-
23,145	23,145	22,063	Reserves	23,145	23,145	23,145
-	-	-	Investment Income	-	-	-
691,924	514,043	452,127	Total Revenue	3,944,637	3,944,637	4,122,518
Expenditures						
88,615	88,379	75,220	Personal Services	530,159	530,159	530,395
566,708	382,017	323,770	Commodities	3,056,275	3,056,275	3,240,966
7,863	8,161	7,497	Contractual Services	66,888	66,888	66,590
14,760	14,760	13,678	Replacement Reserves	14,760	14,760	14,760
550	407	385	Other Operating Expenditures	2,992	2,992	3,135
39,020	39,020	51,682	Allocations	234,120	234,120	234,120
989	989	989	Capital	1,500	1,500	1,500
-	-	-	Interfund Transfers	14,755	14,755	14,755
718,505	533,733	473,221	Total Expenditures	3,921,449	3,921,449	4,106,221
Motor Vehicle Replacement Fund						
Revenue						
-	-	-	Miscellaneous Revenue	-	-	-
187,904	278,563	165,997	Charges to Other Funds	1,625,879	1,625,879	1,535,220
-	-	-	Sale of Property	5,500	5,500	5,500
1,205,687	1,205,687	1,215,553	Reserves	1,205,687	1,205,687	1,205,687
11,824	1,329	2,037	Investment Income	25,000	25,000	35,495
-	-	-	Interfund Transfers	60,000	60,000	60,000
1,405,415	1,485,579	1,383,587	Total Revenue	2,922,066	2,922,066	2,841,902
Expenditures						
107,889	124,032	105,843	Personal Services	670,674	670,674	654,531
58,278	54,509	44,879	Commodities	410,191	410,191	413,960
26,505	16,866	12,484	Contractual Services	207,296	207,296	216,935
9,147	9,147	9,147	Replacement Reserves	9,147	9,147	9,147
6,032	5,740	4,332	Other Operating Expenditures	41,712	41,712	42,004
45,326	45,326	47,670	Allocations	271,956	271,956	271,956
29,734	29,734	605,006	Capital	1,627,888	1,734,638	1,734,638
-	-	-	Interfund Transfers	18,467	18,467	18,467
282,911	285,354	829,361	Total Expenditures	3,257,331	3,364,081	3,361,638

Monthly Council Treasurer's Report
May 1, 2018 - June 30, 2018

<u>Actual</u>	<u>Budget</u>	<u>Last Year</u>		<u>Original Budget</u>	<u>Revised Budget</u>	<u>Forecast</u>
Health Insurance Fund						
Revenue						
-	-	-	Miscellaneous Revenue	-	-	-
708,844	730,248	709,528	Insurance Premiums	4,324,000	4,324,000	4,302,596
5,686	3,210	3,286	Investment Income	22,000	22,000	24,476
714,530	733,458	712,814	Total Revenue	4,346,000	4,346,000	4,327,072
Expenditures						
822	30,100	307	Personal Services	3,000	32,600	3,322
(186)	2,002	1,924	Commodities	2,500	2,500	312
184,166	184,430	162,931	Contractual Services	926,200	926,200	925,936
338,601	573,600	537,540	Other Operating Expenditures	3,713,300	3,683,700	3,448,701
13,046	13,046	18,746	Allocations	78,276	78,276	78,276
-	-	-	Interfund Transfers	-	-	-
536,449	803,178	721,448	Total Expenditures	4,723,276	4,723,276	4,456,547
WC & Liability Fund						
Revenue						
-	-	1	Miscellaneous Revenue	-	-	-
1,000,000	1,000,000	1,000,000	Insurance Premiums	1,000,000	1,000,000	1,000,000
8,510	3,185	4,729	Investment Income	25,000	25,000	30,325
-	-	-	Interfund Transfers	-	-	-
1,008,510	1,003,185	1,004,730	Total Revenue	1,025,000	1,025,000	1,030,325
Expenditures						
253,128	245,200	225,364	Contractual Services	506,700	506,700	514,628
37,700	49,754	42,953	Other Operating Expenditures	456,000	457,599	445,545
4,232	4,232	1,862	Allocations	25,392	25,392	25,392
-	-	-	Interfund Transfers	195,000	195,000	195,000
295,060	299,186	270,179	Total Expenditures	1,183,092	1,184,691	1,180,565

Monthly Council Treasurer's Report
May 1, 2018 - June 30, 2018

<u>Actual</u>	<u>Budget</u>	<u>Last Year</u>		<u>Original Budget</u>	<u>Revised Budget</u>	<u>Forecast</u>
			Communications Fund			
			Revenue			
-	167,353	114,143	User Charges	433,397	433,397	266,044
12,349	12,349	11,510	Reserves	12,349	12,349	12,349
-	-	-	Investment Income	1,500	1,500	1,500
-	-	-	Interfund Transfers	-	-	-
12,349	179,702	125,653	Total Revenue	447,246	447,246	279,893
			Expenditures			
16,862	19,193	37,080	Personal Services	105,467	105,467	103,136
135	572	395	Commodities	7,470	7,470	7,033
8,708	21,750	9,713	Contractual Services	77,918	77,918	64,876
1,942	1,942	1,103	Replacement Reserves	1,942	1,942	1,942
5,650	6,132	5,576	Other Operating Expenditures	12,116	12,116	11,634
7,004	7,004	2,110	Allocations	42,024	42,024	42,024
144	144	43,505	Capital	234,000	250,000	250,000
61,664	61,664	-	Interfund Transfers	61,664	61,664	61,664
102,109	118,401	99,482	Total Expenditures	542,601	558,601	542,309

Monthly Council Treasurer's Report
May 1, 2018 - June 30, 2018

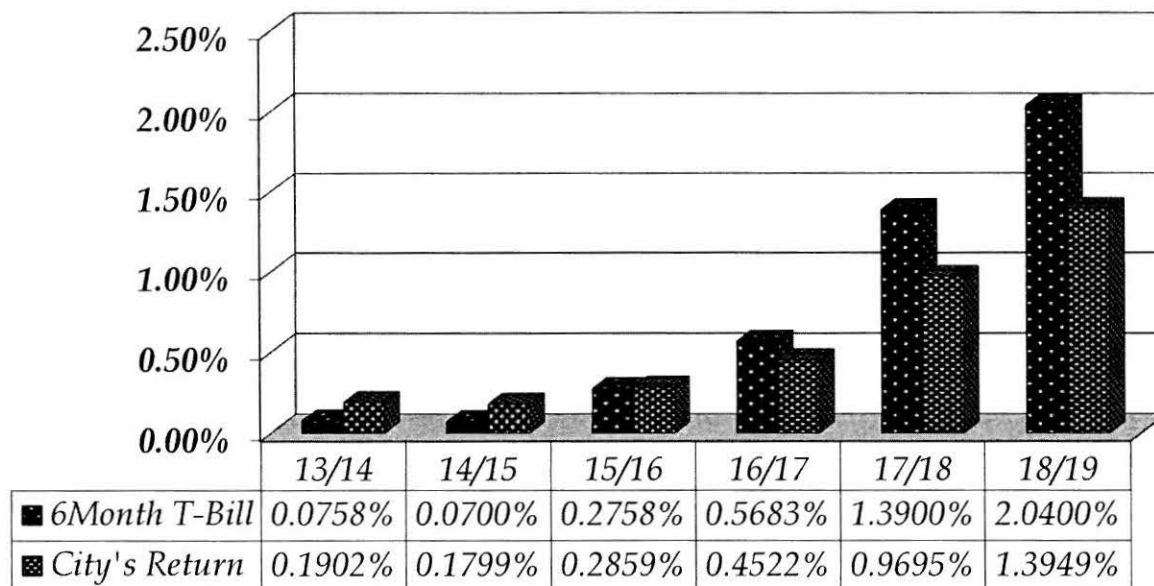
<u>Actual</u>	<u>Budget</u>	<u>Last Year</u>		<u>Original Budget</u>	<u>Revised Budget</u>	<u>Forecast</u>
All Funds						
Revenue						
7,431,745	7,256,460	6,968,010	Property Tax	14,145,325	14,145,325	14,323,669
2,815,404	3,065,876	2,759,392	Sales & Use Tax	19,004,362	19,004,362	18,753,890
9,088	12,436	8,418	Admissions Tax	76,644	76,644	73,296
485,202	536,064	465,368	Franchise Fees	3,951,640	3,951,640	3,900,778
391,232	385,701	359,999	Hotel Tax	1,984,953	1,984,953	1,990,484
133,806	163,249	148,233	Telecommunication Tax	862,259	862,259	832,816
195,929	203,502	195,084	Alcohol Tax	1,217,460	1,217,460	1,209,887
315,093	317,590	320,934	Licenses & Permits	713,057	713,057	710,560
59,716	63,818	64,507	Fines & Court Fees	426,470	426,470	422,368
832,633	1,005,445	815,905	State Tax Allotments	4,334,023	4,334,023	4,161,211
133,043	138,212	130,421	Intergovernmental Revenue	377,164	377,164	371,995
13,764,703	14,023,882	13,374,628	User Charges	80,639,879	80,639,879	80,380,700
195,468	155,006	557,207	Reimbursement for Services	835,283	835,283	875,745
55,021	48,791	69,150	Miscellaneous Revenue	752,350	752,350	758,580
310,319	398,100	266,478	Charges to Other Funds	2,547,371	2,547,371	2,459,590
562,262	380,865	343,140	Sale Of Property	3,109,750	3,109,750	3,291,147
2,327,827	2,327,827	2,279,429	Reserves	2,327,827	2,327,827	2,327,827
1,708,844	1,730,248	1,709,528	Insurance Premiums	5,324,000	5,324,000	5,302,596
192,824	53,904	71,078	Investment Income	460,672	460,672	599,592
-	-	-	Financing Proceeds	14,955,081	14,955,081	14,955,081
1,436,998	1,436,998	3,873,739	Interfund Transfers	11,761,025	11,761,025	11,761,025
33,357,157	33,703,974	34,780,648	Total Revenue	169,806,595	169,806,595	169,462,837
Expenditures						
8,846,900	9,037,332	8,298,998	Personal Services	39,808,302	39,899,230	39,708,798
1,000,852	892,636	720,906	Commodities	6,241,628	6,350,885	6,459,101
10,674,471	11,958,664	10,267,527	Contractual Services	62,336,473	63,103,003	61,818,810
1,954,286	1,954,286	1,915,888	Replacement Reserves	1,954,286	1,954,286	1,954,286
1,354,726	1,891,231	1,640,871	Other Operating Expenditures	11,408,591	11,381,796	10,845,290
-	-	-	Allocations	-	-	-
1,041,851	1,041,851	2,060,679	Capital	43,427,885	59,914,060	59,914,060
2,298,104	2,298,104	2,444,343	Debt Service Costs	12,845,204	12,845,204	12,845,204
1,436,998	1,436,998	3,873,739	Interfund Transfers	11,761,025	11,761,025	11,761,025
28,608,188	30,511,102	31,222,951	Total Expenditures	189,783,394	207,209,489	205,306,574

Investment Summary

June 30, 2018

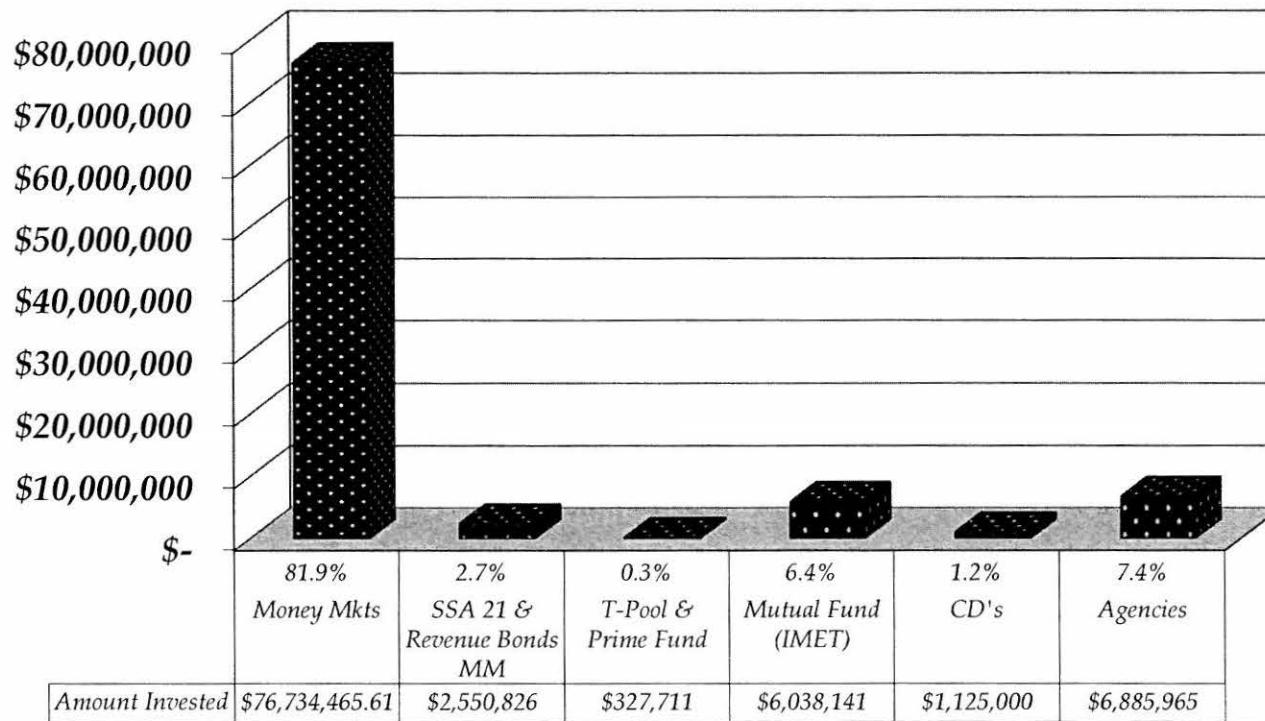


City of St. Charles Investment Portfolio Earnings Comparison



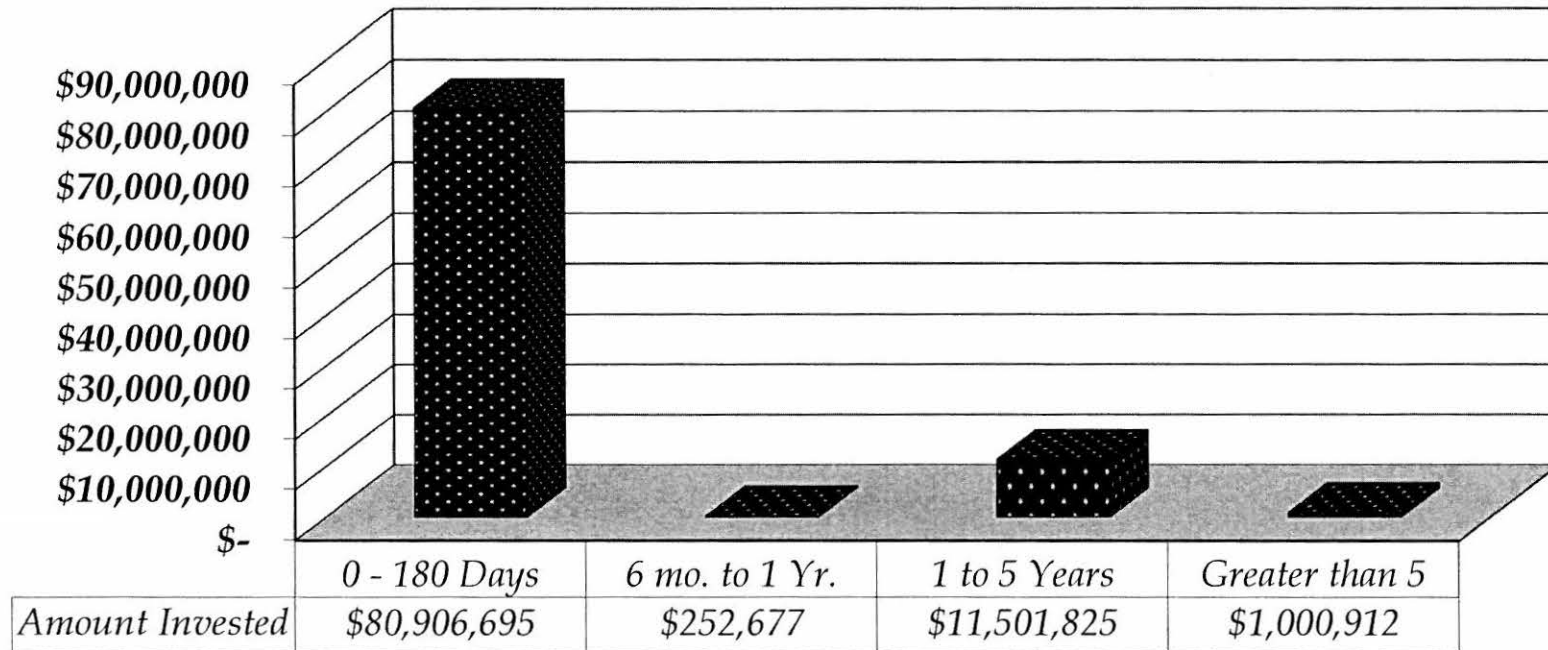
The chart above displays the return on investments for the City of St. Charles portfolio by fiscal year. The Current fiscal year return is computed from May 1 to the current month end. We are comparing the City's return to the average return on the 6 month T-Bill for the same period of time. The City invests in some longer term securities in order to maximize returns. Historically, the City has proven to prevail with this type of philosophy. During sharp rises in interest rates, the City's portfolio may not seem to perform as well, but over time, when combined with the higher returns, the City still comes out ahead. This graph does not include any pension funds.

City of St. Charles Investment Portfolio by Type - June 30, 2018



The chart above displays the City of St. Charles investment portfolio by type of investment. As shown the portfolio is distributed among several investment types. US Treasuries include Treasury Bills, Treasury Notes, Zero Coupon Bonds and Treasury Bonds. The City invests in US Agencies which are government agencies such as Federal Home Loan Bank and Farm Credit Bank. These yield a higher return than treasuries and afford government protection. Money is invested in the Treasurer's Pool, IMET, Commercial Paper and Certificates of Deposit. The City tries to maintain a diversified portfolio to maximize return yet, most importantly, to preserve principal. This chart is only the City's main portfolio and bond investments. SSA 21 and Revenue Bonds money markets are held by Amalgamated Bank in Chicago for investment for those bond issues. This chart does not include pension funds.

City of St. Charles Investment Portfolio Composition - June 30, 2018



The chart above displays the aging of the City of St. Charles investment portfolio. A portion of the City's money is invested in U.S. Agencies, the Treasurer's Pool, commercial paper, collateralized certificates of deposit, as well as IMET (the intergovernmental mutual fund). The City's portfolio is also inflated by bond proceeds which must remain short term to cover construction payouts. The City does invest in some long term securities for capital gains purposes. However, according to policy that amount does not exceed 9% of cost. Timing maturities is very important for the City. We need to allow for cash flow yet maximize return by investing in longer maturities which typically earn a higher yield. Investment maturities are "laddered" as much as possible, to allow for any unforeseen expenditure. The City does not invest funds for the police and fire pension funds, therefore they are not part of this chart.

Treasurer's Report
July 31, 2018

MONTHLY COUNCIL TREASURER'S REPORT

For The Period Ending July 31, 2018

Overview

The attached report is a summary of City financial activity from the beginning of the fiscal year through the above date. It is meant to provide adequate information in a form easily readable for members of the City Council to understand the financial status of the City. Definitions of the various report components are shown at the end of the report.

Budget Philosophy

The City budgeting philosophy is that the budget is not a static plan, but a working plan that must be routinely monitored and adjusted as new opportunities develop, prior projections do not materialize, or priorities change. Revisions are always made in the light of maintaining adequate cash surpluses, in accordance with City policies, and not making revisions that will severely hamper future years' operations.

Report Format

The report shows each fund summarized by major categories of revenues and expenditures. Year-to-date and annual projections show where we are today and where we expect to be at the end of the fiscal year. Each column provides meaningful information when compared with other columns. For instance, differences between the revised budget column and forecast column should be noted. The forecast is a calculated projection and the revised budget is a formal budget adjustment. Any material differences between the two should be investigated.

Comments

Property Taxes, Corporate Fund - Generally, we collect approximately 99% of the levy request.

Sale Taxes, Corporate Fund - Sale Tax from retailers are received 90 days after the date of sale. Sales tax receipts year to date were lower than anticipated, making receipts \$351,877 lower than proposed budget.

Franchise Fees, Corporate Fund - Actual receipts are \$112,200 lower than the proposed budget.

Income Tax, Corporate Fund - Actual receipts are \$265,747 lower than the projected year to date budget. These receipts are subject to changes in the economy and can fluctuate from projections.

Hotel Tax, Corporate Fund - Actual receipts are \$2,590 higher than the proposed budget.

Intergovernmental Revenue, Corporate Fund - This line includes all Federal and State grants as well as replacement tax.

User Charges, All Funds - Revenue from user charges for the year are \$20,975 lower than the projected year to date budget. These revenues can fluctuate with weather, particularly during the summer months.

Personal Services, All Funds - Personal Services are lower than the year to date budget projection for the year. This is due to the timing of new hires, vacancies and employer pension contributions.

Operating Expenses, All Funds - Operating expenses overall are lower than the budget projection for the year. This is due primarily to timing differences.

Capital Expenditures, All Funds - Capital variances are monitored by the department on a quarterly basis. Due to the nature of large expenditures, a specific date of purchase is sometimes difficult to predict.

Definitions

Reporting Periods - The report shows information for two broad reporting periods, year-to-date (YTD) and annual. Year-to-date is an indication of the status from the beginning of the fiscal year through the period being reported. Under this YTD category, three sub-categories are shown. Annual projections show the entire fiscal year and are also broken down into three categories.

Actual - The amount of money actually received or expended from the beginning of the fiscal year (May 1) through the period being

Budget - The revised budget from the beginning of the fiscal year through the period shown.

Last Year - The amount of money actually received or expended last fiscal year for the same months shown under "actual".

Original Budget - The amount originally budgeted and approved by the City Council for the fiscal year in April.

Revised Budget - This is the budget resulting from changes to the original budget. It reflects the most recent formal review and reflects the revisions approved periodically by the City Council.

Forecast - The forecast shows a projection determined by adding the amount actually received or expended to date, plus the months remaining of the revised budget after the period being reported, i.e. annual revised budget - YTD budget + actual.

Permanent Variance - A variance between the budget and forecast which will be permanent and not corrected at a later date.

Timing Variance - A variance between the budget and forecast which will be corrected at a later time during the fiscal year.

Jo Krieger, Treasurer

Balance Sheet
As of July 31, 2018

City of St. Charles, Illinois
All Fund Types and Account Groups
Combined Balance Sheet
July 31, 2018

		Governmental Funds				Proprietary Funds		Fiduciary Funds	Account Groups
	Total Memorandum Only	General Corporate	Special Revenue	Capital Projects	Debt Service	Enterprise	Internal Service	Trust	General Fixed Assets & Debt
<u>Assets</u>									
Cash & Investments	\$ 145,845,676	\$ 21,904,705	\$ 2,992,614	\$ 3,985,944	\$ 1,990	\$ 27,396,541	\$ 14,178,072	\$ 75,385,810	\$ -
Restricted Cash	22,927,741	-	-	18,740,150	2,559,014	1,606,202	22,375	-	-
Receivables									
Property Taxes	14,443,652	12,461,883	1,683,724	24,192	238,853	35,000	-	-	-
Customers - Net	10,246,387	353,712	-	-	-	9,765,878	126,797	-	-
Interest	153,653	15,604	-	-	-	3,920	9	134,120	-
Prepaid Expenses	99,000	37,530	-	-	-	8,660	7,074	45,736	-
Due from Other Governments	4,605,497	4,503,517	75,486	26,494	-	-	-	-	-
Due from Other Funds	1,712,586	471,586	-	-	540,000	701,000	-	-	-
Due from Other Companies	1,615	-	-	-	-	-	1,615	-	-
Inventory	4,667,933	-	-	-	-	-	4,667,933	-	-
Deferred Charges	14,541,692	-	-	-	-	1,527,638	-	-	13,014,054
Advances to Other Funds	6,998,996	5,549,802	-	-	-	801,624	647,570	-	-
Other Assets	621,232	621,232	-	-	-	-	-	-	-
Capital Assets									
Land	65,078,192	-	-	-	-	2,162,294	-	-	62,915,898
Intangibles	5,014,857	-	-	-	-	647,753	-	-	4,367,104
Buildings	118,233,703	-	-	-	-	66,026,930	-	-	52,206,773
Improvements	347,260,253	-	-	-	-	189,571,394	1,233,272	-	156,455,587
Equipment	12,278,621	-	-	-	-	6,839,532	456,117	-	4,982,972
Vehicles	14,663,595	-	-	-	-	4,249,375	10,414,220	-	-
Construction in Progress	12,481,450	-	-	-	-	10,965,093	-	-	1,516,357
Accumulated Depreciation	(246,008,068)	-	-	-	-	(129,810,581)	(6,189,733)	-	(110,007,754)
Total Assets	\$ 555,868,263	\$ 45,919,571	\$ 4,751,824	\$ 22,776,780	\$ 3,339,857	\$ 192,498,253	\$ 25,565,321	\$ 75,565,666	\$ 185,450,991

City of St. Charles, Illinois
All Fund Types and Account Groups
Combined Balance Sheet
July 31, 2018

		Governmental Funds				Proprietary Funds		Fiduciary Funds	Account Groups
	Total Memorandum Only	General Corporate	Special Revenue	Capital Projects	Debt Service	Enterprise	Internal Service	Trust	General Fixed Assets & Debt
Liabilities & Equity									
Liabilities-									
Accounts Payable	\$ 5,605,750	\$ 737,088	\$ -	\$ 346,590	\$ -	\$ 4,389,259	\$ 132,813	\$ -	\$ -
Contracts Payable	498,617	-	1,039	34,506	-	463,072	-	-	-
Claims Payable	1,480,359	-	-	-	-	78,424	1,401,935	-	-
Accrued Salaries	635,151	496,471	-	-	-	118,938	19,742	-	-
Accrued Interest	1,451,423	-	-	-	-	379,294	-	-	1,072,129
Escrows & Deposits	2,626,375	2,090,862	-	-	-	535,513	-	-	-
Due to Other Funds	1,712,586	540,000	-	-	471,586	-	701,000	-	-
Deferred Revenue	27,693,926	12,511,725	1,683,724	24,192	238,853	3,421,833	584	-	9,813,015
Due to Other Governments	811,240	-	14,652	-	-	228,444	-	-	568,144
Advances from Other Funds	6,998,996	-	3,345,386	1,791,986	-	1,060,000	801,624	-	-
Accrued Compensated Absences	4,038,536	-	-	-	-	435,715	82,434	-	3,520,387
Net OPEB Obligation	3,430,419	-	-	-	-	501,538	39,847	-	2,889,034
Net Pension Liability	53,463,923	-	-	-	-	1,339,612	-	-	52,124,311
General Obligation Bonds	103,344,868	-	-	-	-	18,204,617	-	-	85,140,251
Revenue Bonds	5,770,000	-	-	-	-	-	-	-	5,770,000
Installment Contracts	61,523	-	-	-	-	-	-	-	61,523
IEPA Loans	31,707,172	-	-	-	-	31,707,172	-	-	-
Total Liabilities	251,330,864	16,376,146	5,044,801	2,197,274	710,439	62,863,431	3,179,979	-	160,958,794
Equity-									
Fund Balance	76,951,569	29,543,425	(292,977)	20,579,506	2,629,418	-	-	-	24,492,197
Retained Earnings	227,585,830	-	-	-	-	129,634,822	22,385,342	75,565,666	-
Total Equity	304,537,399	29,543,425	(292,977)	20,579,506	2,629,418	129,634,822	22,385,342	75,565,666	24,492,197
Total Liabilities & Equity	\$ 555,868,263	\$ 45,919,571	\$ 4,751,824	\$ 22,776,780	\$ 3,339,857	\$ 192,498,253	\$ 25,565,321	\$ 75,565,666	\$ 185,450,991

Summary of Revenue and Expenditures
for the Period Ending July 31, 2018

Monthly Council Treasurer's Report
May 1, 2018 - July 31, 2018

<u>Actual</u>	<u>Budget</u>	<u>Last Year</u>		<u>Original Budget</u>	<u>Revised Budget</u>	<u>Forecast</u>
Corporate Fund						
Revenue						
6,943,999	6,943,999	6,505,028	Property Taxes	12,457,873	12,457,873	12,457,873
4,000,170	4,352,047	3,895,159	Sales & Use Taxes	18,029,362	18,029,362	17,677,485
23,889	32,420	21,944	Admission Taxes	76,644	76,644	68,113
835,093	947,293	797,650	Franchise Fees	3,951,640	3,951,640	3,839,440
618,530	615,940	574,895	Hotel Tax	1,984,953	1,984,953	1,987,543
198,711	240,260	218,161	Telecommunication Tax	862,259	862,259	820,710
292,659	319,220	306,015	Alcohol Tax	1,217,460	1,217,460	1,190,899
376,326	365,316	369,969	Licenses & Permits	713,057	713,057	724,067
96,234	95,012	95,384	Fines & Court Fees	426,470	426,470	427,692
943,637	1,209,384	972,869	State Tax Allotments	3,369,023	3,369,023	3,103,276
148,504	164,847	146,943	Intergovernmental Revenue	228,164	228,164	211,821
103,180	133,438	121,983	Reimbursement for Services	592,720	592,720	562,462
17,786	17,279	15,437	Miscellaneous Revenue	116,669	116,669	117,176
6,901	624	-	Sale of Property	12,500	12,500	18,777
68,292	31,835	40,772	Investment Income	188,500	188,500	224,957
-	-	-	Interfund Transfers	365,000	365,000	365,000
14,673,911	15,468,914	14,082,209	Total Revenue	44,592,294	44,592,294	43,797,291
Expenditures						
9,441,859	9,723,484	8,754,473	Personal Services	30,878,484	30,920,547	30,638,922
293,620	437,516	340,924	Commodities	1,494,926	1,542,538	1,398,642
2,123,928	3,119,499	2,337,415	Contractual Services	9,936,143	10,283,186	9,287,615
1,342,071	1,342,071	1,375,090	Replacement Reserves	1,342,071	1,342,071	1,342,071
134,627	147,505	128,462	Other Operating Expenditures	232,272	233,478	220,600
(1,289,298)	(1,289,298)	(1,281,564)	Allocations	(5,157,192)	(5,157,192)	(5,157,192)
15,545	15,545	26,216	Capital	100,850	120,312	120,312
1,146	1,146	1,146	Debt Service Costs	4,586	4,586	4,586
757,880	757,880	1,110,924	Interfund Transfers	6,563,053	6,563,053	6,563,053
12,821,378	14,255,348	12,793,086	Total Expenditures	45,395,193	45,852,579	44,418,609

Monthly Council Treasurer's Report
May 1, 2018 - July 31, 2018

<u>Actual</u>	<u>Budget</u>	<u>Last Year</u>		<u>Original Budget</u>	<u>Revised Budget</u>	<u>Forecast</u>
Electric Fund						
Revenue						
18,521	19,865	19,866	Property Taxes	35,000	35,000	35,000
17,550,088	17,147,734	16,749,136	User Charges	62,651,767	62,651,767	63,054,121
183,865	65,693	561,509	Reimbursement for Services	185,000	185,000	303,172
26,913	29,584	27,098	Miscellaneous Revenue	221,000	221,000	218,329
-	4,492	6,070	Sale of Property	42,500	42,500	38,008
331,188	331,188	304,927	Reserves	331,188	331,188	331,188
52,238	17,684	27,355	Investment Income	85,000	85,000	119,554
-	-	-	Financing Proceeds	1,400,000	1,400,000	1,400,000
104,728	104,728	-	Interfund Transfers	301,664	301,664	301,664
18,267,541	17,720,968	17,695,961	Total Revenue	65,253,119	65,253,119	65,801,036
Expenditures						
914,178	975,358	918,646	Personal Services	3,943,893	3,955,524	3,894,344
44,372	47,612	33,606	Commodities	288,526	290,020	286,780
12,424,218	12,956,175	11,880,896	Contractual Services	46,047,672	46,181,709	45,649,752
253,011	253,011	226,750	Replacement Reserves	253,011	253,011	253,011
1,286,923	1,509,532	1,260,497	Other Operating Expenditures	6,309,095	6,309,095	6,086,486
440,898	440,898	517,155	Allocations	1,763,592	1,763,592	1,763,592
785,095	785,095	738,139	Capital	3,571,000	5,275,378	5,275,378
173,013	173,013	219,288	Debt Service Costs	963,336	963,336	963,336
33,741	33,741	39,524	Interfund Transfers	483,384	483,384	483,384
16,355,449	17,174,435	15,834,501	Total Expenditures	63,623,509	65,475,049	64,656,063
Water Fund						
Revenue						
-	-	-	Intergovernmental Revenue	-	-	-
1,544,897	1,695,849	1,527,979	User Charges	6,494,689	6,494,689	6,343,737
5,458	6,945	5,821	Reimbursement for Services	27,100	27,100	25,613
18,727	31,050	38,044	Miscellaneous Revenue	227,081	227,081	214,758
15,572	9,595	15,795	Sale of Property	40,250	40,250	46,227
151,910	151,910	129,614	Reserves	151,910	151,910	151,910
16,481	5,421	7,112	Investment Income	39,000	39,000	50,060
-	-	-	Financing Proceeds	1,673,600	1,673,600	1,673,600
1,753,045	1,900,770	1,724,365	Total Revenue	8,653,630	8,653,630	8,505,905

**Monthly Council Treasurer's Report
May 1, 2018 - July 31, 2018**

<u>Actual</u>	<u>Budget</u>	<u>Last Year</u>		<u>Original Budget</u>	<u>Revised Budget</u>	<u>Forecast</u>
Water Fund Continued						
Expenditures						
389,566	391,946	365,077	Personal Services	1,543,489	1,548,169	1,545,789
151,336	152,886	126,254	Commodities	602,045	662,196	660,646
293,424	325,213	255,743	Contractual Services	1,217,816	1,224,516	1,192,727
113,648	113,648	91,352	Replacement Reserves	113,648	113,648	113,648
14,267	20,803	69,306	Other Operating Expenditures	76,920	76,920	70,384
326,409	326,409	227,094	Allocations	1,305,636	1,305,636	1,305,636
127,655	127,655	219,888	Capital	2,833,800	3,951,500	3,951,500
188,626	188,626	301,131	Debt Service Costs	1,301,319	1,301,319	1,301,319
11,386	11,386	13,337	Interfund Transfers	217,737	217,737	217,737
1,616,317	1,658,572	1,669,182	Total Expenditures	9,212,410	10,401,641	10,359,386
Wastewater Fund						
Revenue						
-	-	-	Intergovernmental Revenue	29,000	29,000	29,000
2,530,516	2,706,218	2,358,252	User Charges	10,506,466	10,506,466	10,330,764
6,368	7,801	6,805	Reimbursement for Services	30,463	30,463	29,030
19,318	3,514	23,928	Miscellaneous Revenue	180,700	180,700	196,504
8,200	-	-	Sale of Property	-	-	8,200
319,829	319,829	298,890	Reserves	319,829	319,829	319,829
13,893	3,458	4,984	Investment Income	22,000	22,000	32,435
-	-	-	Financing Proceeds	3,853,060	3,853,060	3,853,060
2,898,124	3,040,820	2,692,859	Total Revenue	14,941,518	14,941,518	14,798,822
Expenditures						
528,322	566,814	555,213	Personal Services	2,133,136	2,136,090	2,097,598
44,600	56,170	52,000	Commodities	373,575	373,575	362,005
429,236	540,208	424,689	Contractual Services	2,334,856	2,355,341	2,244,369
219,707	219,707	198,768	Replacement Reserves	219,707	219,707	219,707
46,434	56,056	53,049	Other Operating Expenditures	72,828	72,828	63,206
332,574	332,574	336,774	Allocations	1,330,296	1,330,296	1,330,296
1,259,643	1,259,643	75,827	Capital	5,352,110	15,889,929	15,889,929
667,824	667,824	675,809	Debt Service Costs	2,197,365	2,197,365	2,197,365
21,661	21,661	25,373	Interfund Transfers	343,790	343,790	343,790
3,550,001	3,720,657	2,397,502	Total Expenditures	14,357,663	24,918,921	24,748,265

**Monthly Council Treasurer's Report
May 1, 2018 - July 31, 2018**

<u>Actual</u>	<u>Budget</u>	<u>Last Year</u>		<u>Original Budget</u>	<u>Revised Budget</u>	<u>Forecast</u>
Refuse Fund						
Revenue						
131,134	147,994	130,706	User Charges	553,560	553,560	536,700
-	-	-	Reimbursement for Services	-	-	-
55	164	86	Miscellaneous Revenue	6,900	6,900	6,791
5,741	1,955	2,252	Sale of Property	9,000	9,000	12,786
-	-	-	Investment Income	1,800	1,800	1,800
81,259	81,259	80,000	Interfund Transfers	81,259	81,259	81,259
218,189	231,372	213,044	Total Revenue	652,519	652,519	639,336
Expenditures						
2,600	2,391	2,153	Commodities	6,120	6,120	6,329
47,628	87,278	50,188	Contractual Services	671,660	671,660	632,010
-	339	-	Other Operating Expenditures	1,356	1,356	1,017
26,475	26,475	17,436	Allocations	105,900	105,900	105,900
76,703	116,483	69,777	Total Expenditures	785,036	785,036	745,256
TIF Funds						
Revenue						
888,611	796,349	709,984	Property Taxes	1,627,452	1,627,452	1,719,714
-	-	-	Investment Income	2,872	2,872	2,872
-	-	-	Interfund Transfers	-	-	-
888,611	796,349	709,984	Total Revenue	1,630,324	1,630,324	1,722,586
Expenditures						
-	-	-	Contractual Services	-	-	-
431,938	431,938	108,227	Interfund Transfers	1,032,399	1,032,399	1,032,399
431,938	431,938	108,227	Total Expenditures	1,032,399	1,032,399	1,032,399
Motor Fuel Tax Fund						
Revenue						
208,668	212,668	203,524	State Tax Allotments	845,000	845,000	841,000
10,238	1,212	2,126	Investment Income	8,000	8,000	17,026
-	-	-	Interfund Transfers	-	-	-
218,906	213,880	205,650	Total Revenue	853,000	853,000	858,026

**Monthly Council Treasurer's Report
May 1, 2018 - July 31, 2018**

<u>Actual</u>	<u>Budget</u>	<u>Last Year</u>		<u>Original Budget</u>	<u>Revised Budget</u>	<u>Forecast</u>
Motor Fuel Tax Fund Continued						
Expenditures						
-	-	99,405	Capital	1,110,000	1,390,538	1,390,538
-	-	99,405	Total Expenditures	1,110,000	1,390,538	1,390,538
Capital Project Funds						
Revenue						
12,096	12,500	12,152	Property Taxes	25,000	25,000	24,596
37,862	30,000	7,991	State Tax Allotments	120,000	120,000	127,862
-	-	-	Intergovernmental Revenue	120,000	120,000	120,000
-	-	-	Reimbursement for Services	-	-	-
2,000	-	-	Miscellaneous Revenue	-	-	2,000
283,719	283,719	296,872	Reserves	283,719	283,719	283,719
94,031	12,010	12,178	Investment Income	38,000	38,000	120,021
-	-	-	Financing Proceeds	8,028,421	8,028,421	8,028,421
-	-	2,530,203	Interfund Transfers	3,769,442	3,769,442	3,769,442
429,708	338,229	2,859,396	Total Revenue	12,384,582	12,384,582	12,476,061
Expenditures						
-	-	-	Commodities	-	-	-
8,121	150,580	39,737	Contractual Services	335,900	594,165	451,706
-	122,499	-	Other Operating Expenditures	490,000	490,000	367,501
1,181,219	1,181,219	1,407,318	Capital	28,596,737	31,465,265	31,465,265
-	-	-	Debt Service Costs	-	-	-
135,595	135,595	2,656,354	Interfund Transfers	2,830,776	2,830,776	2,830,776
1,324,935	1,589,893	4,103,409	Total Expenditures	32,253,413	35,380,206	35,115,248
Debt Service Funds						
Revenue						
119,426	-	119,227	Property Taxes	-	-	119,426
303,750	313,944	303,750	Sales & Use Taxes	975,000	975,000	964,806
7,125	331	2,019	Investment Income	2,000	2,000	8,794
-	-	-	Financing Proceeds	-	-	-
1,267,877	1,267,877	1,343,536	Interfund Transfers	7,183,660	7,183,660	7,183,660
1,698,178	1,582,152	1,768,532	Total Revenue	8,160,660	8,160,660	8,276,686
Expenditures						
-	-	-	Contractual Services	7,424	7,424	7,424
1,379,602	1,379,602	1,465,986	Debt Service Costs	8,378,598	8,378,598	8,378,598
1,379,602	1,379,602	1,465,986	Total Expenditures	8,386,022	8,386,022	8,386,022

**Monthly Council Treasurer's Report
May 1, 2018 - July 31, 2018**

<u>Actual</u>	<u>Budget</u>	<u>Last Year</u>		<u>Original Budget</u>	<u>Revised Budget</u>	<u>Forecast</u>
Inventory Fund						
Revenue						
-	-	-	Miscellaneous Revenue	-	-	-
166,944	174,729	147,000	Charges to Other Funds	921,492	921,492	913,707
667,639	539,535	478,839	Sale of Inventory	3,000,000	3,000,000	3,128,104
-	-	-	Sale of Property	-	-	-
23,145	23,145	22,063	Reserves	23,145	23,145	23,145
-	-	-	Investment Income	-	-	-
857,728	737,409	647,902	Total Revenue	3,944,637	3,944,637	4,064,956
Expenditures						
124,683	128,451	105,932	Personal Services	530,159	530,159	526,391
677,197	551,688	514,016	Commodities	3,056,275	3,056,275	3,181,784
11,510	14,063	13,003	Contractual Services	66,888	66,888	64,335
14,760	14,760	13,678	Replacement Reserves	14,760	14,760	14,760
664	567	521	Other Operating Expenditures	2,992	2,992	3,089
58,530	58,530	77,523	Allocations	234,120	234,120	234,120
989	989	989	Capital	1,500	1,500	1,500
-	-	-	Interfund Transfers	14,755	14,755	14,755
888,333	769,048	725,662	Total Expenditures	3,921,449	3,921,449	4,040,734
Motor Vehicle Replacement Fund						
Revenue						
-	-	-	Miscellaneous Revenue	-	-	-
258,484	449,697	267,975	Charges to Other Funds	1,625,879	1,625,879	1,434,666
10,303	932	4,500	Sale of Property	5,500	5,500	14,871
1,205,687	1,205,687	1,215,553	Reserves	1,205,687	1,205,687	1,205,687
18,391	2,103	3,223	Investment Income	25,000	25,000	41,288
-	-	-	Interfund Transfers	60,000	60,000	60,000
1,492,865	1,658,419	1,491,251	Total Revenue	2,922,066	2,922,066	2,756,512
Expenditures						
149,974	173,698	145,746	Personal Services	670,674	670,674	646,950
75,702	94,998	76,501	Commodities	410,191	410,191	390,895
45,434	48,483	35,762	Contractual Services	207,296	207,296	204,247
9,147	9,147	9,147	Replacement Reserves	9,147	9,147	9,147
7,898	11,612	8,623	Other Operating Expenditures	41,712	41,712	37,998
67,989	67,989	71,505	Allocations	271,956	271,956	271,956
29,734	29,734	605,006	Capital	1,627,888	1,734,638	1,734,638
-	-	-	Interfund Transfers	18,467	18,467	18,467
385,878	435,661	952,290	Total Expenditures	3,257,331	3,364,081	3,314,298

Monthly Council Treasurer's Report
May 1, 2018 - July 31, 2018

<u>Actual</u>	<u>Budget</u>	<u>Last Year</u>		<u>Original Budget</u>	<u>Revised Budget</u>	<u>Forecast</u>
Health Insurance Fund						
Revenue						
-	-	-	Miscellaneous Revenue	-	-	-
1,039,989	1,074,335	1,045,969	Insurance Premiums	4,324,000	4,324,000	4,289,654
8,843	5,052	5,200	Investment Income	22,000	22,000	25,791
1,048,832	1,079,387	1,051,169	Total Revenue	4,346,000	4,346,000	4,315,445
Expenditures						
1,057	30,350	713	Personal Services	3,000	32,600	3,307
(186)	2,002	1,924	Commodities	2,500	2,500	312
225,636	257,282	228,485	Contractual Services	926,200	926,200	894,554
727,247	820,667	759,055	Other Operating Expenditures	3,713,300	3,683,700	3,590,280
19,569	19,569	28,119	Allocations	78,276	78,276	78,276
-	-	-	Interfund Transfers	-	-	-
973,323	1,129,870	1,018,296	Total Expenditures	4,723,276	4,723,276	4,566,729
WC & Liability Fund						
Revenue						
-	-	1	Miscellaneous Revenue	-	-	-
1,000,000	1,000,000	1,000,000	Insurance Premiums	1,000,000	1,000,000	1,000,000
13,315	5,096	7,112	Investment Income	25,000	25,000	33,219
-	-	-	Interfund Transfers	-	-	-
1,013,315	1,005,096	1,007,113	Total Revenue	1,025,000	1,025,000	1,033,219
Expenditures						
262,794	256,751	236,950	Contractual Services	506,700	506,700	512,743
57,073	95,003	54,641	Other Operating Expenditures	456,000	457,599	419,669
6,348	6,348	2,793	Allocations	25,392	25,392	25,392
-	-	-	Interfund Transfers	195,000	195,000	195,000
326,215	358,102	294,384	Total Expenditures	1,183,092	1,184,691	1,152,804

Monthly Council Treasurer's Report
May 1, 2018 - July 31, 2018

<u>Actual</u>	<u>Budget</u>	<u>Last Year</u>		<u>Original Budget</u>	<u>Revised Budget</u>	<u>Forecast</u>
Communications Fund						
Revenue						
114,143	193,958	114,143	User Charges	433,397	433,397	353,582
12,349	12,349	11,510	Reserves	12,349	12,349	12,349
-	-	-	Investment Income	1,500	1,500	1,500
-	-	-	Interfund Transfers	-	-	-
126,492	206,307	125,653	Total Revenue	447,246	447,246	367,431
Expenditures						
21,977	26,086	42,768	Personal Services	105,467	105,467	101,358
1,699	1,955	1,486	Commodities	7,470	7,470	7,214
10,903	27,985	11,977	Contractual Services	77,918	77,918	60,836
1,942	1,942	1,103	Replacement Reserves	1,942	1,942	1,942
5,962	6,372	5,816	Other Operating Expenditures	12,116	12,116	11,706
10,506	10,506	3,165	Allocations	42,024	42,024	42,024
144	144	43,505	Capital	234,000	250,000	250,000
61,664	61,664	-	Interfund Transfers	61,664	61,664	61,664
114,797	136,654	109,820	Total Expenditures	542,601	558,601	536,744

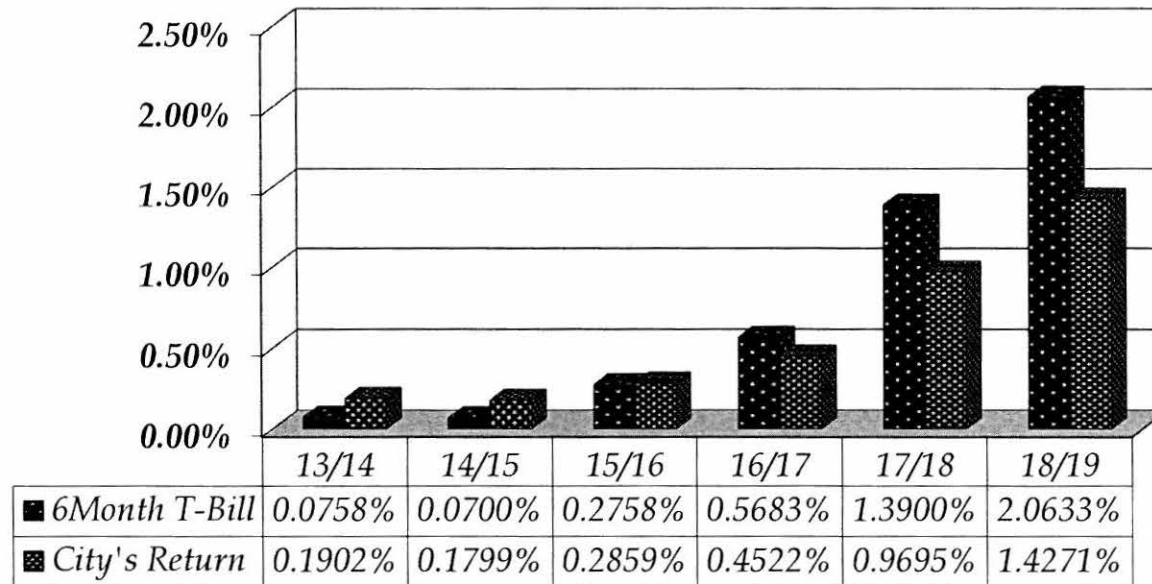
**Monthly Council Treasurer's Report
May 1, 2018 - July 31, 2018**

<u>Actual</u>	<u>Budget</u>	<u>Last Year</u>		<u>Original Budget</u>	<u>Revised Budget</u>	<u>Forecast</u>
All Funds						
Revenue						
7,982,653	7,772,713	7,366,257	Property Tax	14,145,325	14,145,325	14,356,609
4,303,920	4,665,991	4,198,909	Sales & Use Tax	19,004,362	19,004,362	18,642,291
23,889	32,420	21,944	Admissions Tax	76,644	76,644	68,113
835,093	947,293	797,650	Franchise Fees	3,951,640	3,951,640	3,839,440
618,530	615,940	574,895	Hotel Tax	1,984,953	1,984,953	1,987,543
198,711	240,260	218,161	Telecommunication Tax	862,259	862,259	820,710
292,659	319,220	306,015	Alcohol Tax	1,217,460	1,217,460	1,190,899
376,326	365,316	369,969	Licenses & Permits	713,057	713,057	724,067
96,234	95,012	95,384	Fines & Court Fees	426,470	426,470	427,692
1,190,167	1,452,052	1,184,384	State Tax Allotments	4,334,023	4,334,023	4,072,138
148,504	164,847	146,943	Intergovernmental Revenue	377,164	377,164	360,821
21,870,778	21,891,753	20,880,216	User Charges	80,639,879	80,639,879	80,618,904
298,871	213,877	696,118	Reimbursement for Services	835,283	835,283	920,277
84,799	81,591	104,594	Miscellaneous Revenue	752,350	752,350	755,558
425,428	624,426	414,975	Charges to Other Funds	2,547,371	2,547,371	2,348,373
714,356	557,133	507,456	Sale Of Property	3,109,750	3,109,750	3,266,973
2,327,827	2,327,827	2,279,429	Reserves	2,327,827	2,327,827	2,327,827
2,039,989	2,074,335	2,045,969	Insurance Premiums	5,324,000	5,324,000	5,289,654
302,847	84,202	112,081	Investment Income	460,672	460,672	679,317
-	-	-	Financing Proceeds	14,955,081	14,955,081	14,955,081
1,453,865	1,453,865	3,953,739	Interfund Transfers	11,761,025	11,761,025	11,761,025
45,585,446	45,980,073	46,275,088	Total Revenue	169,806,595	169,806,595	169,413,312
Expenditures						
11,571,616	12,016,187	10,888,568	Personal Services	39,808,302	39,899,230	39,454,659
1,290,940	1,347,218	1,148,864	Commodities	6,241,628	6,350,885	6,294,607
15,882,832	17,783,517	15,514,845	Contractual Services	62,336,473	63,103,003	61,202,318
1,954,286	1,954,286	1,915,888	Replacement Reserves	1,954,286	1,954,286	1,954,286
2,281,095	2,790,955	2,339,970	Other Operating Expenditures	11,408,591	11,381,796	10,871,936
-	-	-	Allocations	-	-	-
3,400,024	3,400,024	3,216,293	Capital	43,427,885	60,079,060	60,079,060
2,410,211	2,410,211	2,663,360	Debt Service Costs	12,845,204	12,845,204	12,845,204
1,453,865	1,453,865	3,953,739	Interfund Transfers	11,761,025	11,761,025	11,761,025
40,244,869	43,156,263	41,641,527	Total Expenditures	189,783,394	207,374,489	204,463,095

Investment Summary
July 31, 2018

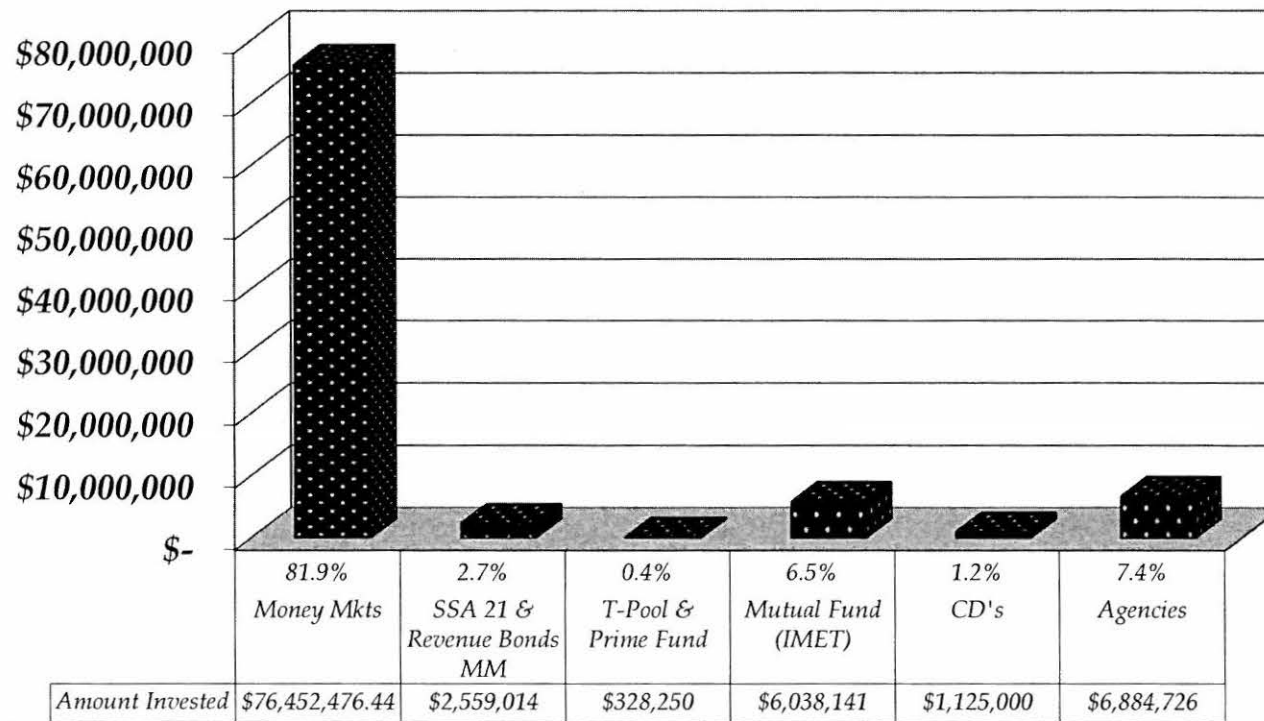


City of St. Charles Investment Portfolio Earnings Comparison



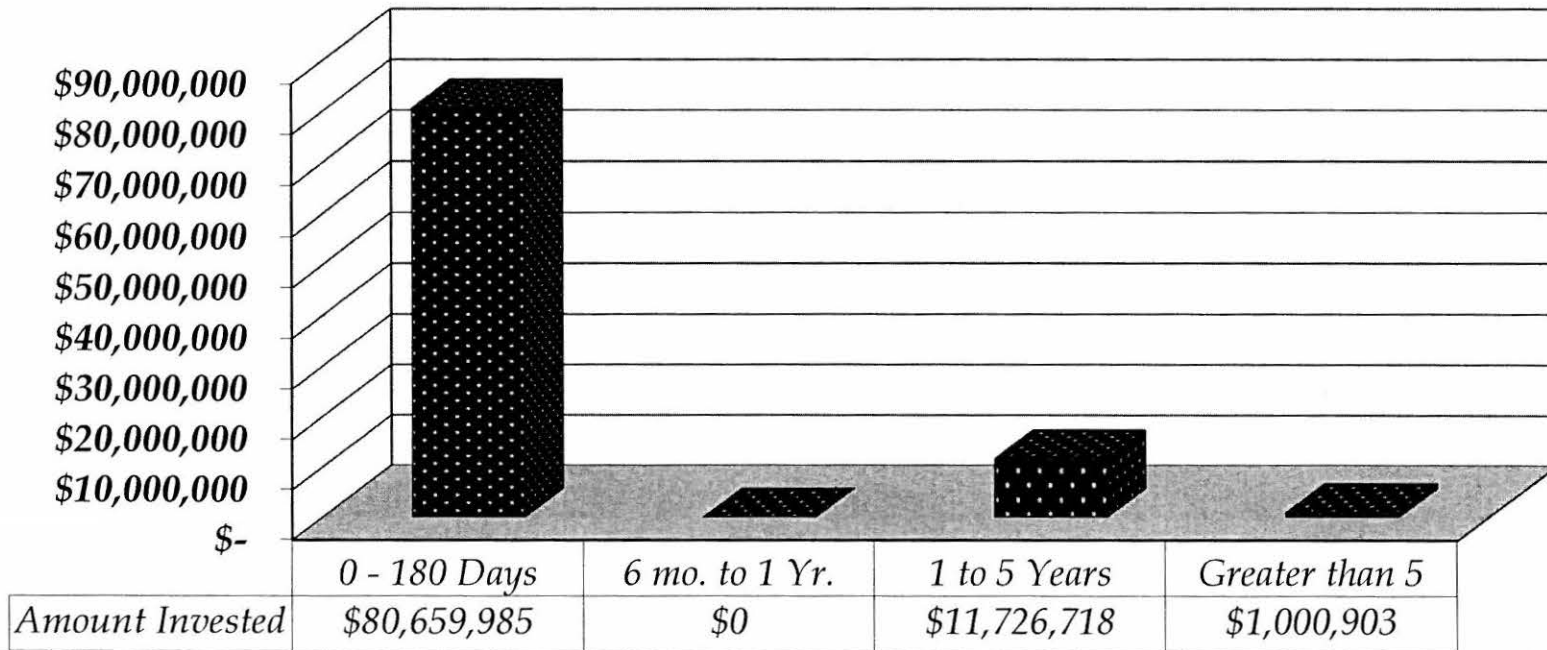
The chart above displays the return on investments for the City of St. Charles portfolio by fiscal year. The Current fiscal year return is computed from May 1 to the current month end. We are comparing the City's return to the average return on the 6 month T-Bill for the same period of time. The City invests in some longer term securities in order to maximize returns. Historically, the City has proven to prevail with this type of philosophy. During sharp rises in interest rates, the City's portfolio may not seem to perform as well, but over time, when combined with the higher returns, the City still comes out ahead. This graph does not include any pension funds.

City of St. Charles Investment Portfolio by Type - July 31, 2018



The chart above displays the City of St. Charles investment portfolio by type of investment. As shown the portfolio is distributed among several investment types. US Treasuries include Treasury Bills, Treasury Notes, Zero Coupon Bonds and Treasury Bonds. The City invests in US Agencies which are government agencies such as Federal Home Loan Bank and Farm Credit Bank. These yield a higher return than treasuries and afford government protection. Money is invested in the Treasurer's Pool, IMET, Commercial Paper and Certificates of Deposit. The City tries to maintain a diversified portfolio to maximize return yet, most importantly, to preserve principal. This chart is only the City's main portfolio and bond investments. SSA 21 and Revenue Bonds money markets are held by Amalgamated Bank in Chicago for investment for those bond issues. This chart does not include pension funds.

City of St. Charles Investment Portfolio Composition - July 31, 2018



The chart above displays the aging of the City of St. Charles investment portfolio. A portion of the City's money is invested in U.S. Agencies, the Treasurer's Pool, commercial paper, collateralized certificates of deposit, as well as IMET (the intergovernmental mutual fund). The City's portfolio is also inflated by bond proceeds which must remain short term to cover construction payouts. The City does invest in some long term securities for capital gains purposes. However, according to policy that amount does not exceed 9% of cost. Timing maturities is very important for the City. We need to allow for cash flow yet maximize return by investing in longer maturities which typically earn a higher yield. Investment maturities are "laddered" as much as possible, to allow for any unforeseen expenditure. The City does not invest funds for the police and fire pension funds, therefore they are not part of this chart.

**AGENDA ITEM EXECUTIVE SUMMARY**

Agenda Item number: IA

Title:

Presentation of a Recommendation from Mayor Rogina to Approve the Appointment of Frances Zollers to the St. Charles Liquor Control Commission.

Presenter:

Mayor Raymond P. Rogina

Meeting: City Council

Date: September 4, 2018

Proposed Cost: \$

Budgeted Amount: \$

Not Budgeted: ☐**Executive Summary** *(if not budgeted please explain):*

Request favorable consideration to approve the appointment of Frances Zollers to the St. Charles Liquor Control Commission.

Attachments *(please list):*

Resume

Recommendation/Suggested Action *(briefly explain):*

Presentation of a Recommendation from Mayor Rogina to Approve the Appointment of Frances Zollers to the St. Charles Liquor Control Commission.

FRANCES E. ZOLLERS

Frances E. Zollers is Professor Emerita of Law & Public Policy in the Whitman School of Management at Syracuse University. She has also taught as a visiting professor at the Ross School of Business at the University of Michigan, the Wharton School of the University of Pennsylvania, the Kelly School of Business at Indiana University, and was a visiting scholar at the U.S. Consumer Product Safety Commission.

Her research and teaching areas include intellectual property, technology law, product liability and safety, and entrepreneurship. Her publications appear in leading law journals and business journals. She is a former Editor in Chief of the American Business Law Journal.

Fran is a certified business mentor for the Fox Valley Chapter of SCORE, a national organization that provides free mentoring to entrepreneurs. In that capacity she volunteers as a mentor to startups and ongoing businesses and also provides workshops throughout the area on business law topics relevant to small and new businesses.

Fran received a BA in history from DePauw University in Greencastle, Indiana and a JD from the Syracuse University College of Law.

**AGENDA ITEM EXECUTIVE SUMMARY**

Agenda Item number: IIA2

Title:

Recommendation to approve a Proposal for a Class A6 Liquor License for Deepa Foods, Inc., d/b/a 7-Eleven located at 2400 E. Main St., St. Charles.

Presenter:

Jim Keegan, Police Chief

Meeting: City Council

Date: September 4, 2018

Proposed Cost:

Budgeted Amount:

Not Budgeted: ☐**Executive Summary** *(if not budgeted please explain):*

This is an application request for an A6 Liquor license for Deepa Foods, Inc., d/b/a 7-Eleven, located at 2400 E. Main St., St. Charles.

This was presented at the August 20, 2018 Government Operations Committee meeting where it received a vote of 7 - 1 in favor this item.

Attachments *(please list):*

Memo, Application, BASSET Information, Site Plan, Lease, Business Plan, COI

Recommendation/Suggested Action *(briefly explain):*

Recommendation to approve a Proposal for a Class A6 Liquor License for Deepa Foods, Inc., d/b/a 7-Eleven located at 2400 E. Main St., St. Charles.



Memo

Date: 8/14/2018
To: The Honorable Ray Rogina, Mayor-Liquor Commissioner
From: James Keegan, Chief of Police
Re: Background Investigation- Deepa Foods Inc. d/b/a 7-11 / 2400 E. Main Street (A-6)

The purpose of this memorandum is to document and forward to your attention the results of the background investigation conducted by members of the St. Charles Police Department concerning the above mentioned establishment.

As you are aware, City Council recently modified our city code allowing alcohol sales inside gas station/mini-marts as follows (*A-6 Class A-6 licenses shall authorize the retail sale of alcoholic liquors in original packages only, and not for consumption on the premises, in gas stations and/or convenience stores where the retail sale of packaged alcoholic liquor is secondary to the sale of either gasoline products and/or miscellaneous convenience store items and the square footage devoted to the retail sale of alcoholic liquor is ten percent (10%) or less of the gross square footage*).

Sales can only occur between 7:00am and 10:00pm daily.

The site location/floor plans and the corresponding application materials were reviewed by my staff. Dram Shop insurance, alcohol education training and their remaining paperwork was in order. I recommend alcohol sales subject to City Council approval.

Thank you in advance for your consideration in this matter.

City of St. Charles, Illinois Liquor Control Commissioner

CITY RETAIL LIQUOR DEALER LICENSE APPLICATION

APPLICATION FEE IS NON-REFUNDABLE

Incomplete applications will not be accepted.

Completed applications may be submitted to:

Two East Main Street, St. Charles, IL 60174-1984



A6

Date Application Received: 7-23-2018 ☒ New Application ☐ Renewal Application

APPLICATION CHECKLIST

Check items to confirm all are attached to this application	Applicant	Office Use Only
Application Fee	<input type="checkbox"/>	<input type="checkbox"/>
Completed Application for all questions applicable to your business.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Copy of Lease/ Proof of Ownership	<input type="checkbox"/>	<input type="checkbox"/>
Copy of Dram Shop Insurance or a letter from insurance agent with a proposed quote.	<input type="checkbox"/>	<input type="checkbox"/>
Copy of Articles of Corporation, if applicable.	<input type="checkbox"/>	<input type="checkbox"/>
Completed BASSET. (Beverage Alcohol Sellers & Servers Training) form – filled out for all employees. A copy of the BASSET. certificate is only needed for each manager. It is the business establishment's responsibility to keep copies of all BASSET. certificates on file for all of their employees.	<input type="checkbox"/>	<input type="checkbox"/>
Copy of Site Plan for Establishment (Drawn to scale including the parking lot, patio and/or deck, outdoor seating).	<input type="checkbox"/>	<input type="checkbox"/>
Copy of Floor Plan for Establishment (Drawn to scale and must include the layout of the establishment with tables, chairs, aisles, displays, cash register, bar, and lounge area with dimensions, percentage, and square footage noted for each space). Be sure to also include all fixed objects, such as pool tables, bar stools, vending/amusement machines, as well as all exits.	<input type="checkbox"/>	<input type="checkbox"/>
Copy of Business Plan, to include: <input type="checkbox"/> Hours of Operation <input type="checkbox"/> Copy of Menu <input type="checkbox"/> Whether or not live music will be played at this establishment <input type="checkbox"/> Will there be outdoor seating and/or outdoor designated smoking area <input type="checkbox"/> Do not include a marketing or financial plan with this business plan	<input type="checkbox"/>	<input type="checkbox"/>
Are any building alterations planned for this site? If not sure, please contact Building & Code Enforcement at 630.377.4406 and/or Fire Prevention Bureau at 630.377.4458 to discuss whether or not a walk-thru and/or permit are necessary for this business.	<input type="checkbox"/>	<input type="checkbox"/>
All managers have been fingerprinted who are employed by your establishment. When new management is hired, it is imperative you contact the Mayor's office to be fingerprinted so the City's business files are appropriately updated.	<input type="checkbox"/>	<input type="checkbox"/>

OFFICIAL USE ONLY

☐ Approved* ☐ Denied Date Approved/Denied: _____ Customer Number: _____

Signature of Mayor, Liquor Control Commissioner

Date Issued

*ISSUANCE OF THIS LICENSE IS CONTINGENT ON MEETING ALL REQUIRED BUILDING AND FIRE DEPARTMENT REQUIREMENTS

07.05.2016

APPLICANT INFORMATION

A. Type of Business: ☐ Individual ☐ Partnership ☒ Corporation ☐ Other (explain):

B. Business Name: 7-ELEVEN

C. Business Address: 2400 EAST MAIN ST. CHARLES, IL 60174

D. IL Tax ID Number: 1281-9938 E. Business Phone: 630-584-0200 F. Business E-mail: Pgoud7@gmail.com G. Business Website:

H. Contact Person: PRAVEEN GOND I. Title: PRESIDENT J. Phone No.: 847-401-4150

K. If Corporation, Corporation Name: DEEPA FOODS INC

L. Corporation Address (city, state, zip code): 704 W. EASTON CT, PALATINE, IL 60067

BUSINESS ESTABLISHMENT LOCATION INFORMATION

A. Type of Establishment: ☐ Package ☐ Restaurant ☐ Tavern ☐ Hotel/Banquet/Arcade/Q-Center ☒ Other

B. Address applying for liquor license (exact street address): 2400 EAST MAIN ST. C. Number of Parking Spaces: 15 D. Outside Dining s.f. [17.20.020-F]: E. Holding Bar s.f. [5.08.010-F]:

F. Total Building s.f.: G. Total Number of Seats: H. Number of Bar Seats: I. Sale Counter s.f.: J. Live Entertainment Area s.f. [5.08.010-H]:

K. Kitchen s.f.: L. Cooler s.f.: 30x75 M. Dry Storage s.f.: N. Seating Area s.f.: O. Retail/public Area s.f.: P. Service Bar s.f. [5.08.010-O]:

Q. Brief Business Plan description based on type of establishment listed above:

CONVENIENCE STORE

MANAGER INFORMATION

Full Name, include middle initial: MUBHASHAR KHAN Title: MANAGER

Br[]le[] Br[]place[] Driver's License# [] Home Phone:

Home Address:

Full Name, include middle initial: Title:

Br[]le[] Br[]place[] Driver's License# [] Home Phone:

Home Address:

Full Name, include middle initial: Title:

Br[]le[] Br[]place[] Driver's License# [] Home Phone:

Home Address:

PROPOSED FLOOR PLAN/ LAYOUT OF PROPERTY

Mandatory: attach to this application a floorplan or layout of the proposed facility to include the following:

CLASS B LICENSES

1. Every application for a Class B license, whether an initial application or a renewal application, shall have attached thereto a site drawing of the proposed licensed premises, drawn to scale showing the following (check off once complete):
 - a. The location of all rooms, segregated areas, including outdoor seating areas and the square footage thereof;
 - b. The designated use of each room or segregated area (i.e. dining room, holding bar, service bar, kitchen, restrooms, outdoor seating areas, all rooms and segregated areas, including outdoor areas where alcoholic liquor may be served or consumed and all locations where live entertainment may be provided);
 - c. The proposed seating capacity of rooms or segregated areas where the public is permitted to consume food and/or alcoholic beverages and/or live entertainment may be provided.**
2. The site drawing is subject to the approval of the Local Liquor Control Commissioner. The Local Liquor Commissioner may impose such restrictions as he deems appropriate on any license by noting the same on the approved site drawing or as provided on the face of the license.
3. A copy of the approved site drawing shall be attached to the approved license and is made a part of said license.
4. It shall be unlawful for any Class B licensee to operate and/or maintain the licensed premises in any manner inconsistent with the approved site drawing.

CLASS C LICENSES

1. Every application for a Class C license, whether an initial application or a renewal application, shall have attached thereto a site drawing of the proposed licensed premises, drawn to scale, showing the following (check off once complete):
 - a. The location of all rooms, segregated areas, including outdoor seating areas and the square footage thereof;
 - b. The designated use of each room or segregated area (e.g. dining room, holding bar, service bar, kitchen, restrooms, outdoor seating areas, all rooms and segregated areas, including outdoor areas, where alcoholic liquor may be served or consumed and all locations where live entertainment may be provided);
 - c. The proposed seating capacity of rooms or segregated areas where the public is permitted to consume food and/or alcoholic beverages and/or live entertainment may be provided.**
2. The site drawing is subject to the approval of the Local Liquor Commissioner. The Local Liquor Commissioner may impose such restrictions as he deems appropriate on any licensee by noting the same on the approved site drawing or as provided on the face of the license.
3. A copy of the approved site drawing shall be attached to the approved license and is made a part of said license.
4. It shall be unlawful for any Class C licensee to operate and/or maintain the licensed premises in any manner inconsistent with the approved site drawing.

**** THE FIRE PREVENTION BUREAU WILL FURNISH ALL FINAL, PERMITTED OCCUPANCY NUMBERS FOR THIS LICENSE**

CORPORATION / PREMISES QUESTIONS

1.	<p>If applicant is an individual or partnership, is each and every person a United States citizen (5.08.070-2)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Is any individual a naturalized citizen? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>If yes, print name(s), date(s), and place(s) of naturalization:</p>
2.	<p>List the type of business of the applicant (5.08.070-3): CONVENIENCE STORE</p>
3.	<p>Number of years of experience for the above listed type of business (5.08.070-4): 10+ years.</p>
4.	<p>Amount of merchandise that normally will be in inventory when in operation (5.08.070-5): \$60,000</p>
5.	<p>Location/address and description of business to be operated under this applied for license (5.08.070-6): 240 EAST MAIN ST, ST. CHARLES, IL. Purely Convenience Store selling prem food, milk, candy, lotteries about 1km SWL</p>
6.	<p>Is the premises owned or leased (5.08.070-6A)? <input type="checkbox"/> Owned <input checked="" type="checkbox"/> Leased</p>
7.	<p>If the premises are leased, list the names and addresses of all direct owners or owners of beneficial interests in any trusts, if premises are held in trust (5.08.070-6B):</p> <p>Name of Building Owner:</p> <p>Address of Building Owner:</p> <p>Mailing Address of Building Owner (if different):</p> <p>Phone Number: E-mail Address:</p> <p>Name of Building Owner:</p> <p>Address of Building Owner:</p> <p>Mailing Address of Building Owner (if different):</p> <p>Phone Number: E-mail Address:</p> <p>Name of Building Owner:</p> <p>Address of Building Owner:</p> <p>Mailing Address of Building Owner (if different):</p> <p>Phone Number: E-mail Address:</p>
8.	<p>Does the applicant currently operate, or operated in the past, any other establishment within the City of St. Charles that requires a liquor license? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>If yes, please list the business name(s) and address(es):</p>

9.	<p>Does applicant have any outstanding debt with the City of St. Charles, including, but not limited to, utility bills, alcohol tax, and permit fees, for any current or previous establishment owned, operated or managed by the applicant? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>If yes, please note the City of St. Charles requires all debt to be paid in full before consideration of a new or renewed liquor license is issued.</p>
10.	<p>Are any improvements planned for the building and/or site that will require a building permit? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>If yes, has a building permit been applied for? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If yes, date building permit was applied for with Building & Code Enforcement:</p>
11.	<p>Has applicant applied for a similar or other license on the premises other than the one for which this license is sought (5.08.070-7)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>If yes, what was the disposition of the application? Explain as necessary:</p>
12.	<p>Has applicant (and all persons listed on page 1 of this application) ever been convicted of a felony under any Federal or State law, or convicted of a misdemeanor opposed to decency or morality (5.08.070-8)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Is applicant (and all persons listed on page 1 of this application) disqualified from receiving a liquor license by reason of any matter contained in Illinois State law and/or City of St. Charles Municipal Ordinances? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
13.	<p>List previous liquor licenses issued by any State Government or any subdivision thereof (5.08.070-9). Use additional paper if necessary.</p> <p>Government Unit:</p> <p>Date: 08/2008 Location, City/State: Schaumburg/IL</p> <p>Special Explanations:</p> <p>Government Unit:</p> <p>Date: Location, City/State:</p> <p>Special Explanations:</p>
14.	<p>Have any liquor licenses possessed ever been revoked (5.08.070-9)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>If yes, list all reasons on a separate, signed letter accompanying this application.</p> <p>Has any director, officer, shareholder, or any of your managers, ever been denied liquor license from any jurisdiction?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If yes, proceed to Question 15. If more space is needed, please attach a separate sheet of paper with the information.</p>

15.	<p>Complete ONLY if yes was answered to the questions above (14):</p> <p>Name: _____ Name of Business: _____</p> <p>Position with the Business: _____</p> <p>Date(s) of Denial: _____</p> <p>Reason(s) for Denial of License: _____</p>
16.	<p>Date of Incorporation (Illinois Corporations) (5.08.070-10): <u>01/29/2018</u></p> <p>Date qualified under Illinois Business Corporation Act to transact business in Illinois (Foreign Corporation): _____</p>
17.	<p>Has the applicant and all designated managers read and do they all understand and agree not to violate any liquor laws of the United States, the State of Illinois, and any of the ordinances of the City of St. Charles in conducting business (5.08.070-11)?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Have you, or in the case of a corporation, the local manager, or in the case of a partnership any of the partners, ever been convicted of any violation of any law pertaining to alcoholic liquor? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Have you, or in the case of a corporation the local manager, or in the case of a partnership any of the partners, ever been convicted of a felony? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Have you ever been convicted of a gambling offense? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (If a partnership or corporation, include all partners and the local manager(s).)</p> <p>Will you and all your employees refuse to serve or sell alcoholic liquor to an intoxicated person or to a minor?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
18.	<p>Mandatory: All individual owners, partners, officers, directors, and/or persons holding directly or beneficially more than five (5) percent in interest of the stock of owners by interest listed on page 1 of this application must be fingerprinted by the City of St. Charles Police Department (5.08.070-A12).</p> <p>Has this been done? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>If yes, date(s): _____</p>
19.	<p>Mandatory: Has the applicant attached proof of Dram Shop Insurance to this application or already furnished it to the City of St. Charles (5.08.060)? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If already furnished, date of delivery: _____</p> <p>NOTE: Insurance must be issued from May 1, 20XX – April 30, 20XX in accordance with City code 5.08.060. Request a prorated rate from your insurance company if you are applying for a new license during this timeframe.</p>

20.	Mandatory: Is the premises within 100 feet of any real property of any church; school; hospital; home for the aged or indigent persons; home for veterans, their wives/husbands, or children; and/or any military or naval station (5.08.230)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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COMMENTS/ADDITIONAL INFORMATION

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BASSET TRAINING

Please list employees required to have BASSET training on this page – include all managers, assistant managers, bartenders, and clerks who are permitted to make alcoholic liquor sales. Include copies of certificates for managers only and mark Manager if applicable. Add another page, if needed.

Name: **MUHAMMAD** **ICHAH**
(First) (Last) (Middle) Manager

Home Street Address:

City, State, Zip:

Date of Course: **7/16/2018** Place Course was Taken:

Birthdate: Certificate Granted: Expiration:

Name: (First) (Last) (Middle) Manager

Home Street Address:

City, State, Zip:

Date of Course: Place Course was Taken:

Birthdate: Certificate Granted: Expiration:

Name: (First) (Last) (Middle) Manager

Home Street Address:

City, State, Zip:

Date of Course: Place Course was Taken:

Birthdate: Certificate Granted: Expiration:

Name: (First) (Last) (Middle) Manager

Home Street Address:

City, State, Zip:

Date of Course: Place Course was Taken:

Birthdate: Certificate Granted: Expiration:

NB/M MANAGEMENT REQUIREMENTS

Whenever a new manager comes on board, the City must be notified and that person must be fingerprinted.

It is the responsibility of the establishment to keep copies of all BASSET certificates on file for all employees.

APPLICATION FOR LATE NIGHT PERMIT**SUPPLEMENTAL TO LIQUOR LICENSE FOR CLASS B/C**

To: St. Charles Liquor Control Commission

Date:

I now possess or have applied for a liquor license Class

Applicant's Name

PRAVEEN K. CHOD

Name of Business:

7-ELEVEN

Business Address:

2400 E. MAIN ST., ST. CHARLES, IL 60174

Business Phone:


630-584-0220

SUPPLEMENTAL PERMIT APPLIED FOR

Payment of Late Night Permit fee is required at the time the permit is issued.

☒ 1:00 a.m. Late Night Permit – fee of \$800.00☐ 2:00 a.m. Late Night Permit – fee of \$2,300.00

NOTE: Other permits that may be available upon request include:

☐ Class E – Special Event License (1 to 3-day event @\$100.00 per day)☐ Outdoor Dining Permit (Contact Community & Economic Development @ 630.377.4443)**SIGNATURES**

Applicant's Signature

☐ Liquor Commissioner hereby directs City Clerk to issue permit indicated above.

Liquor Commissioner's Signature

Date

ADDENDUM TO RETAIL LIQUOR LICENSE APPLICATION**To be completed by the City of St. Charles Police Department**

Date:	Name of Applicant:
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Name of Business:

Address of Business:	Ward Number:
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To Liquor Control Commissioner, City of St. Charles, Illinois

Pursuant to the provision of the City of St. Charles Municipal Code, Chapter 5.08, Alcoholic Beverages, the following guide shall be in effect for the investigation of an applicant for a Retail Dealer's Liquor License.

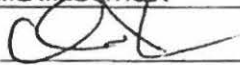
1.	Date on which applicant will begin selling retail alcoholic liquors at this location:
2.	Is the location within 100 feet of any church; school; hospital; home for the aged or indigent persons; home for veterans, their wives/husbands or children; or any military or naval station? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
3.	<p>If the answer to question 2 is yes, answer the following. Is applicant's place of business a place offering restaurant service, a regularly organized club, a restaurant, a food shop, or other place where the sale of alcoholic liquors is not the principal business? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If yes, answer a, b and c:</p> <p>a. State the kind of such business:</p> <p>b. Give date on which applicant began the kind of business named at this location:</p> <p>c. Has the kind of business designated been established at this location for such purpose prior to February 1, 1934, and carried on continuously since such time by either the applicant or any other person?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
4.	<p>If premises for which an alcoholic liquor license is herein applied for are within 100 feet of a church, have such premises been licensed for the sale of alcoholic liquor at retail prior to the establishment of such church? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If yes, have the premises been continuously operated and licensed for the sale of alcoholic liquor at retail since the original alcoholic liquor license was issued therefore? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>
5.	Is the place for which the alcoholic liquor license is sought a dwelling house, flat, or apartment used for residential purposes? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
6.	Is there any access leading from premises to any other portion of the same building or structure used for dwelling or lodging purposes and which is permitted to be used or kept accessible for use by the public? (Connection between premises and such other portion of building or structure as is used only by the applicant, his/her family and personal guests not prohibited.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
7.	Is applicant conducts or will conduct in the same place any other class of business in addition to that of City Retailer of Alcoholic Liquor, state the kind and nature of such business: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

8	Are all rooms where liquor will be sold for consumption on the premises continuously lighted during business hours by natural light or artificial white light so that all parts of the interior shall be clearly visible? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
9	Are premises located in any building belonging to or under the control of the State of Illinois or any other political subdivision thereof, such as county, city, etc.? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
10	Are the premises for which license is herein applied for a store or place of business where the majority of customers are minors of school age or where the principal business transacted consists of school books, school supplies, food or drinks for such minors? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
11	It is required by the City of St. Charles that all employees undergo BASSET training. Provide a copy of the certificate of training completion for each manager. All certificates for managers have been submitted. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
12	From your observation and investigation, has applicant to the best of your knowledge truthfully answered all questions? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, state exceptions:
13	Have all persons named in this application been fingerprinted? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Fingerprinted by <u>Sullivan</u> Date <u>072418</u>
14	Other necessary data

SIGNATURES

ENDORSEMENTS AND APPROVALS

INVESTIGATING OFFICER



Investigating Officer Signature

Commanche 323

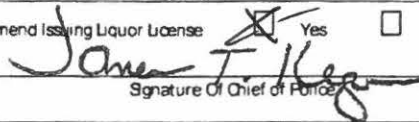
Badge Number & Rank

ENDORSEMENT OF THE CHIEF OF POLICE

Recommend Issuing Liquor License

☒ Yes

☐ No



Signature Of Chief of Police

8/16/18

Date

MEMORANDUM OF LEASE
(Shopping Center)

THIS LEASE is made on the 8th day of February, 1989, by and between CAPITOL BANK AND TRUST, not personally but as Trustee under a Trust Agreement dated April 27, 1988 and known as Trust No. 1497, hereinafter referred to as "Lessor", and WHITE HEN PANTRY, INC., a Delaware corporation, hereinafter referred to as "Lessee".

In consideration of the mutual covenants and agreements herein contained, Lessor hereby leases to Lessee the land and improvements thereon or to be constructed thereon, situated in the Village of St. Charles, County of Kane and State of Illinois, designated as "WHITE HEN PANTRY" and "BOTTLE CAGE" on Exhibit A attached to that certain Lease between the parties hereto bearing even date herewith (hereinafter referred to as the "Leased Premises"), together with all appurtenances and the rights granted with respect to the Common Facilities. The entire tract of land shown on said Exhibit A, of which the Leased Premises is a part, is legally described on Exhibit AA hereto attached (said entire tract of land, any additions thereto and all improvements existing or constructed thereon are hereinafter referred to as the "Shopping Center") and is located at the NWC of Dunham and North Avenue.

The term shall begin approximately October, 1989, and shall end approximately October, 2004, subject to all of the terms, conditions, provisions and covenants of said Lease of even date herewith which are incorporated herein by reference; among said terms, conditions, provisions and covenants are the following:

Section 2.2. Options. Lessee shall have the options to three (3) successive extensions of the term of this Lease for five (5) full lease years with respect to each such option, subject to the terms, covenants and provisions of this Lease. Lessee may exercise each said option by giving Lessor written notice thereof no less than six (6) months prior to the beginning of each such period of extension. The word "term" whenever used herein shall mean the original term and any extensions thereof unless the context otherwise requires.

Section 6.1. Use. The Leased Premises may only be used as a retail food store (hereinafter defined). Notwithstanding the foregoing, if Lessee desires to change the use of the Leased Premises to a different use, permitted without variance of applicable zoning and other governmental rules and ordinances, Lessee shall give Lessor written notice of such intended use and Lessor shall have thirty (30) days after receipt of such notice in which to accept such use change or notify Lessee that the intended use conflicts with an existing exclusive use in the Shopping Center and, therefore, will be prohibited. Upon request, Lessor shall provide to Lessee notice of all such existing exclusive uses in the Shopping Center. If Lessor does not notify Lessee that the intended use is not approved within thirty (30) days, then said new intended use shall be deemed approved. Nothing in this Lease shall be deemed to require business to be conducted on the Leased Premises. As used herein "retail food store" means a store used principally for the sale at retail of food of any kind, beverages, packaged liquors (provided appropriate liquor licenses are obtained) and general merchandise, or any combination thereof, and other merchandise and services sold incidental to such principal use. Lessor hereby grants to Lessee, its employees and invitees, without charge, the right to use in common with others entitled to similar use thereof, all of the Common Facilities, and the exclusive right to use that portion of the service areas, if any, including loading and unloading facilities, designed for use with the building on the Leased Premises. Lessor shall not grant any rights with respect to the Common Facilities or permit the use thereof by any persons other than the tenants and occupants of the Shopping Center, their employees, customers and invitees. Lessee may, subject to all local ordinances, use reasonable portions of the sidewalk abutting the Leased Premises for the display and sale of merchandise, including without limitation an ice chest, and may install and maintain a telephone booth in an appropriate place on the Common Facilities. Lessor shall (i) provide all of the Common Facilities for such use at all times, except during reasonable

1000661

Returned: R. E. O'Connell Jr.
10/1/89

periods of time required to provide necessary maintenance or repairs, and shall not change the Common Facilities in any manner in Lessee's opinion that would in any way effect Lessee's operation of business from the Leased Premises without the prior written consent of Lessee, provided, however, that such consent shall not be required in the event such change is required by governmental rule, regulation or ordinance, (ii) require all tenants and occupants of the Shopping Center and their employees to park their automobiles in a portion of the parking area designated for such purpose, which area shall be located in the part of the Shopping Center least likely to be used by the customers of Lessee and other tenants and occupants of the Shopping Center, (iii) post the parking spaces directly in front of the Leased Premises for maximum ten (10) minute parking if Lessee so directs, and (iv) provide and maintain adequate waste containers on the Common Facilities.

Section 6.10. Use of Shopping Center. Lessor covenants that (i) no premises in the Shopping Center (excluding the Leased Premises) shall be used or occupied for the operation of a bar, tavern or an amusement or recreation establishment (including without limitation a pool hall, bowling alley, game center, theater, health center and adult book store), and (ii) no portion of the Shopping Center within 30 feet of the perimeter of the Leased Premises shall be used or occupied as a sit-down restaurant, a barber or beauty shop, real estate or other offices. The foregoing covenant shall run with the land comprising the Shopping Center. In the event of a breach or threatened breach of said covenant, Lessee shall be entitled to injunctive relief and any other appropriate remedy. Notwithstanding anything herein to the contrary, one sit-down restaurant other than a "TCBY" shall be permitted in the Shopping Center provided the same is located at least 60 feet from the perimeter of the Leased Premises. A "TCBY" frozen yogurt store shall be permitted provided the same is at least 40 feet from the perimeter of the Leased Premises.

Section 6.11. Exclusive. Lessor covenants that no premises in the Shopping Center (excluding the Leased Premises) shall be used or occupied for (i) the retail selling of food (other than bakery goods) or beverages of any kind for consumption off the premises except that this shall not prohibit the sale of hot, prepared ready-to-eat carry out foods such as fried chicken, hamburgers, chop suey and pizza and other prepared ready-to-eat carry out foods sold incidental thereto, or (ii) for the sale of cigarettes, tobacco, newspapers or health and beauty aids. Notwithstanding the foregoing, a retail beauty supply store shall be permitted. In no event shall any premises in the Shopping Center (excluding the Leased Premises) be used for the sale of cold sandwiches, bulk delicatessen, salads or other bulk delicatessen items. The foregoing restrictions on use and occupancy shall be effective only so long as the Leased Premises are used for such purposes, respectively, or are not being so used because of labor controversy, acts of God, fire or other casualty, national emergency, reasonable periods of time to remodel or decorate or other causes beyond the reasonable control of Lessee or other persons occupying the Leased Premises. The foregoing covenant shall run with the land comprising the Shopping Center. In the event of a breach or threatened breach of said covenant, Lessee shall be entitled to injunctive relief and any other appropriate remedy.

IN WITNESS WHEREOF, the parties hereto have executed and affixed their respective seals to this Lease as of the day and year first above written.

CAPITOL BANK AND TRUST, not
personally but as Trustee
as aforesaid

By James K. Crowley
ATC Vice President

Attest Robert J. Smith
Secretary

This statement is based solely
on information and belief, upon
information furnished by the
beneficiary or beneficiaries of the
aforesaid trust. The undersigned
has no personal knowledge of any
of the facts or statements herein

WHITE HEN PANTRY, INC.

By Allen S. Davis
Vice President

Attest Robert J. Smith
Secretary

LESSOR

LEGAL DESCRIPTION
NWC of Rt. 64 & Dunham
St. Charles, Illinois

***PARCEL 1:

THAT PART OF THE EAST HALF OF SECTION 26, TOWNSHIP 40 NORTH, RANGE 8, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE CENTER OF SAID SECTION 26, THENCE EAST ALONG THE CENTER LINE OF SAID SECTION, 990 FEET TO THE EAST LINE EXTENDED NORTH OF TRACT "J", AS SHOWN ON THE PLAT OF SURVEY OF PART OF THE EAST HALF OF SECTION 26, TOWNSHIP 40 NORTH, RANGE 8, EAST OF THE THIRD PRINCIPAL MERIDIAN, RECORDED APRIL 23, 1938, IN BOOK 28, OF PLATS, PAGE 6, AS DOCUMENT 421812; THENCE SOUTH ALONG THE EXTENSION OF THE EAST LINE OF SAID TRACT "J", 217.3 FEET TO THE CENTER LINE OF STATE ROUTE NO. 64; THENCE NORTH 63 DEGREES 28 MINUTES EAST ALONG SAID CENTER LINE 152 FEET TO THE SOUTHEAST CORNER OF TRACT "G" OF SAID PLAT OF SURVEY; THENCE NORTH 0 DEGREES 05 MINUTES EAST ON THE EAST LINE OF TRACT "G" OF SAID SURVEY 592.90 FEET TO A POINT 33.0 FEET SOUTH OF A CORNER OF SAID TRACT "G", SAID POINT BEING THE POINT OF BEGINNING OF THE FOLLOWING DESCRIBED PARCEL OF LAND; THENCE SOUTH 85 DEGREES 04 MINUTES 40 SECONDS EAST ON A LINE WHICH INTERSECTS THE CENTER LINE OF DUNHAM ROAD AT A POINT WHICH IS SOUTH 9 DEGREES 43 MINUTES 30 SECONDS WEST, 201.323 FEET (MEASURED IN SAID CENTER LINE) THE POINT OF INTERSECTION OF SAID CENTER LINE WITH A LINE DRAWN SOUTH 75 DEGREES 15 MINUTES EAST FROM A CORNER OF TRACT "B" OF AFOREMENTIONED PLAT OF SURVEY TO THE NORTHWEST CORNER OF TRACT OF LAND CONVEYED TO RUSSELL C. NORRIS BY DOCUMENT #713387; THENCE SOUTH 9 DEGREES 43 MINUTES 30 SECONDS WEST IN THE CENTER LINE OF SAID DUNHAM ROAD 316.197 FEET TO ITS POINT OF INTERSECTION WITH THE CENTER LINE OF SAID ROUTE N. 64; THENCE WESTERLY ON SAID CENTER LINE, THE SAME BEING THE ARC OF A CIRCLE HAVING A RADIUS OF 1653.02 FEET AND CONVEX NORTHWESTERLY, 20.107 FEET TO A POINT OF TANGENCY OF SAID ARC; THENCE SOUTH 63 DEGREES 28 MINUTES WEST ON SAID TANGENT CENTER LINE 508.40 FEET TO THE SOUTHEAST CORNER OF TRACT "G" OF SAID PLAT OF SURVEY; THENCE NORTH 0 DEGREES 05 MINUTES EAST ON THE AFOREMENTIONED EAST LINE OF TRACT "G" 592.90 FEET TO THE POINT OF BEGINNING, EXCEPT THEREFROM THE WEST 243.40 FEET (AS MEASURED PERPENDICULARLY TO SAID EAST LINE OF SAID TRACT "G") OF THE ABOVE DESCRIBED PARCEL OF LAND, IN THE CITY OF ST. CHARLES, KANE COUNTY, ILLINOIS.

PARCEL 2:

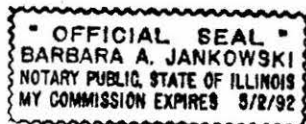
THE WEST 243.40 FEET (AS MEASURED PERPENDICULARLY TO THE HEREINAFTER DESCRIBED EAST LINE OF TRACT "G" OF A PLAT OF SURVEY RECORDED AS DOCUMENT NO. 421812) OF THE HEREINAFTER DESCRIBED PARCEL OF LAND DESCRIBED AS: THAT PART OF THE EAST HALF OF SECTION 26, TOWNSHIP 40 NORTH, RANGE 8, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE CENTER OF SAID SECTION 26, THENCE EAST ALONG THE CENTER LINE OF SAID SECTION, 990 FEET TO THE EAST LINE EXTENDED NORTH OF TRACT "J", AS SHOWN ON THE PLAT OF SURVEY OF PART OF THE EAST HALF OF SECTION 26, TOWNSHIP 40 NORTH, RANGE 8, EAST OF THE THIRD PRINCIPAL MERIDIAN, RECORDED APRIL 23, 1938, IN BOOK 28 OF PLATS, PAGE 6, AS DOCUMENT 421812; THENCE SOUTH ALONG THE EXTENSION OF THE EAST LINE OF SAID TRACT "J" 217.3 FEET TO THE CENTER LINE OF STATE ROUTE NO. 64; THENCE NORTH 63 DEGREES 28 MINUTES EAST ALONG SAID CENTER LINE, 152 FEET TO THE SOUTHEAST CORNER OF TRACT "G" OF SAID PLAT OF SURVEY; THENCE NORTH 0 DEGREES 05 MINUTES EAST ON THE EAST LINE OF TRACT "G" OF SAID SURVEY 592.90 FEET TO A POINT 33.0 FEET SOUTH OF A CORNER OF SAID TRACT "G", SAID POINT BEING THE POINT OF BEGINNING OF THE FOLLOWING DESCRIBED PARCEL OF LAND; THENCE SOUTH 85 DEGREES 04 MINUTES 40 SECONDS EAST ON A LINE WHICH INTERSECTS THE CENTER LINE OF DUNHAM ROAD AT A POINT WHICH IS SOUTH 9 DEGREES 43 MINUTES 30 SECONDS WEST, 201.323 FEET (MEASURED IN SAID CENTER LINE) THE POINT OF INTERSECTION OF SAID CENTER LINE WITH A LINE DRAWN SOUTH 75 DEGREES 15 MINUTES EAST FROM A CORNER OF TRACT "B" OF AFOREMENTIONED PLAT OF SURVEY TO THE NORTHWEST CORNER OF A TRACT OF LAND CONVEYED TO RUSSELL C. NORRIS BY DOCUMENT #713387; THENCE SOUTH 9 DEGREES 43 MINUTES 30 SECONDS WEST IN THE CENTER LINE OF SAID DUNHAM ROAD 316.197 FEET TO ITS POINT OF INTERSECTION WITH THE CENTER LINE OF SAID STATE ROUTE NO. 64 THENCE WESTERLY ON SAID CENTER LINE, THE SAME BEING THE ARC OF A CIRCLE HAVING A RADIUS OF 1653.02 FEET AND CONVEX NORTHWESTERLY, 20.107 FEET TO A POINT OF TANGENCY OF SAID ARC; THENCE SOUTH 63 DEGREES 28 MINUTES WEST ON SAID TANGENT CENTER LINE 508.40 FEET TO THE SOUTHEAST CORNER OF TRACT "G" OF SAID PLAT OF SURVEY; THENCE NORTH 0 DEGREES 05 MINUTES EAST ON THE AFORESAID EAST LINE OF TRACT "G" 592.90 FEET TO THE POINT OF BEGINNING, IN THE CITY OF ST. CHARLES, KANE COUNTY, ILLINOIS.

STATE OF)
) SS.
COUNTY OF)

I, BARBARA A. JANKOWSKI, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that SHARON K. CRAWLEY, personally known to me to be the ASST. President of TRUST OFFICER CAPITAL BANK AND TRUST and ROBERT JONES, personally known to me to be the ATD Secretary of said corporation, whose names are subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they signed and delivered the said instrument of writing as ATD President and ATD Secretary of said corporation and caused the corporate seal of said corporation to be affixed thereto, pursuant to authority given by the Board of Directors of said corporation, as their free and voluntary act and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 8th day of February, 1989.

My Commission expires: 5/2/92



Barbara A. Jankowski
Notary Public

STATE OF ILLINOIS)
) SS.
COUNTY OF DUPAGE)

I, Charlotte M. Balk, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that Allen S. Davis, personally known to me to be the Vice President of White Hen Pantry, Inc. and Robert Smith, personally known to me to be the Secretary of said corporation, whose names are subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they signed and delivered the said instrument of writing as Vice President and Secretary of said corporation and caused the corporate seal of said corporation to be affixed thereto, pursuant to authority given by the Board of Directors of said corporation, as their free and voluntary act and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 27th day of February, 1989.

My Commission expires:

May 17, 1989

Charlotte M. Balk
Notary Public

This instrument prepared by

Name BS Banks

MEMORANDUM OF LEASE
(Shopping Center)

THIS LEASE is made on the 8th day of February, 1989, by and between CAPITOL BANK AND TRUST, not personally but as Trustee under a Trust Agreement dated April 27, 1988 and known as Trust No. 1497, hereinafter referred to as "Lessor", and WHITE HEN PANTRY, INC., a Delaware corporation, hereinafter referred to as "Lessee".

In consideration of the mutual covenants and agreements herein contained, Lessor hereby leases to Lessee the land and improvements thereon or to be constructed thereon, situated in the Village of St. Charles, County of Kane and State of Illinois, designated as "WHITE HEN PANTRY" and "BOTTLE CAGE" on Exhibit A attached to that certain Lease between the parties hereto bearing even date herewith (hereinafter referred to as the "Leased Premises"), together with all appurtenances and the rights granted with respect to the Common Facilities. The entire tract of land shown on said Exhibit A, of which the Leased Premises is a part, is legally described on Exhibit AA hereto attached (said entire tract of land, any additions thereto and all improvements existing or constructed thereon are hereinafter referred to as the "Shopping Center") and is located at the NWC of Dunham and North Avenue.

The term shall begin approximately October, 1989, and shall end approximately October, 2004, subject to all of the terms, conditions, provisions and covenants of said Lease of even date herewith which are incorporated herein by reference; among said terms, conditions, provisions and covenants are the following:

Section 2.2. Options. Lessee shall have the options to three (3) successive extensions of the term of this Lease for five (5) full lease years with respect to each such option, subject to the terms, covenants and provisions of this Lease. Lessee may exercise each said option by giving Lessor written notice thereof no less than six (6) months prior to the beginning of each such period of extension. The word "term" whenever used herein shall mean the original term and any extensions thereof unless the context otherwise requires.

Section 6.1. Use. The Leased Premises may only be used as a retail food store (hereinafter defined). Notwithstanding the foregoing, if Lessee desires to change the use of the Leased Premises to a different use, permitted without variance of applicable zoning and other governmental rules and ordinances, Lessee shall give Lessor written notice of such intended use and Lessor shall have thirty (30) days after receipt of such notice in which to accept such use change or notify Lessee that the intended use conflicts with an existing exclusive use in the Shopping Center and, therefore, will be prohibited. Upon request, Lessor shall provide to Lessee notice of all such existing exclusive uses in the Shopping Center. If Lessor does not notify Lessee that the intended use is not approved within thirty (30) days, then said new intended use shall be deemed approved. Nothing in this Lease shall be deemed to require business to be conducted on the Leased Premises. As used herein "retail food store" means a store used principally for the sale at retail of food of any kind, beverages, packaged liquors (provided appropriate liquor licenses are obtained) and general merchandise, or any combination thereof, and other merchandise and services sold incidental to such principal use. Lessor hereby grants to Lessee, its employees and invitees, without charge, the right to use in common with others entitled to similar use thereof, all of the Common Facilities, and the exclusive right to use that portion of the service areas, if any, including loading and unloading facilities, designed for use with the building on the Leased Premises. Lessor shall not grant any rights with respect to the Common Facilities or permit the use thereof by any persons other than the tenants and occupants of the Shopping Center, their employees, customers and invitees. Lessee may, subject to all local ordinances, use reasonable portions of the sidewalk abutting the Leased Premises for the display and sale of merchandise, including without limitation an ice chest, and may install and maintain a telephone booth in an appropriate place on the Common Facilities. Lessor shall (1) provide all of the Common Facilities for such use at all times, except during reasonable

periods of time required to provide necessary maintenance or repairs, and shall not change the Common Facilities in any manner in Lessee's opinion that would in any way effect Lessee's operation of business from the Leased Premises without the prior written consent of Lessee, provided, however, that such consent shall not be required in the event such change is required by governmental rule, regulation or ordinance, (ii) require all tenants and occupants of the Shopping Center and their employees to park their automobiles in a portion of the parking area designated for such purpose, which area shall be located in the part of the Shopping Center least likely to be used by the customers of Lessee and other tenants and occupants of the Shopping Center, (iii) post the parking spaces directly in front of the Leased Premises for maximum ten (10) minute parking if Lessee so directs, and (iv) provide and maintain adequate waste containers on the Common Facilities.

Section 6.10. Use of Shopping Center. Lessor covenants that (i) no premises in the Shopping Center (excluding the Leased Premises) shall be used or occupied for the operation of a bar, tavern or an amusement or recreation establishment (including without limitation a pool hall, bowling alley, game center, theater, health center and adult book store), and (ii) no portion of the Shopping Center within 30 feet of the perimeter of the Leased Premises shall be used or occupied as a sit-down restaurant, a barber or beauty shop, real estate or other offices. The foregoing covenant shall run with the land comprising the Shopping Center. In the event of a breach or threatened breach of said covenant, Lessee shall be entitled to injunctive relief and any other appropriate remedy. Notwithstanding anything herein to the contrary, one sit-down restaurant other than a "TCBY" shall be permitted in the Shopping Center provided the same is located at least 60 feet from the perimeter of the Leased Premises. A "TCBY" frozen yogurt store shall be permitted provided the same is at least 40 feet from the perimeter of the Leased Premises.

Section 6.11. Exclusive. Lessor covenants that no premises in the Shopping Center (excluding the Leased Premises) shall be used or occupied for (i) the retail selling of food (other than bakery goods) or beverages of any kind for consumption off the premises except that this shall not prohibit the sale of hot, prepared ready-to-eat carry out foods such as fried chicken, hamburgers, chop suey and pizza and other prepared ready-to-eat carry out foods sold incidental thereto, or (ii) for the sale of cigarettes, tobacco, newspapers or health and beauty aids. Notwithstanding the foregoing, a retail beauty supply store shall be permitted. In no event shall any premises in the Shopping Center (excluding the Leased Premises) be used for the sale of cold sandwiches, bulk delicatessen, salads or other bulk delicatessen items. The foregoing restrictions on use and occupancy shall be effective only so long as the Leased Premises are used for such purposes, respectively, or are not being so used because of labor controversy, acts of God, fire or other casualty, national emergency, reasonable periods of time to remodel or decorate or other causes beyond the reasonable control of Lessee or other persons occupying the Leased Premises. The foregoing covenant shall run with the land comprising the Shopping Center. In the event of a breach or threatened breach of said covenant, Lessee shall be entitled to injunctive relief and any other appropriate remedy.

IN WITNESS WHEREOF, the parties hereto have executed and affixed their respective seals to this Lease as of the day and year first above written.

CAPITOL BANK AND TRUST, not
personally but as Trustee
as aforesaid

WHITE HEN PANTRY, INC.

By Sharon K. Crowley Vice President

By Allen S. Davis Vice President

Attest Robert J. Jones Secretary

Attest Robert J. Jones Secretary

This statement is based solely upon information and belief, upon information furnished by the beneficiary or beneficiaries of the aforesaid trust. The undersigned has no personal knowledge of any of the facts or statements herein

LESSOR

LESSEE

LEGAL DESCRIPTION
NWC of Rt. 64 & Dunham
St. Charles, Illinois

***PARCEL 1:

THAT PART OF THE EAST HALF OF SECTION 26, TOWNSHIP 40 NORTH, RANGE 8, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE CENTER OF SAID SECTION 26, THENCE EAST ALONG THE CENTER LINE OF SAID SECTION, 990 FEET TO THE EAST LINE EXTENDED NORTH OF TRACT "J", AS SHOWN ON THE PLAT OF SURVEY OF PART OF THE EAST HALF OF SECTION 26, TOWNSHIP 40 NORTH, RANGE 8, EAST OF THE THIRD PRINCIPAL MERIDIAN, RECORDED APRIL 23, 1938, IN BOOK 28, OF PLATS, PAGE 6, AS DOCUMENT 421812; THENCE SOUTH ALONG THE EXTENSION OF THE EAST LINE OF SAID TRACT "J", 217.3 FEET TO THE CENTER LINE OF STATE ROUTE NO. 64; THENCE NORTH 63 DEGREES 28 MINUTES EAST ALONG SAID CENTER LINE 152 FEET TO THE SOUTHEAST CORNER OF TRACT "G" OF SAID PLAT OF SURVEY; THENCE NORTH 0 DEGREES 05 MINUTES EAST ON THE EAST LINE OF TRACT "G" OF SAID SURVEY 592.90 FEET TO A POINT 33.0 FEET SOUTH OF A CORNER OF SAID TRACT "G", SAID POINT BEING THE POINT OF BEGINNING OF THE FOLLOWING DESCRIBED PARCEL OF LAND; THENCE SOUTH 85 DEGREES 04 MINUTES 40 SECONDS EAST ON A LINE WHICH INTERSECTS THE CENTER LINE OF DUNHAM ROAD AT A POINT WHICH IS SOUTH 9 DEGREES 43 MINUTES 30 SECONDS WEST, 201.323 FEET (MEASURED IN SAID CENTER LINE) THE POINT OF INTERSECTION OF SAID CENTER LINE WITH A LINE DRAWN SOUTH 75 DEGREES 15 MINUTES EAST FROM A CORNER OF TRACT "B" OF AFOREMENTIONED PLAT OF SURVEY TO THE NORTHWEST CORNER OF TRACT OF LAND CONVEYED TO RUSSELL C. NORRIS BY DOCUMENT #713387; THENCE SOUTH 9 DEGREES 43 MINUTES 30 SECONDS WEST IN THE CENTER LINE OF SAID DUNHAM ROAD 316.197 FEET TO ITS POINT OF INTERSECTION WITH THE CENTER LINE OF SAID ROUTE N. 64; THENCE WESTERLY ON SAID CENTER LINE, THE SAME BEING THE ARC OF A CIRCLE HAVING A RADIUS OF 1653.02 FEET AND CONVEX NORTHWESTERLY, 20.107 FEET TO A POINT OF TANGENCY OF SAID ARC; THENCE SOUTH 63 DEGREES 28 MINUTES WEST ON SAID TANGENT CENTER LINE 508.40 FEET TO THE SOUTHEAST CORNER OF TRACT "G" OF SAID PLAT OF SURVEY; THENCE NORTH 0 DEGREES 05 MINUTES EAST ON THE AFOREMENTIONED EAST LINE OF TRACT "G" 592.90 FEET TO THE POINT OF BEGINNING, EXCEPT THEREFROM THE WEST 243.40 FEET (AS MEASURED PERPENDICULARLY TO SAID EAST LINE OF SAID TRACT "G") OF THE ABOVE DESCRIBED PARCEL OF LAND, IN THE CITY OF ST. CHARLES, KANE COUNTY, ILLINOIS.

PARCEL 2:

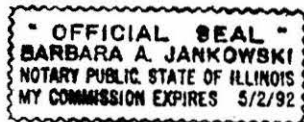
THE WEST 243.40 FEET (AS MEASURED PERPENDICULARLY TO THE HEREINAFTER DESCRIBED EAST LINE OF TRACT "G" OF A PLAT OF SURVEY RECORDED AS DOCUMENT NO. 421812) OF THE HEREINAFTER DESCRIBED PARCEL OF LAND DESCRIBED AS: THAT PART OF THE EAST HALF OF SECTION 26, TOWNSHIP 40 NORTH, RANGE 8, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE CENTER OF SAID SECTION 26, THENCE EAST ALONG THE CENTER LINE OF SAID SECTION, 990 FEET TO THE EAST LINE EXTENDED NORTH OF TRACT "J", AS SHOWN ON THE PLAT OF SURVEY OF PART OF THE EAST HALF OF SECTION 26, TOWNSHIP 40 NORTH, RANGE 8, EAST OF THE THIRD PRINCIPAL MERIDIAN, RECORDED APRIL 23, 1938, IN BOOK 28 OF PLATS, PAGE 6, AS DOCUMENT 421812; THENCE SOUTH ALONG THE EXTENSION OF THE EAST LINE OF SAID TRACT "J" 217.3 FEET TO THE CENTER LINE OF STATE ROUTE NO. 64; THENCE NORTH 63 DEGREES 28 MINUTES EAST ALONG SAID CENTER LINE, 152 FEET TO THE SOUTHEAST CORNER OF TRACT "G" OF SAID PLAT OF SURVEY; THENCE NORTH 0 DEGREES 05 MINUTES EAST ON THE EAST LINE OF TRACT "G" OF SAID SURVEY 592.90 FEET TO A POINT 33.0 FEET SOUTH OF A CORNER OF SAID TRACT "G", SAID POINT BEING THE POINT OF BEGINNING OF THE FOLLOWING DESCRIBED PARCEL OF LAND; THENCE SOUTH 85 DEGREES 04 MINUTES 40 SECONDS EAST ON A LINE WHICH INTERSECTS THE CENTER LINE OF DUNHAM ROAD AT A POINT WHICH IS SOUTH 9 DEGREES 43 MINUTES 30 SECONDS WEST, 201.323 FEET (MEASURED IN SAID CENTER LINE) THE POINT OF INTERSECTION OF SAID CENTER LINE WITH A LINE DRAWN SOUTH 75 DEGREES 15 MINUTES EAST FROM A CORNER OF TRACT "B" OF AFOREMENTIONED PLAT OF SURVEY TO THE NORTHWEST CORNER OF A TRACT OF LAND CONVEYED TO RUSSELL C. NORRIS BY DOCUMENT #713387; THENCE SOUTH 9 DEGREES 43 MINUTES 30 SECONDS WEST IN THE CENTER LINE OF SAID DUNHAM ROAD 316.197 FEET TO ITS POINT OF INTERSECTION WITH THE CENTER LINE OF SAID STATE ROUTE NO. 64 THENCE WESTERLY ON SAID CENTER LINE, THE SAME BEING THE ARC OF A CIRCLE HAVING A RADIUS OF 1653.02 FEET AND CONVEX NORTHWESTERLY, 20.107 FEET TO A POINT OF TANGENCY OF SAID ARC; THENCE SOUTH 63 DEGREES 28 MINUTES WEST ON SAID TANGENT CENTER LINE 508.40 FEET TO THE SOUTHEAST CORNER OF TRACT "G" OF SAID PLAT OF SURVEY; THENCE NORTH 0 DEGREES 05 MINUTES EAST ON THE AFORESAID EAST LINE OF TRACT "G" 592.90 FEET TO THE POINT OF BEGINNING, IN THE CITY OF ST. CHARLES, KANE COUNTY, ILLINOIS.

STATE OF)
) SS.
COUNTY OF)

I, BARBARA A. JANKOWSKI, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that Sharon H. Crawley, personally known to me to be the ASST. President of TRUST OFFICER CAPITAL BANK AND TRUST and ROBERT D. JONES, personally known to me to be the ASST. TRUST OFFICER Secretary of said corporation, whose names are subscribed to the foregoing Instrument, appeared before me this day in person and severally acknowledged that they signed and delivered the said Instrument of writing as ATD President and ATD Secretary of said corporation and caused the corporate seal of said corporation to be affixed thereto, pursuant to authority given by the Board of Directors of said corporation, as their free and voluntary act and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 5th day of February, 1989.

My Commission expires: 5/2/92



Barbara A. Jankowski
Notary Public

STATE OF ILLINOIS)
) SS.
COUNTY OF 'DU PAGE)

I, Charlotte M. Balk, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that Allen S. Davis, personally known to me to be the Vice President of White Hen Pantry, Inc. and Robert Smith, personally known to me to be the Secretary of said corporation, whose names are subscribed to the foregoing Instrument, appeared before me this day in person and severally acknowledged that they signed and delivered the said Instrument of writing as Vice President and Secretary of said corporation and caused the corporate seal of said corporation to be affixed thereto, pursuant to authority given by the Board of Directors of said corporation, as their free and voluntary act and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 27th day of February, 1989.

My Commission expires:

May 17, 1989

Charlotte M. Balk
Notary Public

L E A S E
(Shopping Center)

THIS LEASE is made on the 8th day of February, 1989, by and between CAPITOL BANK AND TRUST, not personally but as Trustee under a Trust Agreement dated April 27, 1988 and known as Trust No. 1497, hereinafter referred to as "Lessor", and WHITE HEN PANTRY INC., a Delaware corporation, hereinafter referred to as "Lessee".

ARTICLE 1. PREMISES

Section 1.1. Leased Premises and Shopping Center. In consideration of the mutual covenants and agreements herein contained, Lessor hereby leases to Lessee the land and improvements to be constructed thereon as hereinafter provided, situated in the Village of St. Charles, County of Kane and State of Illinois, designated as "WHITE HEN PANTRY" and "BOTTLE CAGE" on Exhibit A hereto attached (hereinafter referred to as the "Leased Premises"), together with all appurtenances and the rights granted with respect to the Common Facilities. The entire tract of land shown on Exhibit A, of which the Leased Premises is a part, is legally described on Exhibit AA hereto attached (said entire tract of land, any additions thereto and all improvements existing or constructed thereon are hereinafter referred to as the "Shopping Center") and is located at the NWC of Dunham & North Avenue.

ARTICLE 2. TERM

Section 2.1. Original Term. The term shall begin on the earlier of (i) the day Lessee opens for business with the public in the Leased Premises, or (ii) the one hundred twentieth (120th) day following the acceptance by Lessee of Lessor's Leased Premises Improvements (excluding Lessee's Work) and shall end on the last day of the fifteenth (15th) lease year. Within thirty (30) days after the beginning of the term, Lessee shall certify the beginning and ending dates of the term in a letter to Lessor.

Section 2.2. Options. Lessee shall have the options to three (3) successive extensions of the term of this Lease for five (5) full lease years with respect to each such option, subject to the terms, covenants and provisions of this Lease. Lessee may exercise each said option by giving Lessor written notice thereof no less than six (6) months prior to the beginning of each such period of extension. The word "term" whenever used herein shall mean the original term and any extensions thereof unless the context otherwise requires.

Section 2.3. Lease Year. The term "lease year" shall mean a period of thirteen (13) consecutive accounting periods. The first lease year shall begin on the date of the beginning of the term if such date occurs on the first day of an accounting period; if not, then on the first day of the first accounting period succeeding the beginning of the term. Subsequent lease years shall run consecutively, each beginning on the first day of the accounting period succeeding the completion of the previous lease year.

Section 2.4. Accounting Period. Lessee's fiscal year consists of the 52 (or 53) calendar weeks beginning on the Sunday immediately following the Saturday nearest to January 31 and ending on the Saturday nearest to the following January 31 (53-week fiscal years are 1989-1990, 1995-1996, 2000-2001, 2006-2007, 2012-2013, 2017-2018). Each fiscal year is subdivided for accounting purposes into thirteen (13) accounting periods of four (4) weeks each, except that the thirteenth (13th) or last accounting period in a 53-week fiscal year contains five (5) weeks. The term "accounting period" used in this Lease means said four-(or five-) week accounting period.

ARTICLE 3. RENT

Section 3.1. Rent Payee. Rent checks shall be made payable to Lessor until Lessee is otherwise notified in writing by Lessor at least ten (10) days prior to the rent payment date on which the change in payee is to be effective, and rent checks shall be mailed to c/o Harold J. Carlson, P.O. Box 929, Rosemont, IL 60018 until Lessee is otherwise notified in writing within such time by Lessor or the then payee. In the event that the Lessor's interest in this Lease shall pass or devolve upon another, or in the event that one other than the Lessor or the designated rent payee shall become entitled to collect the rent, then in any such event notice of the fact shall be given to the Lessee by the Lessor; or, if the Lessor is an individual and shall have died or become incapacitated, by the Lessor's executors, administrators or legal representatives, together with due proof of the status of such executors, administrators or legal representatives, and until such notice and proof the Lessee may continue to pay rent to the one to whom the last preceding installment of rent was paid and each such payment shall to the extent thereof fully exonerate Lessee. Notwithstanding the foregoing, (i) Lessee may, but in the absence of notice and proof given as above provided shall be under no obligation to, pay rent to such one other than the Lessor, or the designated rent payee, who may become legally entitled to receive such rent; and (ii) Lessee shall be fully protected in acting upon any notice purporting to be signed by or on behalf of the one who should give such notice and believed by Lessee in good faith to be genuine.

Section 3.2. Rent. Lessee shall pay as rent the sum of \$25,210.00 per lease year during the first lease year hereof; the sum of \$27,731.00 per lease year during the second lease year hereof; the sum of \$30,252.00 per lease year during the third lease year hereof; the sum of \$32,773.00 per lease year during the fourth lease year hereof; the sum of \$35,294.00 per lease year during lease years five through ten hereof; the sum of \$39,706.00 per lease year during lease years eleven through fifteen hereof; the sum of \$44,748.00 per lease year during lease years sixteen through twenty hereof, if any; the sum of \$50,420.00 per lease year during lease years twenty-one through twenty-five hereof, if any; and the sum of \$56,811.00 per lease year during lease years twenty-six through thirty hereof, if any; which shall be paid in equal installments of one-thirteenth (1/13th) of said sum on or before the first day of each accounting period of the term. Rent shall be reduced pro rata for any part of a lease year less than a full lease year and Lessee shall pay rent pro rata for that part, if any, of the term preceding the first lease year.

Section 3.3. Late Charge. It is understood that rent is due and payable on or before the first day of each accounting period (in accordance with Section 3.2 hereof). In the event any rental is not paid on the date it is due,

Lessor shall notify Lessee in writing of such failure. If such rental is not received by Lessor within ten (10) days after Lessee has received Lessor's notice, it is agreed that the amount due shall bear interest at the maximum contractual rate which could legally be charged by law, but in no event shall such charge exceed 1-1/2% per month. Such interest shall accrue continuously on a daily basis on any unpaid balance due to Lessor by Lessee during the period commencing with the aforesaid due date and terminating with the date on which Lessee makes full payment to Lessor.

ARTICLE 4. IMPROVEMENTS

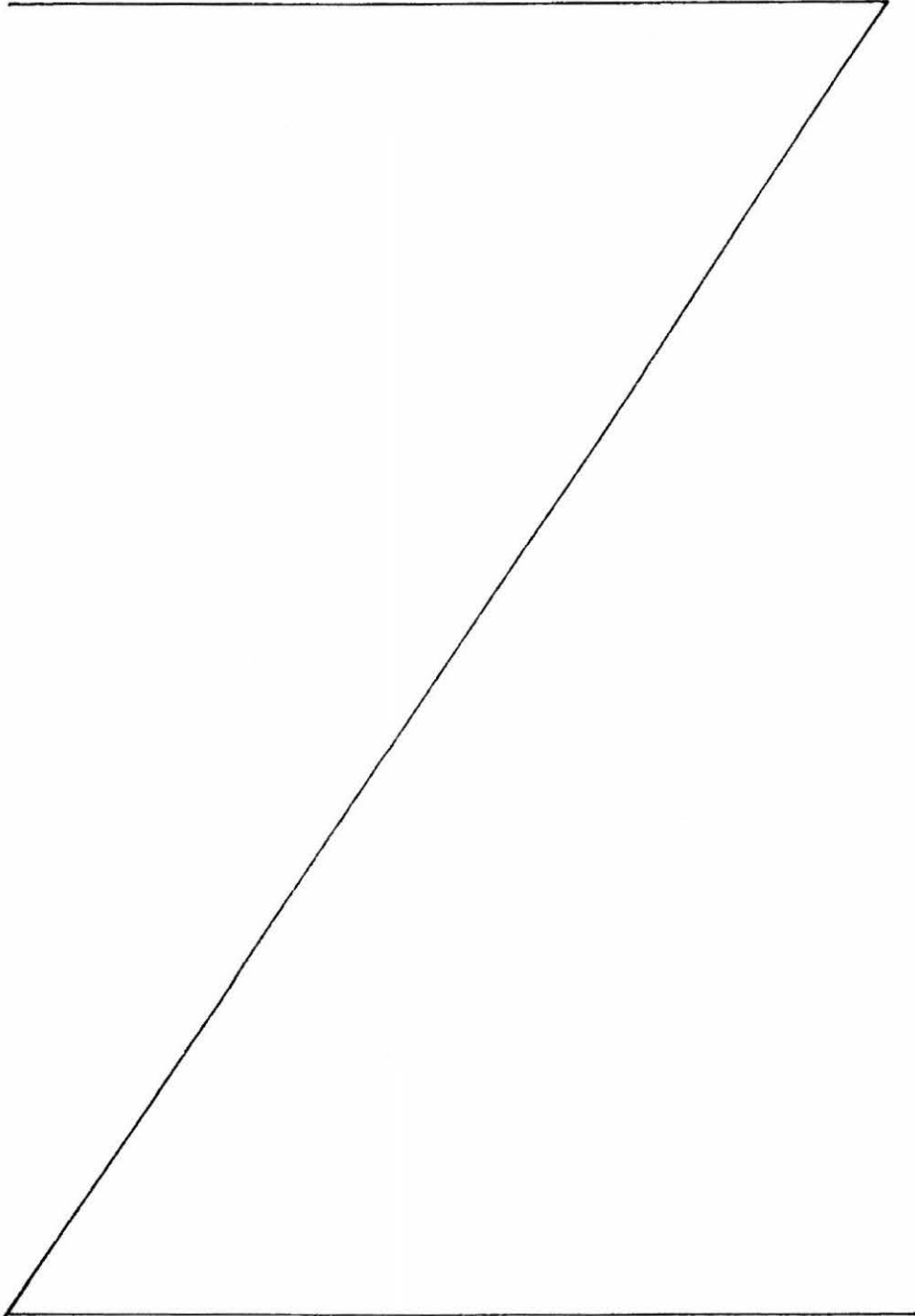
Section 4.1. Leased Premises Improvements. Lessor shall at its expense improve the Leased Premises by constructing thereon a masonry building consisting of approximately 2,521 square feet and a bottle cage having dimensions of 7 feet by 15 feet to be located in the area indicated on Exhibit A attached hereto ("Lessor's Leased Premises Improvements"). The area of the bottle cage shall not be used in computing any rents or additional rents chargeable to Lessee. Lessor's Leased Premises Improvements shall be constructed in accordance with detailed plans and specifications prepared by Lessor's architect and approved by Lessee; said detailed plans and specifications shall incorporate the specifications attached hereto as Exhibit B outlining Lessor's Work and Exhibit C outlining Lessee's Work, and the architectural, fixture, mechanical, plumbing and electrical plans to be prepared and furnished by Lessee. Upon approval by Lessee, said detailed plans and specifications shall become a part of this Lease. Lessee shall not withhold its approval of said detailed plans and specifications which conform to said Exhibit B, Exhibit C and the plans furnished by Lessee. Lessor agrees to remit to Lessee the sum of \$ 31,387.00 to be applied to the cost of Lessee's Work. Said sum shall be paid Lessee in the form of a credit toward rent due hereunder. Said sum is the agreed final liquidated amount due Lessee for certain items of Lessee's Work which otherwise would be included in Lessor's Leased Premises Improvements and upon payment of such sum Lessee shall be responsible for completion of all of Lessee's Work at Lessee's sole cost and expense.

subject to
local
ordinances and
approvals

Section 4.2. Shopping Center Improvements. Lessor covenants that it will improve the Shopping Center and the adjoining parkway, if any, (the "Shopping Center Improvements") by (i) constructing the sidewalks, driveways, landscaping, parking and service areas and mall, if any, substantially as shown on Exhibit A, and to the extent applicable in accordance with Exhibit B; and (ii) striping the parking areas substantially as shown on Exhibit A (if the striping is not shown on said Exhibit A, then as designated by Lessor by mutual agreement with Lessee) and otherwise providing appropriate signs, directional arrows and other means to direct traffic through the parking areas. Lessor further covenants that all buildings in the Shopping Center shall be located wholly within the areas designated therefor on Exhibit A and that no building in the Shopping Center shall be taller than one story nor contain a basement unless Lessee is notified as such and the square footage of said basement is included in all calculations of Lessee's proportionate share (as hereinafter defined). The sidewalks, driveways, landscaping, parking areas, service areas, including loading and unloading facilities, Shopping Center signs and mall, if any, adjoining parkway, if any, and other facilities of the Shopping Center designed for use by all occupants of the Shopping Center are herein together referred to as the "Common Facilities".

Section 4.3. Timing. Lessor shall begin construction of Lessor's Leased Premises Improvements on or before May 1, 1989. If said construction has not begun by said date, Lessee may cancel this Lease by notice in writing to Lessor given at any time thereafter prior to the beginning of said construction; said notice shall cancel this Lease effective on the twentieth (20th) day following said notice unless Lessor begins said construction prior to said twentieth (20th) day, in which case said notice shall not effect a cancellation of this Lease. The phrase "begin construction" means the incorporating into said building of a substantial quantity of materials and/or labor. Lessor shall proceed diligently with the construction of Lessor's Leased Premises Improvements and the Shopping Center Improvements, so as to complete construction of Lessor's Leased Premises Improvements and the Shopping Center Improvements and deliver actual possession of the Leased Premises to Lessee on or before October 1, 1989. Lessee agrees to accept possession of the Leased Premises upon substantial completion of construction of Lessor's Leased Premises Improvements and the Shopping Center Improvements including but not limited to the parking lot and driveway but excluding spaces for other tenants. For purposes of this Section, the Lessor's construction of Improvements shall be deemed to be substantially complete when there remains to be performed by Lessor no further items of work the lack of completion of which would, in any material respect, interfere with or hinder Lessee's operation or use of the Leased Premises. Lessee's acceptance of the premises upon substantial completion of Lessor's Work shall not excuse Lessor from diligently pursuing the final completion of all work herein required to be performed by Lessor. Upon completion of Lessor's Work and the satisfaction of the requirements of Section 10.4 hereof, Lessee shall commence performance of Lessee's Work specified on Exhibit C. If said construction has not been completed and actual possession of the Leased Premises tendered to Lessee by said date, Lessee may cancel this Lease by notice in writing to Lessor given at any time thereafter prior to completion of all of said construction and tender of actual possession; said notice shall cancel this Lease effective on the sixtieth (60th) day following said notice unless Lessor completes said construction and tenders actual possession prior to said sixtieth (60th) day, in which case said notice shall not effect a cancellation of this Lease. The dates for beginning and completing construction of said Improvements shall be deferred for a period equal to any delay caused by reason of labor controversy, act of God, fire or other casualty, governmental regulations, labor or material shortage beyond the reasonable control of Lessor or other cause beyond the reasonable control of Lessor, provided Lessor has from time to time in writing kept Lessee fully advised of such delays and the cause thereof. Notwithstanding any delays, whether within or beyond the control of Lessor, if said Improvements have not been completely constructed and actual possession of the Leased Premises tendered to Lessee on or before the date two (2) years from the date hereof, Lessee may cancel this Lease by notice in writing to Lessor given at any time thereafter prior to such completion and tender. In no event shall construction be deemed completed unless Lessor shall have furnished Lessee with any certificate of occupancy and other permits necessary for Lessee's use and occupancy of the Leased Premises except Lessee's business licenses, liquor licenses, if any, and other business operation permits. In the event a certificate of occupancy cannot be obtained until the completion of Lessee's Work, Lessor shall not be obligated to obtain such certificate of occupancy but agrees to cooperate with Lessee's efforts in obtaining the certificate of occupancy.

Section 4.4. Fixturing. Prior to completion of construction and tender of actual possession of the Leased Premises to Lessee, Lessee may at its own risk enter upon the Leased Premises at such times as it deems appropriate to make improvements thereon, install fixtures and other equipment, erect signs and stock merchandise and supplies, all without unreasonably interfering with Lessor's construction, and such acts by Lessee shall not be construed as acceptance of the Leased Premises by Lessee.



Section 4.5. Early Opening. At any time after the construction of the Leased Premises Improvements and the Shopping Center Improvements is completed to the extent that in the reasonable judgment of Lessee, and subject to applicable municipal, county, state and federal rules, regulations and ordinances, Lessee can open for business with the public in the Leased Premises and prior to the completion of said construction the Lessee may at its election open for business and the term shall begin as provided in Section 2.1 herein. If Lessee opens or intends to open for business pursuant to this Section it shall prior to such opening meet with Lessor or the Lessor's agent at the Leased Premises for purposes of jointly inspecting the same and Lessee shall thereupon notify Lessor in writing of all unfinished items of construction. If Lessor fails to complete any item of construction contained in Lessee's notice to Lessor within sixty (60) days from the date of Lessee's notice, then Lessee may do so and Lessor shall within ten (10) days after written demand pay to Lessee the reasonable amount incurred in doing so. If Lessor fails to pay within said ten (10) days, Lessee may deduct said amount together with interest thereon at the rate of eight percent (8%) per annum from the rents due hereunder. Neither the opening for business nor the giving of said notice by Lessee shall be deemed a waiver of the obligation of Lessor to complete said construction.

ARTICLE 5. MAINTENANCE, REPAIRS AND UTILITIES

Section 5.1. Lessee's Obligations. With respect to the Leased Premises Improvements, Lessee agrees to:

- (a) Make all repairs necessitated by the negligence of Lessee, its agents and employees;
- (b) Provide all maintenance of the heating, air-conditioning and air-cooling equipment and make all replacements incidental thereto;
- (c) Pay for all water, fuel, gas and electricity used by it, but only if Lessor provides separate meters for measuring Lessee's use; if Lessor does not provide separate meters, Lessor shall pay for all such utilities;
- (d) Replace all plate glass broken or damaged unless caused by faulty construction or the settling of the building; and
- (e) Make all other necessary repairs not required to be made by Lessor;

except that Lessee shall not be obliged to make any repairs, replacements or restorations made necessary by reason of fire or other casualty, however caused.

Section 5.2. Lessor's Obligations. With respect to the Leased Premises Improvements, Lessor agrees to:

- (a) Make all necessary repairs to the exterior and structural portions of said Improvements, including but not limited to roofs, walls, canopies, and exterior doors, but excluding Lessee's signs; and to repaint all exterior painted portions of said Improvements when necessary but in no event less than once every five (5) years;

- (b) Provide adequate connections with the local water supply, sewerage systems, gas, electrical and other utilities; maintain all said systems and lines to the point where they enter the building on the Leased Premises; and provide separate meters for measuring Lessee's use;
- (c) Make all alterations, repairs and replacements, interior and exterior, when necessary as a result of faulty construction of Lessor's Work or Lessor's failure to promptly discharge its obligations under subsections (a) or (b).

Section 5.3. Warranties. Lessor shall assign or cause its beneficiaries to assign to Lessee any claim against any contractor, supplier or other person for breach of contract or warranty arising out of the construction of the Improvements insofar as Lessee is herein obligated to maintain, repair or replace and shall permit Lessee in its discretion and at its expense to take legal action against such person or persons. Such assignment shall not be required if the same will in Lessor's judgment effectuate a whole or partial limitation, release or termination of any warranty, in which case Lessor shall act to enforce any such warranty on Lessee's behalf upon Lessee's request. Lessor shall cooperate fully with Lessee in asserting any such claim, and if any damages or other payments are received by Lessor as a result of such claim, Lessor shall pay the same over to Lessee.

Section 5.4. Common Facilities. Lessor shall maintain the Common Facilities in good order, appearance and repair (including but not limited to all necessary patching, resurfacing and restriping of the parking areas), provide adequate lighting thereof, and promptly remove all snow, dirt and debris therefrom. Notwithstanding anything herein to the contrary, the lighting for the canopy of the Leased Premises and one parking area pole light shall be wired directly to Lessee's meter.

Section 5.5. Fees. Lessor shall pay all permit and inspection fees relating to Lessor's Work in the Leased Premises or the Shopping Center (including without limitation driveway fees) imposed by governmental authorities, except fees relating to Lessee's business and signs.

Section 5.6. Performance. All maintenance, alterations, repairs and replacements required to be made by either party hereto shall be begun and completed within a reasonable time. If Lessor or Lessee, as the case may be, fails to make any required alteration, repair, maintenance or restoration or to pay any utility bill or other fee or charge required to be paid by Lessor or Lessee, as the case may be, hereunder within a reasonable time after notice, then the other party hereto may do so (except that in case of emergency prior notice need not be given), and the party required to so perform shall within ten (10) days after written notice demand pay to the other party hereto who performed such work the amount incurred in doing so. If Lessor fails to pay, Lessee may deduct said amount together with interest thereon at the rate of eight percent (8%) per annum from the rents due hereunder. If Lessee fails to pay and Lessor has paid any such item, Lessor may recover in addition to such amounts paid by Lessor, interest thereon pursuant to Section 3.3 (Late Charges) hereinabove.

ARTICLE 6. USE, ALTERATIONS AND FIXTURES

Section 6.1. Use. The Leased Premises may only be used as a retail food store (hereinafter defined). Notwithstanding the foregoing, if Lessee desires to change the use of the Leased Premises to a different use, permitted without

variance of applicable zoning and other governmental rules and ordinances, Lessee shall give Lessor written notice of such intended use and Lessor shall have thirty (30) days after receipt of such notice in which to accept such use change or notify Lessee that the intended use conflicts with an existing exclusive use in the Shopping Center and, therefore, will be prohibited. Upon request, Lessor shall provide to Lessee notice of all such existing exclusive uses in the Shopping Center. If Lessor does not notify Lessee that the intended use is not approved within thirty (30) days, then said new intended use shall be deemed approved. Nothing in this Lease shall be deemed to require business to be conducted on the Leased Premises. As used herein "retail food store" means a store used principally for the sale at retail of food of any kind, beverages, packaged liquors (provided appropriate liquor licenses are obtained) and general merchandise, or any combination thereof, and other merchandise and services sold incidental to such principal use. Lessor hereby grants to Lessee, its employees and invitees, without charge, the right to use in common with others entitled to similar use thereof, all of the Common Facilities, and the exclusive right to use that portion of the service areas, if any, including loading and unloading facilities, designed for use with the building on the Leased Premises. Lessor shall not grant any rights with respect to the Common Facilities or permit the use thereof by any persons other than the tenants and occupants of the Shopping Center, their employees, customers and invitees. Lessee may, subject to all local ordinances, use reasonable portions of the sidewalk abutting the Leased Premises for the display and sale of merchandise, including without limitation an ice chest, and may install and maintain a telephone booth in an appropriate place on the Common Facilities. Lessor shall (i) provide all of the Common Facilities for such use at all times, except during reasonable periods of time required to provide necessary maintenance or repairs, and shall not change the Common Facilities in any manner in Lessee's opinion that would in any way effect Lessee's operation of business from the Leased Premises without the prior written consent of Lessee, provided, however, that such consent shall not be required in the event such change is required by governmental rule, regulation or ordinance, (ii) require all tenants and occupants of the Shopping Center and their employees to park their automobiles in a portion of the parking area designated for such purpose, which area shall be located in the part of the Shopping Center least likely to be used by the customers of Lessee and other tenants and occupants of the Shopping Center, (iii) post the parking spaces directly in front of the Leased Premises for maximum ten (10) minute parking if Lessee so directs, and (iv) provide and maintain adequate waste containers on the Common Facilities.

Section 6.2. Zoning. Lessor warrants that there is no zoning law, ordinance or regulation prohibiting the use of the Leased Premises for a retail business including the sale of groceries, meats and general merchandise, nor prohibiting the use of the Common Facilities for accessory automobile parking and service facilities as herein permitted or required. If any such existing or future zoning law, ordinance or regulation is enforced so as to prohibit such use of the Leased Premises or Common Facilities, Lessee may cancel this Lease by giving Lessor not less than ten (10) days' written notice. The foregoing notwithstanding, Lessor makes no representation or warranty as to the availability or issuance of a liquor license by the Village of St. Charles for the Leased Premises. Procurement of any such liquor license shall be the sole responsibility and expense of Lessee and shall not be a condition to the validity of this Lease.

Section 6.3. Deliveries. If at any time the reasonable access by delivery vehicles to or from the front doors of the building on the Leased Premises and the adjacent streets and alleys is prevented or materially impeded for any reason beyond Lessee's reasonable control and as a result thereof Lessee discontinues or is prevented from conducting a retail business in the Leased Premises, then all rents and other charges to be paid by Lessee hereunder shall abate until such access is again permitted; and if said condition continues for a period of thirty (30) days, Lessee may cancel this Lease by notice in writing to Lessor at any time thereafter while said condition continues.

Section 6.4. Private Restrictions. Lessor covenants that Lessee will not be prevented from or restricted in the retail selling of any merchandise or rendering of any services customarily sold or provided at retail food stores of substantially similar type and quality on the Leased Premises nor in exercising the rights herein granted with respect to the Common Facilities because of any restriction, covenant or agreement entered into by any person having or having had an interest in the Leased Premises or the Shopping Center. If Lessee is prevented from or restricted in so using the Leased Premises or in exercising said rights because of any court order or other judicial determination arising out of any such restriction, covenant or agreement, the rents and other charges to be paid by Lessee hereunder shall abate during the period Lessee is so prevented from or restricted in using the Leased Premises or exercising said rights; and if said period shall continue for thirty (30) days or more, Lessee may cancel this Lease by notice in writing to Lessor at any time thereafter during said period. From and after the execution and delivery hereof, Lessor shall defend, indemnify and save harmless Lessee against all actions, claims, costs (including attorneys' fees) and loss arising out of the existence of any such restriction, covenant or agreement or allegation thereof.

Section 6.5. Lessor's Alterations. Lessor shall at its expense from time to time make any alterations, improvements or additions to the Leased Premises that may be required on account of any existing or future laws, ordinances or regulations of lawful authority except alterations, improvements or additions to the Leased Premises as may be required solely by reason of the nature of Lessee's business. If because of any such law, ordinance or regulation or the work to be done by Lessor in connection therewith, Lessee is deprived of the use of the Leased Premises, the rents and other charges to be paid by Lessee hereunder shall abate during the period of such deprivation.

Section 6.6. Lessee's Alterations. Lessee may at its expense from time to time make any non-structural alterations, changes or improvements in, on and to the Leased Premises which it may deem necessary or desirable. Lessee may at its own cost and expense make structural changes to the Leased Premises with the approval of Lessor which approval shall not be unreasonably withheld or delayed, provided that the changing or addition of interior doors or entrances, interior walls, plumbing, electrical, and other lines (including venting) shall not be deemed structural changes. Lessee shall not be required to, but may, remove any such alterations, changes or improvements at any time before or within ten (10) days following the termination of this Lease by lapse of time or otherwise, provided Lessee shall repair any damage caused by such removal.

Section 6.7. Liens. Lessee shall keep the Leased Premises free from any mechanics' or materialmen's liens for any labor or material furnished Lessee in connection with the Leased Premises, except that Lessee shall have the right to contest the validity or amount of any such lien. If reasonably necessary, Lessee shall bond over or otherwise provide reasonable security against any lien it is contesting.

Section 6.8. Fixtures. Any fixtures, equipment, signs or other property, however attached to or incorporated in the Leased Premises or the Shopping Center, belonging to the Lessee or its subtenants or licensees are to be and remain their property, and they shall have the right to remove them at any time before or within ten (10) days following the termination of this Lease by lapse of time or otherwise, provided Lessee shall repair any damage caused by such removal. If same are not so timely removed, Lessor may remove and dispose of such fixtures, equipment, signs or other property however Lessor sees fit.

Section 6.9. Signs. Subject to all applicable governmental rules and ordinances, Lessee shall have the exclusive right to place signs and advertisements on the exterior and interior of the Leased Premises including the walls and canopy if the Leased Premises form part of a building, provided that during the last six (6) months of the term Lessor may place a "For Rent" or "For Sale" sign not in excess of 2' x 3' in size on any portion of the exterior of the Leased Premises other than on the plate glass or in any place obstructing Lessee's signs. Lessee may display banners provided the same are mechanically fastened to the parapet. All signs, banners and advertisements placed or posted by Lessee shall be of good taste and character compatible with the general aesthetics of the Shopping Center (i.e., first class suburban retail shopping center). Lessor shall erect and maintain a pylon or tower sign in a place in the Common Facilities shown on Exhibit A and Lessee shall have the right to place its sign in the most prominent space on said pylon.

Section 6.10. Use of Shopping Center. Lessor covenants that (i) no premises in the Shopping Center (excluding the Leased Premises) shall be used or occupied for the operation of a bar, tavern or an amusement or recreation establishment (including without limitation a pool hall, bowling alley, game center, theater, health center and adult book store), and (ii) no portion of the Shopping Center within 30 feet of the perimeter of the Leased Premises shall be used or occupied as a sit-down restaurant, a barber or beauty shop, real estate or other offices. The foregoing covenant shall run with the land comprising the Shopping Center. In the event of a breach or threatened breach of said covenant, Lessee shall be entitled to injunctive relief and any other appropriate remedy. Notwithstanding anything herein to the contrary, one sit-down restaurant other than a "TCBY" shall be permitted in the Shopping Center provided the same is located at least 60 feet from the perimeter of the Leased Premises. A "TCBY" frozen yogurt store shall be permitted provided the same is at least 40 feet from the perimeter of the Leased Premises.

Section 6.11. Exclusive. Lessor covenants that no premises in the Shopping Center (excluding the Leased Premises) shall be used or occupied for (i) the retail selling of food (other than bakery goods) or beverages

of any kind for consumption off the premises except that this shall not prohibit the sale of hot, prepared ready-to-eat carry out foods such as fried chicken, hamburgers, chop suey and pizza and other prepared ready-to-eat carry out foods sold incidental thereto, or (ii) for the sale of cigarettes, tobacco, newspapers or health and beauty aids. Notwithstanding the foregoing, a retail beauty supply store shall be permitted. In no event shall any premises in the Shopping Center (excluding the Leased Premises) be used for the sale of cold sandwiches, bulk delicatessen, salads or other bulk delicatessen items. The foregoing restrictions on use and occupancy shall be effective only so long as the Leased Premises are used for such purposes, respectively, or are not being so used because of labor controversy, acts of God, fire or other casualty, national emergency, reasonable periods of time to remodel or decorate or other causes beyond the reasonable control of Lessee or other persons occupying the Leased Premises. The foregoing covenant shall run with the land comprising the Shopping Center. In the event of a breach or threatened breach of said covenant, Lessee shall be entitled to injunctive relief and any other appropriate remedy.

Section 6.12. Rent Abatement. If any of the covenants contained in Sections 6.10 and 6.11 herein are breached, Lessee shall notify Lessor in writing of such breach and if the same is not cured within thirty (30) days or if Lessor is not proceeding diligently to cure such breach if such breach by its nature is not cureable within said thirty (30) days, then in addition to all remedies the Lessee may have, twenty percent (20%) of the rent provided for in Section 3.2 herein shall abate from the date Lessee gives Lessor written notice of such breach and its election to so abate said rent until the date such breach is cured and Lessor has given Lessee written notice of such cure, provided that if such breach of Section 6.11 is of a kind other than the opening of a retail food store in the Shopping Center said abatement shall be five percent (5%) of said rent.

ARTICLE 7. RESTORATION

Section 7.1. Hazard Insurance. Lessor shall carry replacement cost insurance covering the building on the Leased Premises (when used herein, "building on the Leased Premises" shall also include the bottle cage, if any), insuring it against loss or damage resulting from fire and other insurable casualties.

Section 7.2. Mutual Release. Lessor hereby releases and discharges Lessee, its subtenants, licensees and their agents and employees of and from all liability to Lessor and to anyone claiming by, through or under Lessor by subrogation or otherwise on account of any loss or damage caused by or arising out of any fire or other casualty, however caused. Lessee hereby releases and discharges Lessor and any other persons, firms and corporations having an interest in the Leased Premises, their agents and employees of and from all liability to Lessee and to anyone claiming by, through or under Lessee by subrogation or otherwise on account of any loss or damage caused by or arising out of any fire or other casualty, however caused.

Section 7.3. Restoration. If the building on the Leased Premises is damaged or destroyed by fire or other casualty, Lessor shall at its expense repair and restore said building so as to be substantially the same as prior to such damage or destruction. Lessor shall not be required

to restore Lessee's fixtures or inventory. Lessor shall begin such repairs or restoration within six (6) months from the date of such fire or other casualty and shall complete said repairs or restoration within twelve (12) months from said date. The dates by which Lessor is to begin and complete said repairs or restoration shall be deferred for a period equal to any delay caused by reason of labor controversy, act of God, fire or other casualty, governmental regulations or other cause beyond the reasonable control of Lessor, provided Lessor has from time to time in writing kept Lessee fully advised of such delays and the cause thereof. If any other building(s) in the Shopping Center is (are) damaged or destroyed by fire or other casualty, Lessor shall promptly either repair and restore or raze said building(s).

Section 7.4. Last Two Years. If the building on the Leased Premises is damaged or destroyed by fire or other casualty during the last two (2) lease years of the term prior to the last date by which Lessee may exercise an option to extend the then current term and the cost of repairing or restoring said building as required by Section 7.3 herein will exceed twice the rent per lease year, then Lessor shall have the option of requiring Lessee to decide whether to extend the then current term by exercising said option to extend the term for five (5) lease years or whether this Lease shall be terminated. Such option may be exercised by Lessor's giving Lessee written notice thereof within thirty (30) days after such fire or casualty. Within thirty (30) days after Lessee receives said notice requesting Lessee to decide whether to so extend the lease term, Lessee shall notify Lessor in writing whether it exercises said option and in the absence of such notice exercising said option this Lease shall terminate. Any notice by Lessee exercising said option following such notice from the Lessor shall be effective notwithstanding the fact that the last day by which Lessee otherwise had to exercise said option occurs subsequent to the date of such fire or other casualty. If such fire or other casualty occurs during the last two (2) years of the last option period or after the last date by which Lessee may exercise said option and Lessee has not exercised said option, then Lessor may terminate this Lease by notice in writing to Lessee given within thirty (30) days after such fire or other casualty.

Section 7.5. Rent Abatement. If such damage or destruction to the building on the Leased Premises results in the suspension of business in the Leased Premises, all rents and other charges payable by Lessee hereunder shall abate from the date of such suspension of business until the earlier of (i) the date such business is resumed, or (ii) the date sixty (60) days following the completion of said repairs or restoration; and if such damage or destruction or the work of repairing or restoring said improvements results in only a partial suspension of business, the abatement shall be apportioned accordingly.

Section 7.6. Failure to Restore. If Lessor fails to begin or complete the repairs or restoration of the building on the Leased Premises within the times and in the manner provided for in this Article 7, then Lessee may, in addition to any other remedies it may have, (i) terminate this Lease by notice in writing to Lessor at any time prior to said beginning or completion, as the case may be, or (ii) Lessee may perform said repairs or restoration or so much of them as it deems necessary or desirable, and upon demand Lessor shall pay to Lessee a sum equal to the costs incurred by Lessee in connection therewith (excluding, however, the cost of trade fixtures, equipment, inventory) provided Lessor has had an opportunity to review Lessee's

plans prior to Lessee commencing such restoration work. If Lessor fails to pay said costs to Lessee, Lessee may recoup said costs, together with interest at the rate of eight percent (8%) per annum from the tenth (10th) day following said demand on the balance remaining from time to time unpaid by deducting said costs from all rents and other charges due thereafter.

ARTICLE 8. EMINENT DOMAIN

Section 8.1. Total. If the entire Leased Premises is taken under the power of eminent domain, this Lease shall terminate on the date Lessee is deprived of possession pursuant to such taking.

Section 8.2. Partial. If under the power of eminent domain, any part of the building on the Leased Premises, or any part of the service areas accessory to said building, or any part of the parking area outlined in red, if any, on Exhibit A, is taken but such taking does not in Lessee's reasonable opinion materially effect Lessee's operation of business from the Leased Premises, then, in any such event, rent shall abate consistent with Section 8.4 hereof. If such taking, even though partial, is such that Lessee's business is materially adversely affected, Lessee may terminate this Lease by providing to Lessor written notice within sixty (60) days of such taking.

Section 8.3. Restoration. If a portion of the Leased Premises or Common Facilities is so taken and this Lease is not terminated therefor, the remainder of the Leased Premises or Common Facilities shall be restored by Lessor as soon as possible.

Section 8.4. Rent Abatement. In the event of any such partial taking, all rents and other charges payable by Lessee hereunder shall be reduced from and after the date Lessee is deprived of possession of such portion of the Leased Premises in proportion to the floor area of the Leased Premises (not including parking area) so taken. In addition, if any such taking results in the suspension of business in the Leased Premises, all rents and other charges payable by Lessee hereunder shall abate from the date of such suspension of business until the earlier of (i) the date such business is resumed, or (ii) the date sixty (60) days following the completion of said restoration by Lessor.

Section 8.5. Settlement. For the purpose of this Article 8, a taking under the power of eminent domain shall include conveyances or dedications made in settlement of or in lieu of condemnation proceedings.

ARTICLE 9. INDEMNITIES AND INSURANCE

Section 9.1. Lessee's Indemnity. Lessee shall defend, indemnify and save harmless the Lessor, its agents and employees, against any liability or claim thereof whether for injury to persons, including death, or damage to property (i) occurring on or arising out of the use of the Leased Premises during the term hereof except if caused by any act or omission to act by Lessor, its licensees or contractors, their agents or employees, (ii) arising out of any default by Lessee hereunder, or (iii) arising out of any act or omission to act by Lessee, its agents or employees on the Common Facilities at any time or on the Leased Premises prior to the beginning of the term; all subject to the provision of Section 7.2 hereof.

Section 9.2. Lessor's Indemnity. Lessor shall defend, indemnify and save harmless the Lessee, its subtenants, licensees and concessionaires, their agents and employees, against liability or claim thereof whether for injury to persons, including death, or damage to property (i) occurring on the Leased Premises prior to the beginning of the term hereof except if caused by any act or omission to act by Lessee, its subtenants, licensees, concessionaires or contractors, their agents or employees, or occurring on the Leased Premises during the term if caused by any act or omission to act by Lessor, its licensees or contractors, their agents or employees; (ii) arising out of any default by Lessor hereunder; or (iii) occurring on the Common Facilities, except if caused by any act or omission to act by Lessee, its subtenants, licensees, concessionaires or contractors, their agents or employees; all subject to the provision of Section 7.2 hereof.

Section 9.3. Insurance. Lessor shall, prior to the commencement of any construction or reconstruction required by this Lease or prior to the commencement of the term, whichever is earlier, procure and maintain an insurance policy or policies covering (i) its liability with respect to any construction or reconstruction that it may perform or have performed in, upon or in connection with the Leased Premises and the Shopping Center premises; (ii) its liability for ownership, maintenance and use of the Leased Premises and the Shopping Center; and (iii) its contractual liability arising under Section 9.2 hereof; said insurance shall provide limits of not less than One Million Dollars (\$1,000,000.00) with respect to bodily injury arising out of any one occurrence, and One Hundred Thousand Dollars (\$100,000.00) with respect to property damage arising out of any one occurrence; and said policy or policies shall contain a clause that the insurer will not cancel or change said policy or policies without first giving Lessee ten (10) days' prior written notice. Lessor shall furnish Lessee with copies of said policy or policies, or certificates or memoranda thereof. Lessee shall obtain and maintain insurance covering its liabilities with respect to its use of the Leased Premises, including, without limitation, coverage for dram shop liability, products liability and workers' compensation and its contractual liability arising under Section 9.1 hereof; said insurance shall provide general liability coverage of not less than \$1,000,000.00 combined single limit coverage. Lessee's insurance policies shall name Lessor, its agents and beneficiaries, and any person, firm or corporation designated by Lessor, as insureds, and shall contain a clause that the insurer will not cancel or change the insurance without first giving Lessor thirty (30) days written notice. Notwithstanding the foregoing, so long as Lessee maintains a "net worth", determined in accordance with generally accepted accounting principles, consistently applied, of not less than \$1,000,000.00, Lessee may self-insure some or all of such insurance coverage provided that any such self-insurance program is established, maintained and funded according to standards approved by Lessee's independent Certified Public Accountants and Lessor is advised in writing by Lessee that Lessee qualifies for such self-insurance and Lessee elects to so self-insure.

ARTICLE 10. TITLE AND POSSESSION

Section 10.1. Possession. Lessor covenants that it will put Lessee in complete and exclusive actual possession of the Leased Premises at the beginning of the term or upon completion of the construction, if any, to be performed by Lessor pursuant to Article 4 hereof, whichever is earlier; and if Lessor fails to do so, Lessee may at its option cancel this Lease by notice in writing to Lessor at any time prior to tender of such possession to Lessee. All rents and other charges payable by Lessee hereunder shall abate during any such period prior to such tender.

Section 10.2. Quiet Enjoyment. Lessor covenants that if the Lessee shall perform all of the covenants and provisions of this Lease to be performed by the Lessee, the Lessee shall peaceably and quietly occupy and enjoy the full possession and use of the Leased Premises and the use of the Common Facilities as herein provided; and if at any time Lessor's title shall fail or be discovered not to enable it to grant the term or said rights with respect to the Common Facilities, Lessee may at its option cancel this Lease by notice in writing to Lessor.

Section 10.3. Assignment and Subletting. Lessee may from time to time assign or reassign this Lease or sublease the whole or any part of the Leased Premises for any lawful purpose not inconsistent with any existing restrictions in any other lease relating to uses in the Shopping Center; provided that, if an assignment or a subletting of the entire premises is for a use which increases the hazard insurance premium on the Leased Premises, Lessee shall reimburse Lessor therefor upon being furnished with reasonable evidence of such increase and further provided that if Lessee intends to assign this Lease or sublet the whole of the Leased Premises to any person, firm or corporation other than (i) a licensee or franchisee or (ii) a corporation which is subsidiary to or affiliated with Lessee, or a corporation resulting from any reorganization or merger to which Lessee or any of its subsidiaries or affiliates may be a party or (iii) a person, firm or corporation to which Lessee makes a simultaneous assignment of Lease, lease or sublease with respect to one or more other premises leased to or owned by Lessee, then it will first give written notice of such intention to Lessor setting forth the identity of the prospective assignee or sublessee and the general nature of its business and Lessor shall have the option to terminate this lease by giving Lessee thirty (30) days written notice thereof within thirty (30) days after the date of Lessee's notice. In the event of any such assignment or subletting, Lessee shall remain liable for the performance of all of its obligations hereunder and agrees to execute such reasonable documentation as Lessor may request memorializing such assignment or sublet. Fifty percent (50%) of any rents or other monies received by Lessee in conjunction with any such a sublease not outlined above that exceeds the rents and other sums due under this Lease shall be remitted promptly to Lessor. Notwithstanding the foregoing and the first sentence of Section 6.1 hereof, Lessee agrees that in the event this Lease is assigned or the whole of the Leased Premises is sublet to any person, firm or corporation other than a franchisee or licensee or a corporation which is subsidiary to or affiliated with Lessee, or a corporation resulting from any reorganization or merger to which Lessee or any of its subsidiaries or affiliates may be a party, then except for the operation of a retail grocery store, meat market, packaged liquor store or any combination

with the understanding that Lessee is not required to remit such fifty percent (50%) of such excess monies received until Lessee collects the same, but Lessee agrees to exercise due diligence to collect such excess monies and that rents and other sums due

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14 (the next page is 14a)

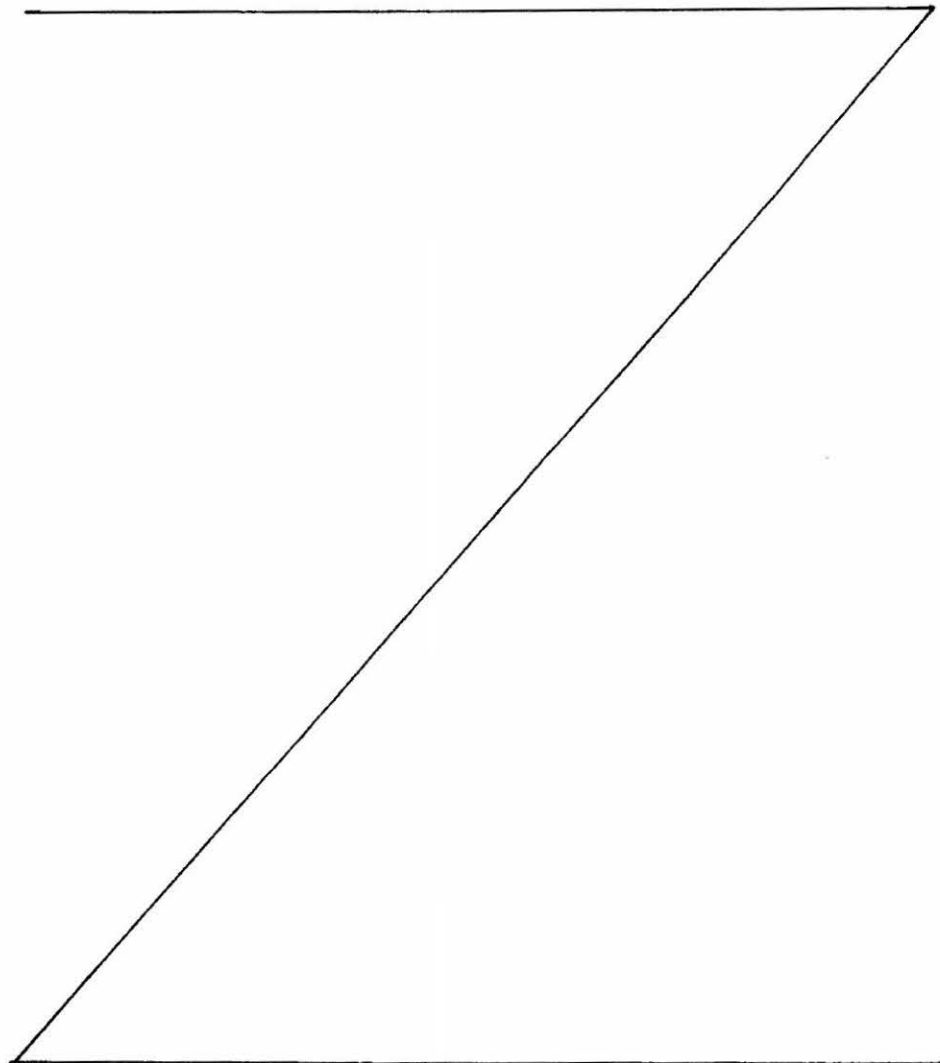
thereof, such other person, firm or corporation shall not use the Leased Premises for any type of store which is prohibited by the provisions of any other lease then in effect with any other tenant of the Shopping Center and of which provision Lessor has given written notice to Lessee prior to Lessee's so assigning or subletting, except that such limitation on use shall not prohibit the use of the Leased Premises for the incidental sale of any particular merchandise lines or merchandise.

Section 10.4. Title Evidence and Memorandum of Lease.

Lessor represents that it has good title to the Leased Premises and the Shopping Center in fee simple absolute subject only to current taxes not past due, utility easements and leases not conflicting with the rights herein granted to Lessee and the matters set forth on Exhibit AA hereto. The parties have simultaneously herewith executed and delivered a Memorandum (or Notice) of Lease (the "Memorandum"). Lessee shall promptly record and/or file the Memorandum in such place or places in the county wherein the Leased Premises are situated as are provided for the recording and/or filing of deeds, including the appropriate place for filing deeds with respect to property subject to any so-called Torrens system or other title registration system, if all or any part of the Shopping Center premises is registered thereunder. In addition, if at the time of recording and/or filing the Memorandum, the Leased Premises or the Shopping Center premises or any part thereof is subject to any deed of trust, trust deed or mortgage (whether or not described in Exhibit AA hereto), Lessor shall promptly obtain an agreement (the "Non-Disturbance Agreement") in form reasonably satisfactory to Lessee from the holder or holders of the note or notes secured by such deed of trust, trust deed or mortgage and from such trustee or mortgagee obligating any party acquiring title or the right of possession under or by virtue of such deed of trust, trust deed or mortgage to recognize this Lease and the rights herein granted to Lessee, provided Lessee is not in default hereunder. The Non-Disturbance Agreement shall include at Lessor's or Lessor's Mortgagee's election, additional provisions relating to Lessee's subordination and attornment. The Non-Disturbance Agreement shall be recorded and/or filed in the same place or places as the Memorandum. Upon release of the recorded and/or filed Memorandum and the Non-Disturbance Agreement, if any, they shall be delivered to Lessee and, if necessary, such recordings and/or filings shall be made in duplicate so that recorded and/or filed counterparts thereof may be so delivered to Lessee. Lessor shall furnish to Lessee evidence reasonably satisfactory to Lessee that title to the Leased Premises and Shopping Center premises is as herein represented as of the date of recording and/or filing the Memorandum; in the event Lessee is not furnished with such evidence of title and evidence of recording and/or filing of the Memorandum and Non-Disturbance Agreement, if required, within thirty (30) days from the date hereof, Lessee may cancel this Lease by notice in writing to Lessor at any time thereafter prior to Lessor's furnishing such evidence.

Section 10.5. Subordination. Lessee agrees to subordinate this Lease to any deed of trust, trust deed or mortgage which may hereafter be placed on the Leased Premises or the Shopping Center premises, provided such trustee or mortgagee thereunder shall assure to Lessee in form of the aforesaid Non-Disturbance Agreement the right to possession of the Leased Premises and other rights granted to Lessee herein so long as Lessee is not in default hereunder.

Section 10.6. Vacancy. Notwithstanding anything herein to the contrary, if the Lessee or any assignee or sublessee of the entire Leased Premises allows all of the Leased Premises to remain vacant or fails to open for business for a period of three hundred and sixty-five (365) consecutive days or more during the term, then the Lessor may at its option terminate this Lease by notice in writing to Lessee at any time thereafter while such condition continues; provided, however, that such vacancy or failure to open for business caused by reason of labor controversy, act of God, fire or other casualty, governmental regulations or other causes beyond the reasonable control of Lessee or such assignee or sublessee (each of which is hereinafter referred to as an "Event of Force Majeure") and any vacancy or failure to open for business during reasonable periods for the repair, alteration, remodeling, cleaning or redecorating of said building shall not be considered a vacancy or failure to open for business for the purpose of this section. Within thirty (30) days of Lessor's request during any such vacancy or period of a failure to open for business, Lessee shall furnish Lessor with a written itemization of each and every Event of Force Majeure which has caused such vacancy or failure to open for business.



ARTICLE 11. MISCELLANY

Section 11.1. Taxes. Lessor shall pay all taxes levied or assessed against the Shopping Center premises before they become delinquent and the parties further agree as follows:

- (a) As additional rent, Lessee shall reimburse Lessor in an amount equal to the general real estate taxes applicable to the Leased Premises for each tax year of the term except that the amount of such taxes for the tax years during which the term begins and ends shall be adjusted pro rata between Lessor and Lessee on the basis of the number of days of the term falling within said tax years. As used herein the term "tax year" means a calendar year or such other twelve (12) month period during which said taxes are assessed and with respect to which such tax bills are issued. As used herein, the term "taxes" shall include all federal, state and local taxes, assessments and charges that may be assessed on the real estate which includes the Leased Premises in lieu of general real estate taxes.
- (b) For the purposes of this Section, the general real estate taxes applicable to the Leased Premises shall be deemed a pro rata share of the general real estate taxes levied on the Shopping Center premises (excluding that portion of said taxes based on the assessed valuation of land not improved with commercial buildings or Common Facilities); said pro rata share shall bear the same ratio to said taxes on the Shopping Center premises (excluding said portion) which the ground floor area of the building on the Leased Premises bears to the floor area of all floors of all buildings (including the building on the Leased Premises) existing on the Shopping Center premises on the applicable assessment dates.
- (c) Lessee may, if Lessor does not, in its own name or in the name of Lessor, contest the validity or amount of any such taxes or the assessments upon which the same are based. Lessor agrees to render to Lessee all assistance reasonably possible, including joining in and signing any protest or pleading which Lessee may deem advisable. If any rebate of taxes is made, the rebate (less reasonable expenses incurred in obtaining same) shall be retained by or paid to Lessee, to the extent Lessee has so reimbursed Lessor for the year for which such rebate is made. The Lessor shall promptly forward to Lessee copies of all applicable notices of assessment, tax bills and other matters relating to the taxes or assessments applicable to the Leased Premises to the end that Lessee is not prejudiced in exercising the rights granted herein.
- (d) Lessor shall from time to time furnish Lessee with a copy of each receipted tax bill paid by Lessor with respect to the Shopping Center premises together with a statement in reasonable detail showing the amount due from Lessee supported by evidence reasonably satisfactory to Lessee with respect to the method of calculation of said amount and the basis therefor. Subject to verification by Lessee as to the amount due and payment of such taxes, Lessee shall within thirty (30) days after receipt of the respective tax bills, statements and evidence, remit to Lessor the amount due. Notwithstanding anything herein to the contrary the Lessee shall not be obligated to reimburse Lessor for any such taxes unless Lessor has so furnished said tax bill, statement and evidence within twelve (12) months after the payment of said taxes. If the rent abates or is apportioned for any reason, the amounts due from Lessee pursuant to this Section shall proportionately abate or be apportioned accordingly.

Section 11.2. Insurance. As additional rent, Lessee shall from time to time reimburse Lessor in an amount equal to the fire and extended coverage insurance earned premiums applicable to the building on the Leased Premises for each lease year of the term. Earned premiums applicable to any period outside the term hereof shall be prorated so that Lessee only pays the portion of said premiums earned during the term hereof. Also, if such premiums applicable to the building on the Leased Premises cannot be separated from premiums applicable to the other buildings, if any, in the Shopping Center the premiums applicable to the building on the Leased Premises shall be deemed a pro rata share of the premiums applicable to all of the buildings in the Shopping Center; said pro rata share shall bear the same ratio to said premiums which the ground floor area of the building on the Leased Premises bears to the floor area of all buildings (including the building on the Leased Premises) in the Shopping Center. Lessor shall from time to time furnish to Lessee a statement in reasonable detail showing the amount due from Lessee supported by evidence reasonably satisfactory to Lessee with respect to the method of calculation of said amount and the basis therefor. Subject to verification by Lessee as to the amount due and the payment of such premiums Lessee shall within thirty (30) days after receipt of said statement and evidence, remit to Lessor the amount due. Notwithstanding anything herein to the contrary the Lessee shall not be obligated to reimburse Lessor for any such insurance premium unless Lessor has so furnished said statement and evidence within twelve (12) months after the payment of said insurance premium. If the minimum rent abates or is apportioned for any reason the amounts due pursuant to this Section shall similarly abate or be apportioned.

Section 11.3. Common Facilities Charge. Lessee shall pay to the person to whom rent is payable, as additional rent, a proportionate share of the cost incurred by Lessor in performing the maintenance required by Section 5.4 hereof excluding any costs for snow removal and parking area lighting (said proportionate share shall bear the same ratio to the total cost so incurred as the ground floor area of the Leased Premises bears to the total floor area of all buildings in the Shopping Center); provided that in no event shall Lessee's share exceed \$1,336.13 per lease year during the first five lease years hereof, said sum shall increase every five years thereafter by five percent (5%) per lease year hereof (i.e., total of 25%), said maximum sums shall be reduced pro rata for any part of a lease year less than a full lease year. In addition to the foregoing charge, Lessee shall pay a proportionate share determined as described above of the cost incurred by Lessor for snow removal required under Section 5.4 hereof. Lessee shall not be required to pay for any common area lighting or electricity. On or before the twentieth (20th) day following the end of each lease year, Lessor shall submit to Lessee a statement in reasonable detail showing the actual costs so incurred by Lessor during said lease year and the amount chargeable to Lessee, including the basis of computation. Subject to verification by Lessee as to the amount due and payment of such charges, Lessee shall pay its share of such charges to Lessor within thirty (30) days after receipt of Lessor's statement. No costs for blacktop maintenance and repair during the first two lease years shall be included in the said common facilities charge. Notwithstanding anything herein to the contrary, Lessee shall at its expense make reasonable efforts to remove dirt and debris from the sidewalk areas directly in front of and on the side of the Leased Premises.

Section 11.4. Contiguous Premises. It is hereby acknowledged that Gary Wheaton Bank, not personally but as Trustee under a Trust Agreement dated May 27, 1988 and known as Trust No. 7890, is the title holder of the property contiguous to the Shopping Center known as the "Contiguous Premises" legally described on Exhibit D attached hereto. Upon execution and recording of this Lease, Lessor shall have recorded against said Contiguous Premises a Declaration of Restrictions, which Declaration shall be in a form substantially similar to Exhibit D attached hereto, which shall provide that during the term of this Lease, no store premises nor any part thereof on the Contiguous Premises shall be used as a retail food store. Lessor shall provide Lessee with evidence reasonably satisfactory to Lessee that the Declaration has been executed or approved by all parties in interest and properly recorded.

ARTICLE 12. GENERAL

Section 12.1. Default. The following events shall be deemed to be events of default by Lessee under this lease:

- (1) Lessee shall fail to pay any installment of rent or any other obligation hereunder involving the payment of money and such failure shall continue for a period of ten (10) days after receipt of written notice from Lessor.
- (2) Lessee shall fail to comply with any term, provision or covenant of this lease, other than as described in subsection (1) above, and shall not cure the same within thirty (30) days after written notice thereof or, if such failure, breach or default by its nature is not curable within such thirty (30) days, Lessee has not commenced to cure such failure with due diligence and continuity within thirty (30) days after written notice thereof to Lessee.
- (3) Lessee shall become insolvent, or shall make a transfer in fraud of creditors, or shall make an assignment for the benefit of creditors.
- (4) Lessee shall file a petition under any section or chapter of the National Bankruptcy Act, as amended, or under any similar law or statute of the United States or any State thereof; or Lessee shall be adjudged bankrupt or insolvent in proceedings filed against Lessee.
- (5) A receiver or Trustee shall be appointed for the Leased Premises or for all or substantially all of the assets of Lessee or any guarantor of Lessee's obligations under this lease.

Upon the occurrence of any such events of default, Lessor shall have the option to pursue either of the following alternative remedies:

- A. Take any one or more of the actions permissible at law to insure performance by Lessee of Lessee's covenants and obligations under this lease. In this regard, it is agreed that if Lessee permanently vacates the Leased Premises, Lessor may enter upon and take possession of such premises in order to protect them from deterioration and continue to demand from Lessee the rentals and other charges provided in this lease until the premises are relet. Lessor shall use its best efforts to relet the premises and Lessee shall be obligated to pay to Lessor on demand any deficiency that may arise between the rentals and other charges provided in this lease and that actually collected by Lessor from such other tenant.
- B. Terminate this lease by written notice to Lessee, in which event Lessee shall immediately surrender the Leased Premises to Lessor, and if Lessee fails to do so, Lessor may, without prejudice to any other remedy which Lessor may have for possession or arrearages in rent enter upon and take possession of the Leased Premises and expel or remove Lessee and any other person who may be occupying said premises or any part thereof, by

force if necessary, without being liable for prosecution or any claim for damages therefor; and Lessee agrees to pay to Lessor upon demand the reasonable amount of all actual damage which Lessor may suffer by reason of such termination or any uncured breach of this lease by Lessee, including costs of suit and reasonable attorneys' fees.

Section 12.2. Notices. Notices and demands required or permitted to be given hereunder shall be given by registered or certified mail and shall be addressed if to Lessor, at the last address at which rent is payable, and if to Lessee, at 660 Industrial Drive, Elmhurst, Illinois 60126, Attn: Real Estate Department, or at such other address as Lessee shall designate by written notice to Lessor. Notices and demands shall be deemed to have been given when mailed.

Section 12.3. Rent Refund. Promptly after the termination or cancellation of this Lease for any reason or after the effective date of the abatement of rents and other charges hereunder, whether entire or partial, Lessor shall refund to Lessee all rents and other charges paid by Lessee to the extent they are allocable to any period of time beyond the effective date of such termination, cancellation or abatement of rent and other charges.

Section 12.4. Holding Over. Subject to the rights of Lessee pursuant to Sections 6.6 and 6.8 hereof, Lessee shall at the termination of this Lease by lapse of time or otherwise yield up immediate possession of the Leased Premises; if it does not do so, Lessee shall pay as liquidated damages for the time such possession is withheld a sum equal to one and one-half (1-1/2) times the rent (including taxes, insurance and common area maintenance charges) prorated on a daily basis. In no event shall such holding be deemed to create a tenancy from year to year, nor shall Lessor elect to create such a tenancy.

Section 12.5. Commissions. The Lessor shall pay all fees and commissions for bringing about the execution and delivery of this Lease and agrees to defend, indemnify and save the Lessee harmless of and from any and all claims for said fees and commissions. Lessee represents that it has not dealt with any broker in respect to this lease except for Harold J. Carlson & Associates.

Section 12.6. Waiver. The failure of Lessor or Lessee to insist upon strict performance by the other of any of the provisions of this Lease or to exercise any option herein conferred shall not be deemed as a waiver or relinquishment for the future of any such provision or option.

Section 12.7. Remedies. All rights and remedies provided for herein or otherwise existing at law or in equity are cumulative, and the exercise of one or more rights or remedies by either party shall not preclude or waive its right to the exercise of any or all of the others.

Section 12.8. No Offer. The submission of this Lease for examination does not constitute an offer to enter into a lease, and this Lease shall become effective only upon execution and delivery hereof by Lessor and Lessee.

Section 12.9. Interpretation. All provisions hereof are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each section hereof. The necessary grammatical changes required to make the provisions of this Lease apply in the plural sense where there is more than one lessor or lessee and to either corporations, associations, partnerships or individuals, males or females, shall in all instances be assumed as though in each case fully expressed. The captions of the articles and sections contained herein are for convenience only and do not define, limit, construe or describe the scope or intent of such articles or sections. If any provision of this Lease shall be held invalid, the validity of the remainder of this Lease shall not be affected thereby.

Section 12.10. Exhibits. All exhibits referred to in and attached to this Lease are hereby made a part of this Lease.

Section 12.11. Successors. All of the provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns. No third party, other than such heirs, legal representatives, successors and assigns, shall be entitled to enforce any or all of the provisions of this Lease or shall have any rights hereunder whatsoever.

IN WITNESS WHEREOF, the parties hereto have executed and affixed their respective seals to this Lease as of the day and year first above written.

CAPITOL BANK AND TRUST,
as Trustee aforesaid

By *Stephen H. Crowley*
ATO Vice President

Attest *Robert J. Jones*
ATO Secretary

LESSOR

WHITE HEN PANTRY, INC. ³⁵⁸

By *Allen S. Davis*
Vice President

Attest *Robert J. Jones*
Secretary

LESSEE

This statement is based solely upon information and belief, upon information furnished by the beneficiary or beneficiaries of the aforesaid trust. The undersigned has no personal knowledge of any of the facts or statements herein contained.

LEGAL DESCRIPTION
NWC of RL 64 & Dunham
St. Charles, Illinois

***PARCEL 1:

THAT PART OF THE EAST HALF OF SECTION 26, TOWNSHIP 40 NORTH, RANGE 8, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE CENTER OF SAID SECTION 26, THENCE EAST ALONG THE CENTER LINE OF SAID SECTION, 990 FEET TO THE EAST LINE EXTENDED NORTH OF TRACT "J", AS SHOWN ON THE PLAT OF SURVEY OF PART OF THE EAST HALF OF SECTION 26, TOWNSHIP 40 NORTH, RANGE 8, EAST OF THE THIRD PRINCIPAL MERIDIAN, RECORDED APRIL 23, 1938, IN BOOK 28, OF PLATS, PAGE 6, AS DOCUMENT 421812; THENCE SOUTH ALONG THE EXTENSION OF THE EAST LINE OF SAID TRACT "J", 217.3 FEET TO THE CENTER LINE OF STATE ROUTE NO. 64; THENCE NORTH 63 DEGREES 28 MINUTES EAST ALONG SAID CENTER LINE 152 FEET TO THE SOUTHEAST CORNER OF TRACT "G" OF SAID PLAT OF SURVEY; THENCE NORTH 0 DEGREES 05 MINUTES EAST ON THE EAST LINE OF TRACT "G" OF SAID SURVEY 592.90 FEET TO A POINT 33.0 FEET SOUTH OF A CORNER OF SAID TRACT "G", SAID POINT BEING THE POINT OF BEGINNING OF THE FOLLOWING DESCRIBED PARCEL OF LAND; THENCE SOUTH 85 DEGREES 04 MINUTES 40 SECONDS EAST ON A LINE WHICH INTERSECTS THE CENTER LINE OF DUNHAM ROAD AT A POINT WHICH IS SOUTH 9 DEGREES 43 MINUTES 30 SECONDS WEST, 201.323 FEET (MEASURED IN SAID CENTER LINE) THE POINT OF INTERSECTION OF SAID CENTER LINE WITH A LINE DRAWN SOUTH 75 DEGREES 15 MINUTES EAST FROM A CORNER OF TRACT "B" OF AFOREMENTIONED PLAT OF SURVEY TO THE NORTHWEST CORNER OF TRACT OF LAND CONVEYED TO RUSSELL C. NORRIS BY DOCUMENT #713387; THENCE SOUTH 9 DEGREES 43 MINUTES 30 SECONDS WEST IN THE CENTER LINE OF SAID DUNHAM ROAD 316.197 FEET TO ITS POINT OF INTERSECTION WITH THE CENTER LINE OF SAID ROUTE N. 64; THENCE WESTERLY ON SAID CENTER LINE, THE SAME BEING THE ARC OF A CIRCLE HAVING A RADIUS OF 1653.02 FEET AND CONVEX NORTHWESTERLY, 20.107 FEET TO A POINT OF TANGENCY OF SAID ARC; THENCE SOUTH 63 DEGREES 28 MINUTES WEST ON SAID TANGENT CENTER LINE 508.40 FEET TO THE SOUTHEAST CORNER OF TRACT "G" OF SAID PLAT OF SURVEY; THENCE NORTH 0 DEGREES 05 MINUTES EAST ON THE AFOREMENTIONED EAST LINE OF TRACT "G" 592.90 FEET TO THE POINT OF BEGINNING, EXCEPT THEREFROM THE WEST 243.40 FEET (AS MEASURED PERPENDICULARLY TO SAID EAST LINE OF SAID TRACT "G") OF THE ABOVE DESCRIBED PARCEL OF LAND, IN THE CITY OF ST. CHARLES, KANE COUNTY, ILLINOIS.

PARCEL 2:

THE WEST 243.40 FEET (AS MEASURED PERPENDICULARLY TO THE HEREINAFTER DESCRIBED EAST LINE OF TRACT "G" OF A PLAT OF SURVEY RECORDED AS DOCUMENT NO. 421812) OF THE HEREINAFTER DESCRIBED PARCEL OF LAND DESCRIBED AS: THAT PART OF THE EAST HALF OF SECTION 26, TOWNSHIP 40 NORTH, RANGE 8, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE CENTER OF SAID SECTION 26, THENCE EAST ALONG THE CENTER LINE OF SAID SECTION, 990 FEET TO THE EAST LINE EXTENDED NORTH OF TRACT "J", AS SHOWN ON THE PLAT OF SURVEY OF PART OF THE EAST HALF OF SECTION 26, TOWNSHIP 40 NORTH, RANGE 8, EAST OF THE THIRD PRINCIPAL MERIDIAN, RECORDED APRIL 23, 1938, IN BOOK 28 OF PLATS, PAGE 6, AS DOCUMENT 421812; THENCE SOUTH ALONG THE EXTENSION OF THE EAST LINE OF SAID TRACT "J" 217.3 FEET TO THE CENTER LINE OF STATE ROUTE NO. 64; THENCE NORTH 63 DEGREES 28 MINUTES EAST ALONG SAID CENTER LINE, 152 FEET TO THE SOUTHEAST CORNER OF TRACT "G" OF SAID PLAT OF SURVEY; THENCE NORTH 0 DEGREES 05 MINUTES EAST ON THE EAST LINE OF TRACT "G" OF SAID SURVEY 592.90 FEET TO A POINT 33.0 FEET SOUTH OF A CORNER OF SAID TRACT "G", SAID POINT BEING THE POINT OF BEGINNING OF THE FOLLOWING DESCRIBED PARCEL OF LAND; THENCE SOUTH 85 DEGREES 04 MINUTES 40 SECONDS EAST ON A LINE WHICH INTERSECTS THE CENTER LINE OF DUNHAM ROAD AT A POINT WHICH IS SOUTH 9 DEGREES 43 MINUTES 30 SECONDS WEST, 201.323 FEET (MEASURED IN SAID CENTER LINE) THE POINT OF INTERSECTION OF SAID CENTER LINE WITH A LINE DRAWN SOUTH 75 DEGREES 15 MINUTES EAST FROM A CORNER OF TRACT "B" OF AFOREMENTIONED PLAT OF SURVEY TO THE NORTHWEST CORNER OF A TRACT OF LAND CONVEYED TO RUSSELL C. NORRIS BY DOCUMENT #713387; THENCE SOUTH 9 DEGREES 43 MINUTES 30 SECONDS WEST IN THE CENTER LINE OF SAID DUNHAM ROAD 316.197 FEET TO ITS POINT OF INTERSECTION WITH THE CENTER LINE OF SAID STATE ROUTE NO. 64 THENCE WESTERLY ON SAID CENTER LINE, THE SAME BEING THE ARC OF A CIRCLE HAVING A RADIUS OF 1653.02 FEET AND CONVEX NORTHWESTERLY, 20.107 FEET TO A POINT OF TANGENCY OF SAID ARC; THENCE SOUTH 63 DEGREES 28 MINUTES WEST ON SAID TANGENT CENTER LINE 508.40 FEET TO THE SOUTHEAST CORNER OF TRACT "G" OF SAID PLAT OF SURVEY; THENCE NORTH 0 DEGREES 05 MINUTES EAST ON THE AFORESAID EAST LINE OF TRACT "G" 592.90 FEET TO THE POINT OF BEGINNING, IN THE CITY OF ST. CHARLES, KANE COUNTY, ILLINOIS.

DECLARATION OF RESTRICTIONS

This DECLARATION dated the _____ day of _____, 1989,

WHEREAS, GARY-WHEATON BANK, not personally but as Trustee under Trust Agreement dated 5/27/88 and known as Trust No. 7890 ("Trustee") is record owner of the property described as the "Contiguous Premises" on Exhibit AA hereof.

WHEREAS, WHITE HEN PANTRY, INC., a Delaware corporation ("WHP") is the lessee of certain premises in a Shopping Center located at the northwest corner of Route 64 and Dunham in St. Charles, Illinois adjacent to the Contiguous Premises legally described on said Exhibit AA and owned by Capitol Bank & Trust, as Trustee under Trust Agreement dated April 27, 1988 and known as Trust No. 1497:

hereinafter referred to as "the Shopping Center Parcel", and

WHEREAS, Trustee and WHP have agreed to provide for certain restrictions on the development and use of the Contiguous Premises,

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

1. RESTRICTIONS ON THE SHOPPING CENTER PARCEL.

Trustee does hereby place the following restrictions on the Contiguous Premises:

No store premises nor any part thereof upon the Contiguous Premises shall be used as a retail food store. As used herein "retail food store" means a store used principally for the sale at retail of food of any kind, beverages, packaged liquors and general merchandise or any combination thereof, and other merchandise and services sold incidental to such principal use, which store is of substantially similar type and quality as that operated by WHP on the Shopping Center Parcel pursuant to ~~the Lease~~. In the event of breach of any of the covenants in this paragraph, WHP shall be entitled to injunctive relief or any other appropriate remedy or both.

2. NOTICES.

All demands, notices, consents or requests shall be in writing and shall be sent by certified or registered mail, and if for WHP shall be mailed to c/o White Hen Pantry, 660 Industrial Drive, Elmhurst, Illinois 60126, Attention: Real Estate Department; notices for Trustee shall be mailed to 120 E. Wesley, Wheaton, IL 60187, or at such other address as either party may from time to time specify by like notice.

6. GENERAL.

- A. The foregoing are covenants running with the land and shall be binding upon and inure to the benefit of the legal title holders or successive title holders of the Shopping Center Parcel and the Contiguous Premises. Notwithstanding anything contained herein to the contrary, this Declaration and the restrictions contained herein shall automatically terminate and be of no further force and effect upon the earlier of (i) the expiration or sooner termination of that certain lease dated _____ by and between Capitol Bank & Trust, as Trustee under Trust Agreement dated April 27, 1988 and known as Trust No. 1497, as Lessor and White Hen Pantry, Inc., as Lessee (the "Lease"), or (ii) the Leased Premises described in the Lease are no longer being used as a retail food store.
- B. This Agreement may be amended from time to time by an instrument duly executed, delivered and recorded by the then legal title holders of all of said Shopping Center Parcel and the Contiguous Premises.

- C. If it shall at any time be held that any of the provisions of this instrument or any part thereof are invalid or for any reasons become unenforceable no other provision or part thereof shall be thereby affected or impaired.
- D. Nothing contained on this Agreement shall be construed so as to make the parties hereto partners or joint venturers of any kind or nature, or so as to render any of the parties liable for the debts or obligations of the other.
- E. This Agreement shall, in no way, be construed so as to create any rights or benefits in any third parties except the parties hereto, their successors and assigns.
- F. Any articles or headings herein or marginal references are for convenience and reference only, and shall, in no way, define or limit the scope and content of this Agreement.
- G. Either party may enforce this instrument by appropriate action and should it prevail in such litigation, it shall recover as part of its costs a reasonable attorney's fee.

IN WITNESS WHEREOF, the parties hereto have executed and affixed their respective seals to this Agreement as of the day and year first above written.

GARY-WHEATON BANK, not personally
but as Trustee under Trust #7890

By _____
Vice President

Attest _____
Secretary

CONTIGUOUS PREMISES

PARCEL 3:

THAT PART OF THE EAST HALF OF SECTION 26, TOWNSHIP 40 NORTH, RANGE 8, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE CENTER OF SAID SECTION 26; THENCE EAST ALONG THE CENTER LINE OF SAID SECTION, 990 FEET TO THE EAST LINE EXTENDED NORTH OF TRACT "J", AS SHOWN ON THE PLAT OF SURVEY OF PART OF THE EAST HALF OF SECTION 26, TOWNSHIP 40 NORTH, RANGE 8, EAST OF THE THIRD PRINCIPAL MERIDIAN, RECORDED APRIL 23, 1938, IN BOOK 28 OF PLATS, PAGE 6, AS DOCUMENT 421812; THENCE SOUTH ALONG THE EXTENSION OF THE EAST LINE OF SAID TRACT "J", 217.3 FEET TO THE CENTER LINE OF STATE ROUTE NO. 64; THENCE NORTH 63 DEGREES 28 MINUTES EAST ALONG SAID CENTER LINE, 152 FEET TO THE SOUTHEAST CORNER OF TRACT "G" OF SAID PLAT OF SURVEY; THENCE NORTH 0 DEGREES 05 EAST ON THE EAST LINE OF TRACT "G" OF SAID SURVEY 592.90 FEET TO A POINT 33.0 FEET SOUTH OF A CORNER OF SAID TRACT "G"; SAID POINT BEING THE POINT OF BEGINNING OF THE FOLLOWING DESCRIBED PARCEL OF LAND; CONTINUING THENCE NORTH 0 DEGREES 05 MINUTES EAST ON THE EAST LINE OF SAID TRACT "G", 33.0 FEET TO SAID CORNER. THENCE SOUTH 86 DEGREES 53 MINUTES WEST ON A NORTHERLY LINE OF SAID TRACT "G" 137.50 FEET TO A CORNER OF SAID TRACT "G"; THENCE NORTH 0 DEGREES 01 MINUTES EAST ON AN EASTERLY LINE OF TRACTS "G" AND "B" OF SAID SURVEY TO A CORNER OF SAID TRACT "B"; THENCE SOUTH 74 DEGREES 59 MINUTES EAST ON A SOUTHERLY LINE OF TRACT "B" 42.90 FEET TO A CORNER OF TRACT "B"; THENCE SOUTH 75 DEGREES 15 MINUTES EAST ON A STRAIGHT LINE WHICH RUNS TO THE NORTHWEST CORNER OF A TRACT OF LAND CONVEYED TO RUSSELL C. NORRIS BY DEED DATED DECEMBER 10, 1952 AND RECORDED DECEMBER 17, 1952, IN BOOK 1605, PAGE 197, AS DOCUMENT #713387, FOR A DISTANCE OF 677.713 FEET TO ITS POINT OF INTERSECTION WITH THE CENTER LINE OF DUNHAM ROAD; THENCE SOUTH 9 DEGREES 43 MINUTES 30 SECONDS WEST IN THE CENTER LINE OF SAID DUNHAM ROAD 201.323 FEET; THENCE NORTH 85 DEGREES 04 MINUTES 40 SECONDS WEST 527.47 FEET TO THE POINT OF BEGINNING, IN THE CITY OF ST. CHARLES, KANE COUNTY, ILLINOIS.***

Foxboro Plaza
St. Charles, IL

12/19/88 *WHP*

Exhibit B

Lessor is to provide and install the following for the construction of the new leased premises:

1. Excavation, grading, footings and concrete foundations, sidewalks.
2. Masonry walls including interior demising wall of 8" concrete block with 4'-0" parapet.(at an added cost of \$4,482.00 to Lessee)
3. Steel lintels, joists and mechanically fastened metal deck.
4. Single ply roof including R-20 roof insulation, coping, gutters and downspouts.
5. Storefront glass and glazing.
6. 4'x 7' foam insulated exterior rear door and drip flashing at location designated by Lessee.
7. All exterior carpentry including fascia, soffits and roofing.
8. Provide 200 amp., 3 phase, 4 wire 120/208 volt electric service to main distribution panel at location within leased premises as designated by Lessee.
9. Provide 4" sanitary sewer, 1" gas service with shut-off and meter and 1" water service with shut-off and meter to within leased premises at location designated by Lessee.
10. Exterior painting and finishes.
11. Parking lot, sealcoating, striping, concrete bumper stops, curb cuts, curbs and other site work including landscaping and parking lot lighting.
12. Concrete dumpster pad and dumpster enclosure if required by municipal ordinance.
13. Installation of H.V.A.C. unit and refrigeration condenser roof curbs and pitch pockets supplied by WHP and installed by Lessor's roofer.
14. Exterior awnings over glazed areas (colors per WHP approval).

WHP

1493E

Foxboro Plaza
St. Charles, IL

12/19/88

Max. HFL

Exhibit C

Lessee is to provide and install the following within leased premises:

1. Main electrical distribution panel and auxiliary panel (install only) within leased premises. Service to be 200 amp., 3 phase, 4 wire, 120/208 volt, WYE as supplied by Lessor. Panel is to be manufactured by Peterson Panel Co., Bellwood, IL.
2. Electrical lighting system.
3. Electrical power distribution system from panels.
4. All interior drains and other Lessee plumbing.
5. Water distribution.
6. Interior partitions, sheetrock and decorating, door frames and hardware.
7. Suspended ceilings and soffits.
8. Floor coverings and wall coverings.
9. H.V.A.C. unit, metal ductwork, insulation and registers.
10. Supply and install Lessee's signage on building.
11. All interior finish carpentry and painting.
12. Supply H.V.A.C. unit and refrigeration condenser roof curbs and pitch pockets to be installed by Lessor's roofer.
13. Exterior grease trap.
14. Concrete floor slab.

MFD

1494E

MFD

Amend 2

AMENDMENT NO. 2

STORE NO. 33895

On the 8th day of February, 1989, Old Kent Bank Trust No. 6615 dated May 7, 1993, successor in interest to Capitol Bank and Trust, Trustee u/t/a dated 4/27/88 and known as Trust No. 1497, as LANDLORD, and 7-Eleven, Inc., successor in interest to White Hen Pantry, Inc., as TENANT, entered into a lease agreement covering the premises commonly known as 7-Eleven Store No. 33895 at 2400 E. Main, Suite 116, St. Charles, Illinois and more fully described in Exhibit A, which Exhibit is attached hereto and made a part hereof.

LANDLORD and TENANT presently desire to amend said lease agreement. Now therefore, in consideration of the premises and \$10 in hand paid each to the other, receipt of which is hereby acknowledged, said lease agreement shall be and is hereby amended as follows:

1. Term:

- a) The second option is hereby exercised for a period of five (5) years, beginning on April 1, 2010 and ending on March 31, 2015.

2. Rent:

This Amendment No. 2 is to be effective the 1st day of April, 2010.

In all other respects said lease agreement is hereby ratified and reaffirmed. Executed this 27th day of April, 2009.

ATTEST:

By: Rolun D. Bryant

Assistant Secretary

TENANT
7-Eleven, Inc.By: _____Attorney-in-Fact
DAVID HOLLANDLANDLORD
Old Kent Bank Trust No. 6615, dated 5/7/93By: Terry F. GrawName: TERRY F. GRAWTitle: GENERAL MANAGER

33895

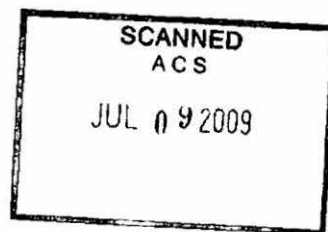
PARCEL 1:

A PART OF THE EAST HALF OF SECTION 26, TOWNSHIP 40 NORTH, RANGE 8, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE CENTER OF SAID SECTION 26, THENCE EAST ALONG THE CENTER LINE OF SAID SECTION, 990 FEET TO THE EAST LINE EXTENDED NORTH OF TRACT "J", AS SHOWN ON THE PLAT OF SURVEY OF PART OF THE EAST HALF OF SECTION 26, TOWNSHIP 40 NORTH, RANGE 8, EAST OF THE THIRD PRINCIPAL MERIDIAN, RECORDED APRIL 23, 1918, IN BOOK 28, OF PLATS, PAGE 6, AS DOCUMENT 421812; THENCE SOUTH ALONG THE EXTENSION OF THE EAST LINE OF SAID TRACT "J", 217.3 FEET TO THE CENTER LINE OF STATE ROUTE NO. 64; THENCE NORTH 63 DEGREES 28 MINUTES EAST ALONG SAID CENTER LINE 152 FEET TO THE SOUTHEAST CORNER OF TRACT "G" OF SAID PLAT OF SURVEY; THENCE NORTH 0 DEGREES 05 MINUTES EAST ON THE EAST LINE OF SAID TRACT "G" OF SAID SURVEY 592.90 FEET TO A POINT 33.0 FEET SOUTH OF A CORNER OF SAID TRACT "G", SAID POINT BEING THE POINT OF BEGINNING OF THE FOLLOWING DESCRIBED PARCEL OF LAND; THENCE SOUTH 85 DEGREES 04 MINUTES 40 SECONDS EAST ON A LINE WHICH INTERSECTS THE CENTER LINE OF DUNHAM ROAD AT A POINT WHICH IS SOUTH 9 DEGREES 43 MINUTES 30 SECONDS WEST, 201.323 FEET (AS MEASURED IN SAID CENTER LINE) THE POINT OF INTERSECTION OF SAID CENTER LINE WITH A LINE DRAWN SOUTH 75 DEGREES 15 MINUTES EAST FROM A CORNER OF TRACT "B" OF AFOREMENTIONED PLAT OF SURVEY TO THE NORTHWEST CORNER OF SAID TRACT OF LAND CONVEYED TO RUSSELL C. NORRIS BY DOCUMENT #713387; THENCE NORTH 9 DEGREES 43 MINUTES 30 SECONDS WEST IN THE CENTER LINE OF SAID DUNHAM ROAD 316.197 FEET TO ITS POINT OF INTERSECTION WITH THE CENTER LINE OF SAID ROUTE NO. 64; THENCE WESTERLY ON SAID CENTER LINE, THE SAME BEING THE ARC OF A CIRCLE HAVING A RADIUS OF 1653.02 FEET AND CONVEX NORTHWESTERLY, 20.107 FEET TO A POINT OF TANGENCY OF SAID ARC; THENCE NORTH 63 DEGREES 28 MINUTES WEST ON SAID TANGENT CENTER LINE 508.40 FEET TO THE SOUTHEAST CORNER OF TRACT "G" OF SAID PLAT OF SURVEY; THENCE NORTH 0 DEGREES 05 MINUTES EAST ON THE AFOREMENTIONED EAST LINE OF TRACT "G" 592.90 FEET TO THE POINT OF BEGINNING, EXCEPT THEREFROM THE WEST 243.40 FEET (AS MEASURED PERPENDICULARLY TO SAID EAST LINE OF SAID TRACT "G") OF THE ABOVE DESCRIBED PARCEL OF LAND, IN THE CITY OF ST. CHARLES, KANE COUNTY, ILLINOIS.

CEL 2:

WEST 243.40 FEET (AS MEASURED PERPENDICULARLY TO THE HEREINAFTER DESCRIBED EAST LINE OF TRACT "G" OF A PLAT OF SURVEY RECORDED AS DOCUMENT 421812) OF THE HEREINAFTER DESCRIBED PARCEL OF LAND DESCRIBED AS: A PART OF THE EAST HALF OF SECTION 26, TOWNSHIP 40 NORTH, RANGE 8, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE CENTER OF SAID SECTION 26, THENCE EAST ALONG THE CENTER LINE OF SAID SECTION, 990 FEET TO THE EAST LINE EXTENDED NORTH OF TRACT "J", AS SHOWN ON THE PLAT OF SURVEY OF PART OF THE EAST HALF OF SECTION 26, TOWNSHIP 40 NORTH, RANGE 8, EAST OF THE THIRD PRINCIPAL MERIDIAN, RECORDED APRIL 23, 1918, IN BOOK 28 OF PLATS, PAGE 6, AS DOCUMENT 421812; THENCE SOUTH ALONG THE EXTENSION OF THE EAST LINE OF SAID TRACT "J" 217.3 FEET TO THE CENTER LINE OF STATE ROUTE NO. 64; THENCE NORTH 63 DEGREES 28 MINUTES EAST ALONG SAID CENTER LINE, 152 FEET TO THE SOUTHEAST CORNER OF TRACT "G" OF SAID PLAT OF SURVEY; THENCE NORTH 0 DEGREES 05 MINUTES EAST ON THE EAST LINE OF SAID TRACT "G" OF SAID SURVEY 592.90 FEET TO A POINT 33.0 FEET SOUTH OF A CORNER OF SAID TRACT "G", SAID POINT BEING THE POINT OF BEGINNING OF THE FOLLOWING DESCRIBED PARCEL OF LAND; THENCE SOUTH 85 DEGREES 04 MINUTES 40 SECONDS EAST ON A LINE WHICH INTERSECTS THE CENTER LINE OF DUNHAM ROAD AT A POINT WHICH IS SOUTH 9 DEGREES 43 MINUTES 30 SECONDS WEST, 201.323 FEET (AS MEASURED IN SAID CENTER LINE) THE POINT OF INTERSECTION OF SAID CENTER LINE WITH A LINE DRAWN SOUTH 75 DEGREES 15 MINUTES EAST FROM A CORNER OF TRACT "B" OF AFOREMENTIONED PLAT OF SURVEY TO THE NORTHWEST CORNER OF SAID TRACT OF LAND CONVEYED TO RUSSELL C. NORRIS BY DOCUMENT #713387; THENCE NORTH 9 DEGREES 43 MINUTES 30 SECONDS WEST IN THE CENTER LINE OF SAID DUNHAM ROAD 316.197 FEET TO ITS POINT OF INTERSECTION WITH THE CENTER LINE OF SAID STATE ROUTE NO. 64 THENCE WESTERLY ON SAID CENTER LINE, THE SAME BEING THE ARC OF A CIRCLE HAVING A RADIUS OF 1653.02 FEET AND CONVEX NORTHWESTERLY, 20.107 FEET TO A POINT OF TANGENCY OF SAID ARC; THENCE NORTH 63 DEGREES 28 MINUTES WEST ON SAID TANGENT CENTER LINE 508.40 FEET TO THE SOUTHEAST CORNER OF TRACT "G" OF SAID PLAT OF SURVEY; THENCE NORTH 0 DEGREES 05 MINUTES EAST ON THE AFORESAID EAST LINE OF TRACT "G" 592.90 FEET TO THE POINT OF BEGINNING, IN THE CITY OF ST. CHARLES, KANE COUNTY, ILLINOIS.

SCANNED DATE



AMENDMENT NO. 1 TO LEASE

THIS AMENDMENT NO. 1 TO LEASE is entered into by and between OLD KENT BANK TRUST NO. 6615 dated May 7, 1993, ("Lessor"), and 7-ELEVEN, INC. ("Lessee").

WHEREAS, Lessee and Lessor are currently parties to that certain Lease dated February 8, 1989 (the "Lease"), covering certain property located at 2400 Main Street, Village of St. Charles, County of Kane, State of Illinois, a memorandum of which was recorded in February 28, 1989 as Document No. I960001 in the Records of Kane County, Illinois; and

WHEREAS, the parties desire to amend the Lease in manner set forth below:

1. **Capitalized Terms.** Any capitalized term used but not defined herein shall have the meaning ascribed to such term in the Lease.

2. **Adjustments to Term.** Effective as of September 1, 2007, Section 2.3 (Lease Year) and 2.4 (Accounting Period) are hereby deleted. The following is substituted for Section 2.3:

Wherever used in the Lease, the term "lease year" shall mean a period of twelve (12) consecutive calendar months, with each "lease year" running from April 1 through March 31 of the subsequent year. The current term (the first Option period), and the term of each subsequent Option period, will expire on March 31 provided that the final year of the lease term will expire on March 28.

3. **Base Rental.** Section 3.2 of the Lease is deleted and the following substituted therefore:

Commencing on September 1, 2007, and provided that Lessee exercises the remaining options to extend the term, the monthly base rental will be as follows:

a) The parties acknowledge that, for the current lease year, which commenced on April 1, 2007 and will end on March 31, 2008, Lessee has or will pay base rent in the amount

[REDACTED]

b) Commencing April 1, 2008 and for the remaining term of the first Option, Lessee shall pay the annual [REDACTED]

c) For the terms of the second Option, Lessee shall pay the annual base rental of [REDACTED]

d) For the terms of the third Option, Lessee shall pay the annual base rental of [REDACTED]

d) For the terms of the third Option, Lessee shall pay the annual base rental of

Beginning September 1, 2007, base rental shall be due and payable on or before the fifth (5th) day of each calendar month during the term and will be prorated for any partial month during the term, as applicable.

4. **Time to Exercise Additional Options.** Lessee may exercise the second Option by providing written notice to Lessor no less than six (6) months prior to April 1, 2010. Lessee may exercise the third Option by providing written notice to Lessor no less than six (6) months prior to April 1, 2015.

5. **Conflicts.** The provisions of this Amendment will control over any conflicting provisions contained in the Lease. Except as provided above, the Lease shall remain in full force and effect in accordance with its terms.

In witness whereof, the parties have caused this Amendment to be executed on the dated set forth below to be effective as of September 1, 2007.

Dated: August 6, 2007.

"Lessee"

7-ELEVEN, INC.

By: 

Printed Name: J. Donald Stevenson, Jr.

Title: Assistant Secretary

Dated: _____, 2007.

"Lessor"

OLD KENT BANK TRUST No. 6615,
dated 5/7/93

By: _____

Name: _____

Title: _____

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WHEREAS, the parties desire to amend the Lease in manner set forth below:

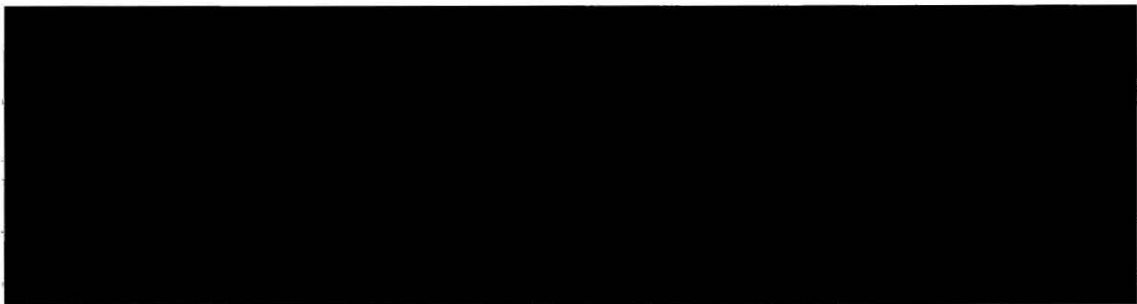
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Beginning September 1, 2007, base rental shall be due and payable on or before the fifth (5th) day of each calendar month during the term and will be prorated for any partial month during the term, as applicable.

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In witness whereof, the parties have caused this Amendment to be executed on the dated set forth below to be effective as of September 1, 2007.

Dated: August 8, 2007.

"Lessee"

7-ELEVEN, INC.

By: 

Printed Name: J. Donald Stevenson, Jr.

Title: Assistant Secretary

Dated: _____, 2007.

"Lessor"

OLD KENT BANK TRUST No. 6615,
dated 5/7/93

By: _____

Name: _____

Title: _____

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THIS AMENDMENT NO. 1 TO LEASE is entered into by and between OLD KENT BANK TRUST NO. 6615 dated May 7, 1993, ("Lessor"), and 7-ELEVEN, INC. ("Lessee").

WHEREAS, Lessee and Lessor are currently parties to that certain Lease dated February 8, 1989 (the "Lease"), covering certain property located at 2400 Main Street, Village of St. Charles, County of Kane, State of Illinois, a memorandum of which was recorded in February 28, 1989 as Document No. I960001 in the Records of Kane County, Illinois; and

WHEREAS, the parties desire to amend the Lease in manner set forth below:

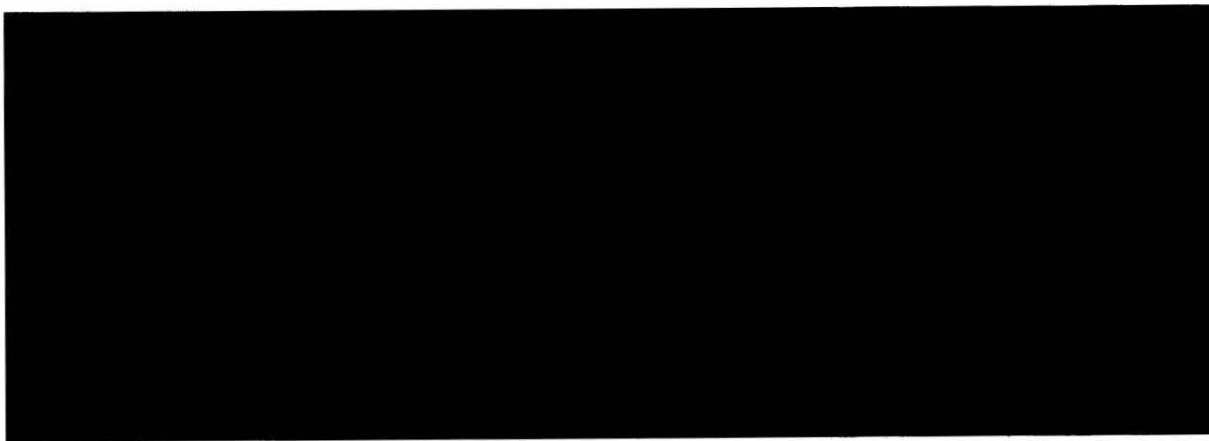
1. **Capitalized Terms.** Any capitalized term used but not defined herein shall have the meaning ascribed to such term in the Lease.

2. **Adjustments to Term.** Effective as of September 1, 2007, Section 2.3 (Lease Year) and 2.4 (Accounting Period) are hereby deleted. The following is substituted for Section 2.3:

Wherever used in the Lease, the term "lease year" shall mean a period of twelve (12) consecutive calendar months, with each "lease year" running from April 1 through March 31 of the subsequent year. The current term (the first Option period), and the term of each subsequent Option period, ~~will expire~~ on March 31 provided that the final year of the lease term will expire on March 28.

3. **Base Rental.** Section 3.2 of the Lease is deleted and the following substituted therefore:

Commencing on September 1, 2007, and provided that Lessee exercises the remaining options to extend the term, the monthly base rental will be as follows:



Beginning September 1, 2007, base rental shall be due and payable on or before the fifth (5th) day of each calendar month during the term and will be prorated for any partial month during the term, as applicable.

4. **Time to Exercise Additional Options.** Lessee may exercise the second Option by providing written notice to Lessor no less than six (6) months prior to April 1, 2010. Lessee may exercise the third Option by providing written notice to Lessor no less than six (6) months prior to April 1, 2015.

5. **Conflicts.** The provisions of this Amendment will control over any conflicting provisions contained in the Lease. Except as provided above, the Lease shall remain in full force and effect in accordance with its terms.

In witness whereof, the parties have caused this Amendment to be executed on the dated set forth below to be effective as of September 1, 2007.

Dated: August 8, 2007.

"Lessee"

7-ELEVEN, INC.

By: 

Printed Name: J. Donald Stevenson, Jr.

Title: Assistant Secretary

Dated: August 8, 2007.

"Lessor"

OLD KENT BANK TRUST No. 6615,
dated 5/7/93

FOXKROD PLAZA PARTNERSHIP, SOLE
BENEFICIARY OF TRUST NO. 6615
By: Jeffrey A. Foxkrod
Name: _____
Title: _____

AMENDMENT NO. 1 TO LEASE

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3. **Base Rental.** Section 3.2 of the Lease is deleted and the following substituted therefore:

Commencing on September 1, 2007, and provided that Lessee exercises the remaining options to extend the term, the monthly base rental will be as follows:



7-ELEVEN LOCATION 33895
WHITE HEN LOCATION #9002

Beginning September 1, 2007, base rental shall be due and payable on or before the fifth (5th) day of each calendar month during the term and will be prorated for any partial month during the term, as applicable.

4. **Time to Exercise Additional Options.** Lessee may exercise the second Option by providing written notice to Lessor no less than six (6) months prior to April 1, 2010. Lessee may exercise the third Option by providing written notice to Lessor no less than six (6) months prior to April 1, 2015.

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"Lessee"

7-ELEVEN, INC.

By: 

Printed Name: J. Donald Stevenson, Jr.

Title: Assistant Secretary

Dated: August 8, 2007.

"Lessor"

OLD KENT BANK TRUST No. 6615,
dated 5/7/93

By: 

Name: _____

Title: _____



CERTIFICATE OF LIABILITY INSURANCE

DATE(MM/DD/YYYY)
07/17/2018

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Aon Risk Services Southwest, Inc. Dallas TX Office CityPlace Center East 2711 North Haskell Avenue Suite 800 Dallas TX 75204 USA	CONTACT NAME: PHONE (A/C. No. Ext): (866) 283-7122 FAX (A/C. No.): (800) 363-0105 E-MAIL ADDRESS:														
INSURED 7-Eleven, Inc. 3200 Hackberry Road Irving TX 75063 USA	<table border="1"><thead><tr><th>INSURER(S) AFFORDING COVERAGE</th><th>NAIC #</th></tr></thead><tbody><tr><td>INSURER A: ACE American Insurance Company</td><td>22667</td></tr><tr><td>INSURER B:</td><td></td></tr><tr><td>INSURER C:</td><td></td></tr><tr><td>INSURER D:</td><td></td></tr><tr><td>INSURER E:</td><td></td></tr><tr><td>INSURER F:</td><td></td></tr></tbody></table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: ACE American Insurance Company	22667	INSURER B:		INSURER C:		INSURER D:		INSURER E:		INSURER F:	
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INSURER C:															
INSURER D:															
INSURER E:															
INSURER F:															

COVERAGES**CERTIFICATE NUMBER:** 570072306485**REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

Limits shown are as requested

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:						EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)
A	UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR EXCESS LIAB <input checked="" type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$500,000			G23857510010	10/01/2017	10/01/2018	EACH OCCURRENCE \$500,000 AGGREGATE \$500,000
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A				PER STATUTE OTH-ER E.L. EACH ACCIDENT E.L. DISEASE-EA EMPLOYEE E.L. DISEASE-POLICY LIMIT
A	Liquor Liab Cvg			HDOG27870636	01/01/2018	01/01/2019	Occurrence \$500,000 Aggregate \$500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Loc. 33895 / 2400 East Main St., St. Charles, IL 60174.

Deepa Foods, Inc. is included as Additional Insured but limited to the location(s) shown and only as required by written contract or agreement and limited to the operations of the Insured under said contract, per the applicable endorsement with respect to the Liquor Liability policy.

CERTIFICATE HOLDER**CANCELLATION**

City of St. Charles Attn: Tracey Conti City Admin Senior Administrative Assistant & Deputy City Clerk 2 E. Main Street St. Charles IL 60174 USA	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>Aon Risk Services Southwest, Inc.</i>
---	---

Holder Identifier :

Certificate No : 570072306485

FORM **BCA 2.10**
ARTICLES OF INCORPORATION
Business Corporation Act

Filing Fee: \$150
Franchise Tax: \$ 25
Total: \$175

File #: **71644367**

Approved By: **JXR**

FILED
JAN 29 2018
Jesse White
Secretary of State

1. Corporate Name: DEEPA FOODS INC.,

2. Initial Registered Agent: PRAVEEN GOUD
First Name Middle Initial Last Name

Initial Registered Office: 704 W EASTON CT
Number Street Suite No.
PALATINE IL 60067-6700 COOK
City ZIP Code County

3. Purposes for which the Corporation is Organized:
The transaction of any or all lawful businesses for which corporations may be incorporated under the Illinois Business Corporation Act.

4. Authorized Shares, Issued Shares and Consideration Received:

Class	Number of Shares Authorized	Number of Shares Proposed to be Issued	Consideration to be Received Therefor
COMMON	10000	1000	\$ 1000

NAME & ADDRESS OF INCORPORATOR

5. The undersigned incorporator hereby declares, under penalties of perjury, that the statements made in the foregoing Articles of Incorporation are true.

Dated JANUARY 29, 2018 704 W EASTON CT
Month & Day Year Street
PRAVEEN GOUD PALATINE IL 60067
Name City/Town State ZIP Code

Date of this notice: 01-31-2018

Employer Identification Number:
82-4232040

Form: SS-4

Number of this notice: CP 575 A

DEEPA FOODS INC
% PRAVEEN GOUD
704 W EASTON CT
PALATINE, IL 60067

For assistance you may call us at:
1-800-829-4933

IF YOU WRITE, ATTACH THE
STUB AT THE END OF THIS NOTICE.

WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER

Thank you for applying for an Employer Identification Number (EIN). We assigned you EIN 82-4232040. This EIN will identify you, your business accounts, tax returns, and documents, even if you have no employees. Please keep this notice in your permanent records.

When filing tax documents, payments, and related correspondence, it is very important that you use your EIN and complete name and address exactly as shown above. Any variation may cause a delay in processing, result in incorrect information in your account, or even cause you to be assigned more than one EIN. If the information is not correct as shown above, please make the correction using the attached tear off stub and return it to us.

Based on the information received from you or your representative, you must file the following form(s) by the date(s) shown.

Form 941	04/30/2018
Form 940	01/31/2019
Form 1120	04/15/2019

If you have questions about the form(s) or the due date(s) shown, you can call us at the phone number or write to us at the address shown at the top of this notice. If you need help in determining your annual accounting period (tax year), see Publication 538, *Accounting Periods and Methods*.

We assigned you a tax classification based on information obtained from you or your representative. It is not a legal determination of your tax classification, and is not binding on the IRS. If you want a legal determination of your tax classification, you may request a private letter ruling from the IRS under the guidelines in Revenue Procedure 2004-1, 2004-1 I.R.B. 1 (or superseding Revenue Procedure for the year at issue). Note: Certain tax classification elections can be requested by filing Form 8832, *Entity Classification Election*. See Form 8832 and its instructions for additional information.

IMPORTANT INFORMATION FOR S CORPORATION ELECTION:

If you intend to elect to file your return as a small business corporation, an election to file a Form 1120-S must be made within certain timeframes and the corporation must meet certain tests. All of this information is included in the instructions for Form 2553, *Election by a Small Business Corporation*.

If you are required to deposit for employment taxes (Forms 941, 943, 940, 944, 945, CT-1, or 1042), excise taxes (Form 720), or income taxes (Form 1120), you will receive a Welcome Package shortly, which includes instructions for making your deposits electronically through the Electronic Federal Tax Payment System (EFTPS). A Personal Identification Number (PIN) for EFTPS will also be sent to you under separate cover. Please activate the PIN once you receive it, even if you have requested the services of a tax professional or representative. For more information about EFTPS, refer to Publication 966, *Electronic Choices to Pay All Your Federal Taxes*. If you need to make a deposit immediately, you will need to make arrangements with your Financial Institution to complete a wire transfer.

The IRS is committed to helping all taxpayers comply with their tax filing obligations. If you need help completing your returns or meeting your tax obligations, Authorized e-file Providers, such as Reporting Agents (payroll service providers) are available to assist you. Visit the IRS Web site at www.irs.gov for a list of companies that offer IRS e-file for business products and services. The list provides addresses, telephone numbers, and links to their Web sites.

To obtain tax forms and publications, including those referenced in this notice, visit our Web site at www.irs.gov. If you do not have access to the Internet, call 1-800-829-3676 (TTY/TDD 1-800-829-4059) or visit your local IRS office.

IMPORTANT REMINDERS:

- * Keep a copy of this notice in your permanent records. **This notice is issued only one time and the IRS will not be able to generate a duplicate copy for you.** You may give a copy of this document to anyone asking for proof of your EIN.
- * Use this EIN and your name exactly as they appear at the top of this notice on all your federal tax forms.
- * Refer to this EIN on your tax-related correspondence and documents.

If you have questions about your EIN, you can call us at the phone number or write to us at the address shown at the top of this notice. If you write, please tear off the stub at the bottom of this notice and send it along with your letter. If you do not need to write us, do not complete and return the stub.

Your name control associated with this EIN is DEEP. You will need to provide this information, along with your EIN, if you file your returns electronically.

Thank you for your cooperation.

01-31-2018 DEEP B 9999999999 SS-4

CP 575 A (Rev. 7-2007)

CP 575 A

DATE OF THIS NOTICE: 01-31-2018
EMPLOYER IDENTIFICATION NUMBER: 82-4232040
FORM: SS-4 NOBOD

DEEPA FOODS INC
% PRAVEEN GOUD
704 W EASTON CT
PALATINE, IL 60067

MUBASHAR KHAN
2142 STERLING CT
HANOVERPARK, IL 60133



OD15799343

Certificate of Completion



MUBASHAR KHAN

Has diligently and with merit completed the
Off-Premise BASSET Alcohol Certification on 7/16/2018

from the American Safety Council.

A handwritten signature in black ink, appearing to read "Jeff Pairan", written over a horizontal line.

Jeff Pairan



Illinois BASSET Training

This card certifies that:

MUBASHAR KHAN

has completed the
Off-Premise BASSET Alcohol Certification

A handwritten signature in blue ink, appearing to read "Jeff Pauran", written over a horizontal line.

8/15/2018

Exp. Date

FireWood
↑

looking to get this moved back outside

News

Hats

Sunglasses

Beanie
Babaies

2 Beer
Displays
Front

Window

LOW BOY

ATM	Sande	Case	Micro wave	TH CSD Hi-wall
-----	-------	------	---------------	-------------------

12 door	vault	-
7 doors non alch		

ambient drink /chips	
PMU	auto/pet
PMU	soap
hallmark	paper
seasonal	BATT./ ELECT.
sbt rotaion	

HABA	CANDY 3
HABA	CANDY 2
HABA	CANDY 1
bagged candy	

frito	NUTS/
frito	SEEDS
frito	MEAT
fem	

other	breakfast
other	pkg
prem	pkg
BAKE "A"	

33895

Entrance

Register

Register

Roller Grill	Hot Food Display	Chili/Chez	Nacho
--------------	------------------	------------	-------

3' gondola section for
hard liquor behind
counter

5 Beer doors

↑
back room

3' Wine End Cap	
cookie	grocery
cookie	rte
nutritional bars	

ICE MERCH

FROZ. FOOD

TH ICE CRM

NOVELTY

4 BARREL

2 BARREL

FOUNTAIN

COFFEE BAR

CAPP

ICE COFFEE

Vault Sq. Ft

30' x 7.5'

360" x 90"

**MINUTES
CITY OF ST. CHARLES
GOVERNMENT OPERATIONS COMMITTEE
MONDAY, AUGUST 20, 2018**

1. Call to Order

Vice Chairman Turner called the meeting to order at

2. Roll Call

Present: Vice Chairman Turner, Stellato, Silkaitis, Payleitner, Lemke, Gaugel, Vitek, Bessner, and Lewis

Absent: Ald. Bessner

3. Administrative - None

4. Omnibus Vote

Items with an asterisk (*) are considered to be routine matters and will be enacted by one motion. There will be no separate discussion on these items unless a council member/citizen so requests, in which event the item will be removed from the consent agenda and considered in normal sequence on the agenda.

Motion by Ald. Silkaitis, second by Gaugel to approve the omnibus vote.

Voice Vote: Ayes: Unanimous; Nays: None. Vice-Chair Turner did not vote as Vice-Chair. **Motion Carried**

5. Police Department

a. Recommendation to approve a Proposal for an E7 Special Event Liquor License for Blue Goose Super Market, Inc., Located at 300 S 2nd Street, St. Charles for September 16, 2018. (Fox Valley Marathon – Blue Goose Beer Tent)

Chief Keegan: This item advanced from the Liquor Control Commission this evening with a 3-0 vote. It's for an E7 special event permit to coincide with the Fox Valley Marathon. Blue Goose would like to do a tent on the east end of their property. The site plan is in your packet. It will take place on September 16, and the hours of operation are 7:00 am – 7:00 pm. Paul would like to serve some food. We went over credentialing and some of the tent particulars at the Liquor Commission meeting.

Ald. Lewis: I think it's a great idea, but do you think you'll go until 7:00pm?

Paul Lencioni: This is the first time we're doing this. I would be surprised if it goes past 5:00 pm. I don't know what it looks like and I'd like the opportunity to see. We will not let it continue outrageously late. I want to make sure we produce a phenomenal event that takes care of the runners and their families.

Ald. Lewis: I think its fine what you're trying to do. If you don't know, you don't know. I'm having a little trouble with 7:00 pm on Sunday night.

Paul Lencioni: There will be more information next year when we do it again.

Ald. Payleitner: There were no details at all for us. I'm glad to hear the Liquor Commission heard everything. Anything you can tell us to fill us in? I guess there is food? There's a tent?

Paul Lencioni: There will be wristbands, single entrance from the front. We will be serving normal fare from the Blue Goose with things we sell out of the deli. There will also be vendors who are often in the Blue Goose. It's a way to bring members of the community to one spot and make a better viewing and post-race experience. Before this year the race gave people a ticket to go for a free beer. We're still trying to figure out the exact details if it will be Miller or Corona as sponsors. It's really intended to be a family environment and a community event.

Ald. Payleitner: What is the call for 7:00 am beer and brats for marathon families and runners?

Paul Lencioni: I don't know that either. I am taking a lot of guidance from people who are marathoners. As soon as the race is over every person there has a coupon for a free beer, that's part of it. There is going to be a learning curve. There will be nothing there until 9:00 am.

Mayor Rogina: The race starts at 7:00 am. Ald. Vitek and I are both participating. What happens at the marathon when you start the race, people are standing around for a long time at the Blue Goose. It's a good spot to provide an opportunity, even at an early time of the morning, to have a sandwich and whatever else.

Ald. Lewis: Will they be able to use the free beer ticket at your place as well?

Paul Lencioni: They will need to run first, but yes, it's for use at the Blue Goose.

Ald. Payleiter: I was just wondering if there was a big demand at 7:00 am.

Paul Lencioni: I think no. I'm following the guidance of the race folks. Really, I'm trying to be the best partner I can.

Motion by Ald. Lemke, second by Vitek to Recommend approval of a Proposal for an E7 Special Event Liquor License for Blue Goose Super Market, Inc., Located at 300 S 2nd Street, St. Charles for September 16, 2018. (Fox Valley Marathon – Blue Goose Beer Tent)

Roll Call: Ayes: Gaugel, Vitek, Bessner, Lewis, Stellato, Silkaitis, Payleitner, Lemke; Nays: None. Vice-Chair Turner did not vote as Vice-Chair. **Motion Carried.**

b. Recommendation to approve a Proposal for a Class A6 Liquor License for Deepa Foods, Inc., d/b/a 7-Eleven located at 2400 E. Main St. Charles.

Chief Keegan: Praveen Goud owner operator is a new franchise. He also runs a 7-Eleven in Schaumburg. This is a new concept in St. Charles, about 9 months now, an A6 license allowing packaged goods in mini marts and convenience stores so long as that space doesn't encroach on more than 10% of the floor space. We have 6 licenses

without any issues. This advanced from Liquor Commission with a 3-0 vote. The hours of operations are 7:00 am – 10:00 pm, Monday – Sunday.

Ald. Payleitner: I went through the packet items, and there wasn't a current lease.

Chief Keegan: That was the document that was provided to us by the applicant. As far as the operation what we look at based on alcohol delivery, floor plan, business plan that was the document we were provided. Maybe the applicant can respond to that.

Praveen Goud: That's the previous lease agreement that will be applied to us.

Ald. Payleitner: At the very end, someplace you are in there?

Praveen Goud: Yes.

Motion by Ald. Gaugel, second by Bessner to Recommend a Proposal for a Class A6 Liquor License for Deepa Foods, Inc., d/b/a 7-Eleven located at 2400 E. Main St. Charles.

Roll Call: Ayes: Gaugel, Vitek, Bessner, Stellato, Silkaitis, Payleitner, Lemke; Nays: Lewis. Vice-Chair Turner did not vote as Vice-Chair. **Motion Carried.**

c. Recommendation to approve a Proposal for an A4 Liquor License for Riverlands Brewing Company, LLC located at 1860 Dean Street, Unit A, St. Charles.

Chief Keegan: This is going to be our fourth brewery, we had our first open on Thursday, D&G on N 4th Street. The Home Brew is open for business, they are still waiting for their state license. That's going to be a wine distillery. Then of course Octane 93 on Lincoln Highway. For this concept they have been working with me and community development for the better part of a year. They submitted a thorough business plan. They want to do 10 barrels. It's much larger in scope than the three I just mentioned.

Eric Bramwell: I'm the head brewer for Riverlands Brewing Company. We're looking to get started here in St. Charles. The model we're following is Penrose Brewing in Batavia. Tap rooms like this where you can go to the brewery and sample the beer on site is booming in popularity. There are 10 barrels or 310 gallons that's the size of each.

Ald. Payleitner: Will you have gathering space for private events?

Eric Bramwell: We've talked about it, it could happen eventually if we're able to expand. It's on our short list.

Ald. Lewis: You can have food?

Eric Bramwell: It's going to be bring your own food. We have a few local businesses interested in working with us for carry-out.

Motion by Ald. Stellato, second by Bessner to Recommend for approval a Proposal for an A4 Liquor License for Riverlands Brewing Company, LLC located at 1860 Dean Street, Unit A, St. Charles.

Roll Call: Ayes: Gaugel, Vitek, Bessner, Lewis, Stellato, Silkaitis, Payleitner, Lemke; Nays: None. Vice-Chair Turner did not vote as Vice-Chair. **Motion Carried.**

6. City Administrator

- a. Presentation of an agreement between the City of St. Charles and the City of South Elgin related to Sales Tax Distribution.

Mark Koenen: As you know retailers pay sales tax to the State of Illinois and its redistributed back to the municipality in which the physical structure of the business is located. In this case there was a retailer in St. Charles that moved to South Elgin. During the process the retailer did not report to the State of Illinois their new location and the City of St. Charles continued to collect sales tax. The Village of South Elgin, through an audit process, discovered this and approached the Mayor and me. From my perspective we have an obligation to return that money, we essentially borrowed it for a period of time, and they have asked for reimbursement. Over \$60,000 has already been reimbursed to South Elgin through the State of Illinois. The Illinois Department of Revenue, when they understood the fact pattern, automatically took the most recent 3 months of revenues and transferred the money back to the party it should have gone to. South Elgin has asked that we reimburse the balance over a period of 5 years, with an equal payment each year, a value of \$113,000 each of the 5 years. It would be an obligation we would choose to accept through your action. I would encourage you to do that. If you have any questions or comments about the request, the situation, or my guidance in terms of how we can manage the situation.

Ald. Gaugel: It's the right thing to do, no question. Do we have safe guards to prevent this from happening again, in either direction, us collecting when we shouldn't be, or not collecting when we should? What measures are we taking to prevent this?

Mark Koenen: That's one of the things we as a staff have been discussing over the last couple months. We've been very conscious of when new businesses come to St. Charles to confirm we are receiving sales tax on the new business applications. We did not have a system in place to look at those who have left St. Charles. We get information from the State of Illinois and reimbursement every 4 months. We also don't have a comprehensive means to understand who's coming to St. Charles as a new business and if they pay sales tax to the State of Illinois. We hear about it through business openings that the Chamber might host, new accounts that come to the St. Charles, and through other people in the community. We keep a running list through the Community Development Department and through Information Systems. We have a system in place for information regarding new businesses, but we don't have one in place to deal with those businesses that leave St. Charles and that's what we're working on now. We're trying to improve on the process, and one thing that would help improve the process would be to consider a business license in the City of St. Charles. That could be used as a safeguard.

Ald. Payleitner: It took six years to accumulate, I appreciate the efforts being made to make it 6 years to pay it back. That seems more than fair, and the fact that it was a State

mistake is mentioned 5 times.

Mark Koenen: I think the Village of South Elgin wanted to make that perfectly clear to their residents.

Ald. Lewis: If we don't have this in place, how do we forecast what our sales tax is going to be?

Mark Koenen: We use history as a tool in forecasting. For example a car dealership, we would look up the past records and make an accommodation for that. Just as we made accommodations when the economy was soft, we were very careful with how we projected our income stream.

Chris Minick: For many of our high volume sales tax generators, we actually do track the data from the State and put together trend information.

Motion by Ald. Stellato, second by Gaugel to recommend approval of an agreement between the City of St. Charles and the City of South Elgin related to Sales Tax Distribution.

Roll Call: Ayes: Gaugel, Vitek, Bessner, Lewis, Stellato, Silkaitis, Payleitner, Lemke; Nays: None. Vice-Chair Turner did not vote as Vice-Chair. **Motion Carried.**

7. Finance

*a. Budget Revisions – April, 2018

8. Executive Session

- Personnel – 5 ILCS 120/2(c)(1)
- Pending Litigation – 5 ILCS 120/2(c)(11)
- Probable or Imminent Litigation – 5 ILCS 120/2(c)(11)
- Property Acquisition – 5 ILCS 120/2(c)(5)
- Collective Bargaining – 5 ILCS 120/2(c)(2)
- Review of Executive Session Minutes – 5 ILCS 120/2(c)(21)

9. Additional Items from Mayor, Council, Staff, or Citizens.

10. Adjournment

:tc

**MINUTES
CITY OF ST. CHARLES, IL
GOVERNMENT SERVICES COMMITTEE MEETING
MONDAY, JUNE 25, 2018, 7:00 P.M.**

Members Present: Chairman Payleitner, Aldr. Stellato, Aldr. Lemke, Aldr. Turner, Aldr. Gaugel, Aldr. Vitek, Aldr. Bessner, Aldr. Lewis

Members Absent: Aldr. Silkaitis, Aldr. Bancroft

Others Present: Raymond Rogina, Mayor; Mark Koenen, City Administrator; Peter Suhr, Director of Public Works; Chris Adesso, Asst. Director of Public Works - Operations; Karen Young, Asst. Director of Public Works – Engineering; Tom Bruhl, Electric Division Manager; Tim Wilson, Environmental Services Manager; AJ Reineking, Public Works Manager; Mike Shortall, Inventory Control Manager; Jim Keegan, Police Chief; Joe Schelstreet, Fire Chief

1. Meeting called to order at 7:00 p.m.

2. Roll Call

K. Dobbs:

Stellato: Present

Silkaitis: Absent

Payleitner: Present

Lemke: Present – arrived at 7:10 p.m.

Turner: Present

Bancroft: Absent

Gaugel: Present

Vitek: Present

Bessner: Present

Lewis: Present

3.a. Electric Reliability Report – Information only.

3.b. Active River Project Update – Information only.

3.c. Natural Resources Commission Minutes – Information only.

3.d. Phosphorus Removal and Digester Improvements Project Update – Information only.

4.a. Dash in the Dark 5K – Information only.

4.b. CROP Walk – Information only.

Police Chief Keegan presented.

No further discussion.

4.c. Recommendation to approve Parking Lot Closure for the 2018 Salvation Army River Ride.

Police Chief Keegan presented. This is a bicycle event and they are asking to close the municipal lot just south of the River Rock House.

No further discussion.

Motioned by Aldr. Turner, seconded by Aldr. Stellato. Approved unanimously by voice vote. **Motion carried**

5.a. Presentation by Lakeshore Recycling on the Refuse Transition Plan – Information only.

Tim Wilson presented. Bill Kenney from Lakeshore is here to talk about the transition plan. I would also like to remind everyone about the Open House tomorrow here in the Council Chambers from 3:00 p.m. to 7:00 p.m. This is an opportunity for anyone from the community to ask questions about the service, options and pricing.

Bill Kenney, 39W080 Shannon Square: On behalf of Lakeshore Recycling Systems, thank you for providing me the opportunity to speak before you this evening. My intention is to provide you a general overview of the transition of services from Advanced Disposal to LRS as well as some of the granular details.

Presentation by Bill Kenney.

Aldr. Stellato: This is a compliment for Bill. I have received good compliments in my neighborhood about the marketing, communication, and transition both from LRS and City Staff and the promotion of how this is going on; so far, good job.

This question is not for LRS. What is our Ordinance on how far in advance a resident can put their garbage out?

Chairman Payleitner: 12 hours before; 7:00 p.m. the night before.

Aldr. Lewis: If people still put out their Advanced or Veolia toters with garbage in it, will you still pick those up?

Mr. Kenney: Yes, we will take garbage in Advanced toters once our contract starts on July 2.

Aldr. Bessner: Will our pick up days be the same?

Mr. Kenney: Yes.

No further discussion.

5.b. Recommendation to approve Phosphorus Removal and Digester Improvements Project Change Order No. 2 to IHC for Internal Digester Coating.

Tim Wilson presented. Over the last several months, we have been working with the general contractor, IHC to review the scope of services to find efficiencies where we can save the City money. This is Change Order credit in the amount of (\$27,724.34). Because this is an EPA loan, we have to get these change orders approved.

It is my recommendation to award a Change Order credit to IHC in the amount of (\$27,724.34).

Aldr. Gaugel: Kudos to you, Tim. Job well done!

Motioned by Aldr. Gaugel, seconded by Aldr. Lemke. Approved unanimously by voice vote. **Motion carried**

5.c. Police Station Project Update – Information only.

Peter Suhr presented. We are making good progress on the demolition of the Valley Shopping Center; they are removing one of the last foundations. I'm also glad to announce that we are ahead of our bidding schedule. Originally we were targeting the July Government Services Committee Meeting to get Bid Package #2 approved which included earth work, excavation, pre-cast concrete, structural steel, roofing, glass and glazing, site utilizing, cast in place concrete and other trades required to build the structure and shell of our new police facility. Our architects, engineers and construction managers were able to bid those traders earlier than expected. We opened bids for pre-cast concrete panels and the rest of the trades will be opened this coming Friday, ahead of schedule.

Therefore, instead of waiting until the end of July, we will be seeking earlier approval of those bids, starting with the pre-cast panels as early as a New Business item at the City Council meeting this upcoming Monday. Chris Siefert from Riley Construction is here tonight to give more details about that particular bid and get you prepared for next

Monday. Before I ask him to the podium, we have also promised to keep you informed of the construction progress and potential issues; while I just mentioned we are wrapping up demo on schedule and on budget, unfortunately the Valley Shopping Center site has struck us with our first blow. Last week, the demolition contractor uncovered several small fuel tanks underneath the existing concrete slab. Fortunately our team clearly understood the risks of this site and we have been prepared for this. The team has provided a solid plan and we are prepared to resolve this challenge and remain on schedule.

Chris Siefert, Riley Construction, 926 North Shore Drive, Lake Bluff, IL.

Presentation by Chris Siefert.

Aldr. Turner: The tanks aren't leaking, are they?

Mr. Siefert: It does not appear to be so, but as we uncovered a few, as they were removing the slabs they cracked some open which caused some oil to blow out so we have some issues to deal with.

No further discussion.

5.d. Recommendation to approve Purchase Order to H & H Electric Company for Rebuild of Route 31 Streetlight System.

Tom Bruhl presented. We received three bids for the streetlight system repair. H&H offered the best unit cost. They are a new vendor but we did reference check and they have done a lot of work for municipalities and IDOT.

It is my recommendation to award a purchase order with H&H for the rebuilding of Rt. 31 streetlights in the amount of \$42,611.30.

Aldr. Lemke: Is that roadway illumination or signalization, or both?

Mr. Bruhl: Just roadway illumination.

Aldr. Turner: Are they going to be LED lights?

Mr. Bruhl: Yes.

No further discussion.

Motioned by Aldr. Stellato, seconded by Aldr. Turner. Approved unanimously by voice vote. **Motion carried**

5.e. LED Streetlight Retrofit Program – Information only.

Tom Bruhl presented. We have been approved to start on a multi-year LED retrofit of our street lighting. Right now it's going to be a five year plan. The first goal is going to be the heaviest usage lights which are Main Street and Kirk Road; those street have massive quantities and the highest wattages so we will see energy savings by doing those. After that, we will work through the neighborhoods, typically at intersections and then we'll move into the decorative. Because we have so many decorative lights, those are going to be more difficult to mass produce.

Mayor Rogina: I'm very happy this is finally taking place. Thank you, Tom, for making this happen.

Aldr. Gaugel: How are we going out for bid for all this work?

Mr. Bruhl: For year one, it's well defined; there are 350 lights that we are targeting. For the procurement of the material, I'm going to do that year by year because technology changes. For the contracting, the contract we did for street light maintenance had a unit cost for this. Meade's contract was a unit cost with a slight escalator so we can re-evaluate after this year.

Aldr. Lewis: I understand about going slow in buying them, but do you have any concerns that what you are buying in year three will put off a different light than what you bought in year one?

Mr. Bruhl: The light distribution is standardized throughout the industry; they are all designed to cast the same type of profile on the ground so that they are interchangeable at any time.

Aldr. Bessner: Are you starting to talk about these on First Street?

Mr. Bruhl: Yes, all the decorative lights on First Street have been converted to LED. We started with the bridges, and that was well received, so then we retrofitted the rest of the lights.

No further discussion.

5.f. Recommendation to approve a Design Engineering Agreement for the Rita and Nicholas Avenues Improvement Project.

Karen Young presented. Portions of Rita and Nicholas are proposed in the future street programs and as part of all of our street program projects, we do an evaluation of the streets in advance of our budgeting to make sure we are aware of any significant utility repairs. This subdivision was originally built in the 1960's, and many of the utilities are very aged. It was determined there are very significant sanitary repairs that may be

necessary as part of the project and a complication is that the sanitary sewer is 15-17 feet deep. Due to the complexity of the project, we worked with several firms to get proposals for the design engineering work. Requests for qualifications were sent to 7 engineering firms and we received proposals back from 4. After reviewing qualifications, proposals and reference checks, we selected Burns & McDonnell to complete the design work; they provided the City the most favorable combination of proposal compliance, project approach, staffing capability and project cost. Their scope of work, number of hours and hourly rates are consistent with the project requirements and meets our project timeline and budgeting amount.

It is my recommendation to approve a design engineering agreement with Burns & McDonnell for the Rita and Nicholas Avenues project in the amount of \$51,201.

Aldr. Lewis: Quite a difference from what you budgeted and what they came in at; is there any comment on why it's \$23,000 less?

Mrs. Young: We were able to complete more work and provide more information than we had at budgeting time, so I'm sure that assisted with the reduced cost.

Aldr. Gaugel: I'm familiar with Burns & McDonnell and they are an outstanding firm, so I move for approval.

No further discussion.

Motioned by Aldr. Gaugel, seconded by Aldr. Stellato. Approved unanimously by voice vote. **Motion carried**

5.g. Recommendation to award the Bid for Downtown Streetscape Painting.

AJ Reineking presented. This includes our benches, garbage cans, light poles, decorative street sign poles, bike racks and hand rails. Last year we kicked off an electrostatic painting program for these items which eliminates the need to remove the items from downtown, it eliminates the overspray and it eliminates brush strokes.

We contacted every electrostatic painting company we could find in the area; there were eight of them. The feedback we got was that the smaller companies were interested in the work but the Prevailing Wage requirements scared them off and the larger companies didn't want to work outside adjacent to the roadway. Due to that, we only received one bid and that was Superior Electrostatic Painting from Rockford. They were our contractor for the 2017 program and they did a nice job. With the exception of the 30 ft. light poles which their price increased by \$100 per unit, they submitted the exact same units for everything else.

It is my recommendation to award the bid for Downtown Streetscape painting to Superior Electrostatic Painting, Inc. in the submitted bid rate.

No further discussion.

Motioned by Aldr. Turner, seconded by Aldr. Bessner. Approved unanimously by voice vote. **Motion carried**

5.h. Recommendation to award the Bid for Brick Paver Maintenance.

AJ Reineking presented. Our paver bricks tend to settle over time; we issued an invitation to bid to provide the labor to restore these paver areas. The program is unique in that we actually maintain the inventory of the brick. This contract will be just removing the brick, restoring the base to a level setting and then reinserting the brick where applicable. If the brick is deteriorated or cracked, we will give them a new brick and they will insert it.

We received five bids to perform this work with TNT Landscape Construction, Inc. of Elgin being our lowest responsive, responsible bidder. TNT has done work for other municipalities as well as private sector contractors with favorable references.

It is my recommendation to award the bid for brick paver maintenance to TNT Landscape Construction, Inc. in the amount of \$8.00 per square foot.

No further discussion.

Motioned by Aldr. Bessner, seconded by Aldr. Gaugel. Approved unanimously by voice vote. **Motion carried**

5.i. Recommendation to approve the Sale of Items of Personal Property owned by the City of St. Charles via an online auction to the highest bidder.

Mike Shortall presented. Staff is seeking to sell the list of personal property which will be sold at an online auction to the highest bidder. The revenue generated will be returned to the general fund and the revenue from the vehicles will be returned to the vehicle replacement fund.

No further discussion.

Motioned by Aldr. Stellato, seconded by Aldr. Silkaitis. Approved unanimously by voice vote. **Motion carried**

- 5.j. Recommendation to approve the award of a 2019 Peterbilt Model 348 Tandem Axle chassis to JX Peterbilt and Body to Monroe Truck Equipment and to Sell the Replacement Vehicle 2006 IHC 7400 SFA 4x2, Vehicle #1724 via an online auction to the highest bidder.**

Mike Shortall presented. Staff is seeking approval to purchase a 2019 Peterbilt tandem axle chassis from JX Peterbilt, and NJPA vendor. Staff further seeks approval to purchase a 15 ft. dump body and plow through Monroe truck under the NJPA contract as well. Finally, staff would like approval to sell the replacement vehicle #1724, a 2006 International Harvester 4x2 dump. This will be done via an online auction. This vehicle has been approved through the vehicle committee as well through budget.

No further discussion.

Chairman Payleitner: Kristi, could you call a roll, please.

K. Dobbs:

Gaugel: Yes

Vitek: Yes

Bessner: Yes

Lewis: Yes

Stellato: Yes

Silkaitis: Absent

Lemke: Yes

Turner: Yes

Bancroft: Absent

Motioned by Aldr. Stellato, seconded by Aldr. Gaugel. Approved unanimously by roll call vote. **Motion carried**

- 5.k. Recommendation to approve the award of two (2) 2019 Peterbilt Model 348 Single Axle chassis to JX Peterbilt and Body to Henderson Products and to Sell the Replacement Vehicle #1797, 2007 IHC 7400 SFA 4x2, Vehicle #1798, 2007 IHC 7400 SFA 4x2 via an online auction to the highest bidder.**

Mike Shortall presented. Staff is seeking approval to purchase (2) 2019 Peterbilt single axle chassis from JX Peterbilt, an NJPA vendor. Staff further seeks approval to purchase a complete snow fighting system that includes a dump, plow and spreader through the NJPA vendor, Henderson Products. This purchase would allow the Public Services Group to evaluate Henderson's snow fighting equipment vs. Monroe equipment who we have used the last 5-7 years and give us a comparison to try a new vendor that might be better.

Staff would like approval to sell the replacement vehicles #1797 and #1798, both 2007 International Harvester 4x2 dumps via an online auction. Both vehicles have been approved through the City Fleet Committee and also through budget.

No further discussion.

Chairman Payleitner: Kristi, could you call a roll, please.

K. Dobbs:

Gaugel: Yes

Vitek: Yes

Bessner: Yes

Lewis: Yes

Stellato: Yes

Silkaitis: Absent

Lemke: Yes

Turner: Yes

Bancroft: Absent

Motioned by Aldr. Turner, seconded by Aldr. Gaugel. Approved unanimously by roll call vote. **Motion carried**

5.l. Recommendation to approve the award of One 2019 Ford F-550 to Hawk Ford and Sell the replacement vehicle #1746, a 2006 Ford F-550. .

Mike Shortall presented. Staff is seeking approval to purchase a 2019 Ford F-550 4x4 with a Tommy lift gate and a Boss plow through the local vendor, Hawk Ford. This vehicle was approved through the vehicle Fleet Committee and also through budget. Staff is also asking approval to sell the replacement vehicle #1746, a 2006 Ford F-550 via an online auction.

No further discussion.

Chairman Payleitner: Kristi, could you call a roll, please.

K. Dobbs:

Gaugel: Yes

Vitek: Yes

Bessner: Yes

Lewis: Yes

Stellato: Yes

Silkaitis: Absent

Lemke: Yes

Turner: Yes

Bancroft: Absent

Motioned by Aldr. Bessner, seconded by Aldr. Vitek. Approved unanimously by roll call vote. **Motion carried**

5.m. Recommendation to approve the award of one 2018 Ford Utility Police Interceptor to Currie Motors.

Mike Shortall presented. On behalf of the St. Charles Police Department, staff is seeking approval to purchase a 2018 Ford Utility Police Interceptor through the low bid suburban cooperative contract with Currie Motors of Frankfort. This vehicle has been approved through the City Fleet Committee and also through budget. This is an addition to the fleet for the new Deputy Chief.

No further discussion.

Motioned by Aldr. Turner, seconded by Aldr. Stellato. Approved unanimously by voice vote. **Motion carried**

5.n. Recommendation to approve a Budget Addition to the Police Vehicle Replacement Fund.

Mike Shortall presented. I'd like to tie my last two items together. On behalf of the Police Department, Staff is first seeking approval to add funds to the police vehicle replacement account in the amount of \$27,456. Of this amount, \$26,443 will be reimbursement through insurance money. This request is an accounting housekeeping procedure that will allow us to move on to the next item I will be presenting.

No further discussion.

Motioned by Aldr. Gaugel, seconded by Aldr. Stellato. Approved unanimously by voice vote. **Motion carried**

5.o. Recommendation to approve the award of One 2018 Ford Utility Police Interceptor to Currie Motors.

Mike Shortall presented. Staff is seeking approval to purchase a 2018 Ford Utility Police Interceptor through the Suburban Cooperative Contract with Currie Motors. Funding for this vehicle will be reimbursement from insurance money due to an on-duty vehicle accident that totaled the replacement vehicle. The full amount from insurance will total \$26,443 and additional funding of \$1,013 will be used from reserve to purchase the new vehicle.

Aldr. Gaugel: The \$27,456 is what the new vehicle is going to cost. In essence, all we are approving is the \$1,013, correct?

Mr. Shortall: That is correct.

No further discussion.

Motioned by Aldr. Gaugel, seconded by Aldr. Stellato. Approved unanimously by voice vote. **Motion carried**

5.p. Recommendation to award Proposal for Environmental Services SCADA Phase #1 Hardware.

Tim Wilson presented. Over the last several months, you have heard me talk about several things for SCADA; this is the last item for the Phase 1 approval. Currently our SCADA system is very vulnerable to attacks from the outside, plus we are not backed up on the City network. We will be moving forward by incorporating the new SCADA system to our fiber network where our IS team will control all security and network backups.

We went out for proposals and received two prices; one from Tech Data and one from Ingram. You will notice the line item is about \$5,000 over budget for this portion of the project, but overall we are about \$12,000 under budget. As part of the SCADA project, Concentric Integration is responsible for turnkey product, so we are making a motion for Concentric Integration to move forward with the purchase of Phase 1 hardware equipment with a five year warranty to Tech Data in the amount of \$129,965.27.

No further discussion.

Chairman Payleitner: Kristi, could you call a roll, please.

K. Dobbs:

Gaugel: Yes

Vitek: Yes

Bessner: Yes

Lewis: Yes

Stellato: Yes

Silkaitis: Absent

Lemke: Yes

Turner: Yes

Bancroft: Absent

Motioned by Aldr. Turner, seconded by Aldr. Bessner. Approved unanimously by roll call vote. **Motion carried**

6. Additional items from Mayor, Council, Staff or Citizens.

None.

7. Executive Session.

Chairman Payleitner: We do have an Executive Session this evening for property acquisition.

Chairman Payleitner: Kristi, could you call a roll, please.

K. Dobbs:

Gaugel: Yes

Vitek: Yes

Bessner: Yes

Lewis: Yes

Stellato: Yes

Silkaitis: Absent

Lemke: Yes

Turner: Yes

Bancroft: Absent

Motioned by Aldr. Lemke, seconded by Aldr. Turner. Approved unanimously by roll call vote. **Motion carried**

7. Motion to Adjourn Executive Session

Motioned by Aldr. Lemke, seconded by Aldr. Bessner. Approved unanimously by voice vote. **Motion carried**

8. Move to Adjourn Government Services Committee Meeting.

Motion by Aldr. Vitek, seconded by Aldr. Lemke. No additional discussion. Approved unanimously by voice vote. **Motion carried.**

**MINUTES
CITY OF ST. CHARLES, IL
GOVERNMENT SERVICES COMMITTEE MEETING
MONDAY, JULY 23, 2018, 7:00 P.M.**

Members Present: Chairman Payleitner, Aldr. Stellato, Aldr. Silkaitis, Aldr. Lemke, Aldr. Turner, Aldr. Bancroft, Aldr. Gaugel, Aldr. Vitek, Aldr. Bessner, Aldr. Lewis

Members Absent: None

Others Present: Mark Koenen, City Administrator; Peter Suhr, Director of Public Works; Chris Adesso, Asst. Director of Public Works - Operations; Karen Young, Asst. Director of Public Works – Engineering; Tim Wilson, Environmental Services Manager; AJ Reineking, Public Works Manager; Jim Keegan, Police Chief; Joe Schelstreet, Fire Chief

1. Meeting called to order at 7:00 p.m.

2. Roll Call

K. Dobbs:

Stellato: Present
Silkaitis: Present
Payleitner: Present
Lemke: Present
Turner: Present
Bancroft: Present
Gaugel: Present
Vitek: Present
Bessner: Present
Lewis: Present

3.a. Electric Reliability Report – Information only.

3.b. Natural Resources Commission Minutes – Information only.

3.c. Phosphorus Removal and Digester Improvements Project Update – Information only.

4. OMNIBUS VOTE

Items *5.a, *6.a

Motion by Aldr. Gaugel, seconded by Aldr. Stellato. No additional discussion. Approved unanimously by roll call. **Motion carried.**

Chairman Payleitner: Kristi, please call a roll.

K. Dobbs:

Gaugel: Yes

Vitek: Yes

Bessner: Yes

Lewis: Yes

Stellato: Yes

Silkaitis: Yes

Lemke: Yes

Turner: Yes

Bancroft: Yes

5.b. Recommendation to approve Street and Parking Lot Closures and Amplification for the 2018 Scarecrow Festival.

Police Chief Keegan presented. I have four guests here this evening; Marlie Shelton from Ravenswood, Deanne Wagner from the CVB, Ron Johnson from Johnson's Statuary and Commander Majewski from Special Services. There are parking lot and street closures, so I thought Marlie could go through the plan and then Mr. Johnson would like to talk about his concern.

Marlie Shelton, Ravenswood Events: The only thing that is changing compared to previous years for street and parking lot closures is on Cedar Street between 2nd and 4th Streets for the period during the festival from Friday at 9:00 a.m. until 6:00 p.m. and Saturday 9:00 a.m. until 6:00 p.m. and Sunday from 9:00 a.m. until 5:00 p.m., we are requesting a firm closure during that time period because of the large amount of pedestrian traffic on that street. We are not putting any tents on the street; it's strictly for pedestrian safety. The other requested street closures are the same as other years.

Aldr. Lewis: It won't go up to 5th?

Ms. Shelton: 5th will be open for through traffic and that is for the parking shuttle, trolley, and anyone dropping people off. There will still be handicap parking on both sides of St. Pat's Church.

Aldr. Lewis: But it will still just go one way?

Ms. Shelton: Yes.

Aldr. Lewis: How will you access it?

Ms. Shelton: From 4th.

Chairman Payleitner: Are a lot of the parking lots are closed for five days?

Ms. Shelton: The only one that is closed for five days is the one where the carnival will be off of 2nd Street. The Veterans Memorial lot and the Filling Station lots are closed starting on Thursday.

Ron Johnson, 316 Cedar Street: I have been in business over business 50 years and paid over \$62,000 into SSA 1 and over \$17,000 into SSA 2. SSA 1 was for the City to buy parking lots for downtown businesses that don't have parking; I have parking. When they passed the petition around, I was one of the first to sign it. Every year after I pay my property taxes, I pay \$1,700 extra for SSA 1 and \$800 extra for SSA 2; all I'm asking for is a little help. We are closed January through March and we produce \$250,000 worth of inventory and I would love to sell it. I don't have any competition except for the City of St. Charles. Thank you.

Chief Keegan: We are willing to man the intersection and do a loading zone for customers picking up merchandise, but for public safety we are not willing to open Cedar at this point, unless Council decides otherwise.

Chairman Payleitner: Would that be acceptable, Mr. Johnson?

Mr. Johnson: I have to load my merchandise with a forklift; I have to have my driveway.

Chairman Payleitner: Chief, I thought you said you would let cars into his driveway.

Chief Keegan: At the intersection of 4th and Cedar, we would cone off an area to the east in order to have merchandise delivered.

Mr. Johnson: That won't work. If I don't get my street, I'm just going to close for the weekend.

Aldr. Lewis: I sympathize with what is going on here. I'd like to see something worked out for both sides, so I'm not going to vote for this at this point in time.

Chairman Payleitner: Are there issues with other businesses, Chief?

Chief Keegan: No. We will sharpen our pencils and go back to the drawing board for Mr. Johnson, but it's going to be difficult.

Chairman Payleitner: Is there an opening of some kind behind the business that exists out to 4th Street?

Chief Keegan: North of Cedar on 4th Street, north of his property there is a driveway which is part of the residential piece of his property, but his insurance carrier does not authorize any commercial work to be done in and out of that curb cut. We asked him to get a rider for additional coverage.

Chairman Payleitner: Maybe we need to see exactly what the cost is and see if we can pick that up as part of our festival expenses.

Chief Keegan: And we would also be willing to pick up the cost of the officer as part of our operational expense as well to help with the loading of the merchandise.

Aldr. Silkaitis: I agree with Aldr. Lewis and I will vote no on this too. When Scarecrow first started, it was just at Lincoln Park. Now it's expanded and we are intruding on people's business and he has a valid point. If we can cover his rider for four days, we would be a good neighbor to do that. But until that happens, I will be voting no on this.

Aldr. Gaugel: If the insurance is covered on the side driveway, would you be acceptable to that, Mr. Johnson?

Mr. Johnson: No, that driveway is on an angle and I can't maneuver my forklift on it.

Aldr. Lewis: Has that street been closed in the past? Maybe 15-20 years ago?

Ms. Shelton: I don't know but it's been a soft close for the last couple years.

Aldr. Turner: A soft close isn't possible this year?

Ms. Shelton: There is a significant number of people walking in the street, so we are doing this to prevent an issue from happening.

Aldr. Turner: Mr. Johnson, did you have an issue with the soft closing the last couple years?

Mr. Johnson: No.

Aldr. Bancroft: Mr. Johnson, what is your weekend sales average for a fall weekend?

Mr. Johnson: Between \$5,000-\$6,000.

Aldr. Bancroft: Each day, or total?

Mr. Johnson: Total.

Aldr. Bancroft: Let's rent it from him. If we paid you \$5,000, would you close?

Mr. Johnson: No; I would rather sell my merchandise.

Aldr. Lemke: Can we offer free delivery or a delivery allowance?

Chairman Payleitner: Are we going to vote on this now, or would Aldr. Gaugel and Aldr. Vitek like to have a conversation and see what they can work out?

Aldr. Bessner: It shows Mr. Johnson's hours are Noon-5:00 on Friday, 10:00-5:00 Saturday and Noon-4:00 Sunday. Do you know if those correlate with peak times of the fest?

Ms. Shelton: The fest starts at 10:00, and peak hours are between 10:00 a.m. and 5:00 p.m.

Aldr. Bessner: Mr. Johnson, are there any peak hours for you?

Mr. Johnson: I'm busy the whole time I'm open on the weekends.

Aldr. Lewis: Are your customers local or are they customers who come from out of town to the festival?

Mr. Johnson: 60% aren't local and don't know about the festival when they show up.

Chairman Payleitner: I think there is going to have to be a compromise, and safety is foremost. Perhaps if we postpone this evening, we could go back to Committee in August.

Chairman Payleitner: Can I get a motion to postpone? Kristi, can you call a roll, please.

K. Dobbs:

Gaugel: Yes

Vitek: Yes

Bessner: Yes

Lewis: Yes

Stellato: Yes

Silkaitis: Yes

Lemke: Yes

Turner: Yes

Bancroft: Yes

No further discussion.

Motion by Aldr. Lemke, seconded by Aldr. Stellato. No additional discussion. Approved unanimously by roll call. **Motion carried.**

7.a. Presentation of Temporary Public Art at 100 Illinois Street – First Street Plaza – Information only.

Jenna Sawicki presented. I'm here on behalf of the Downtown St. Charles Partnership; we are seeking your opinion to place a temporary mural, or what we are calling wall poetry on the First Street Plaza between Puebla and Neo on the southeast wall. The purpose of this sticker mural is to bring a younger demographic downtown to engage in an interactive social media aspect of the mural. The mural was designed by our summer intern, Megan Smith and the material is an aluminum substrate. The sticker will be put professionally installed on the wall and is 5'x7'.

No further discussion.

8. Executive Session

None.

9. Additional items from Mayor, Council, Staff or Citizens.

None.

10. Move to Adjourn Government Services Committee Meeting.

Motion by Aldr. Turner, seconded by Aldr. Bancroft. No additional discussion. Approved unanimously by voice vote. **Motion carried.**

**MINUTES
CITY OF ST. CHARLES, IL
GOVERNMENT SERVICES COMMITTEE MEETING
MONDAY, AUGUST 27, 2018, 7:00 P.M.**

Members Present: Chairman Payleitner, Aldr. Stellato, Aldr. Silkaitis, Aldr. Lemke, Aldr. Turner, Aldr. Bancroft, Aldr. Gaugel, Aldr. Vitek, Aldr. Bessner, Aldr. Lewis

Members Absent: None

Others Present: Ray Rogina, Mayor; Mark Koenen, City Administrator; Peter Suhr, Director of Public Works; Chris Adesso, Asst. Director of Public Works - Operations; Karen Young, Asst. Director of Public Works – Engineering; Tom Bruhl, Electric Services Manager; Tim Wilson, Environmental Services Manager; Jim Keegan, Police Chief; Joe Schelstreet, Fire Chief

1. Meeting called to order at 7:00 p.m.

2. Roll Call

K. Dobbs:

Stellato: Present

Silkaitis: Present

Payleitner: Present

Lemke: Present

Turner: Present

Bancroft: Present

Gaugel: Present

Vitek: Present

Bessner: Present

Lewis: Present

3.a. Electric Reliability Report – Information only.

3.b. Natural Resources Commission Minutes – Information only.

3.c. Phosphorus Removal and Digester Improvements Project Update – Information only.

4. OMNIBUS VOTE

Items *5.b, *5.c, *5.d, *6.c, *6.d, *6.e, *6.f, *6.g, *6.h, *6.i

Motion by Aldr. Gaugel, seconded by Aldr. Stellato. No additional discussion. Approved unanimously by voice vote. **Motion carried.**

5.a. Recommendation to approve Street and Parking Lot Closures and Amplification for the 2018 Scarecrow Festival.

Police Chief Keegan presented. This item was tabled from the July Government Services Committee meeting in order for us to work out a road closure agreement with Johnson's Statuary. Per our conversations with Mr. Johnson and his family, he has opted to close for Scarecrow weekend, so I would like to recommend that you approve the aforementioned road and parking lot closures.

Aldr. Gaugel: I would like to add that we talked with Mr. Johnson and talked about Aldr. Bancroft's suggestion that we rent his facility for the weekend and he did not want any of that; at the end of our conversation he said he was going to close for the weekend.

Chief Keegan: My team and I also reached out to him several times and he was adamant that he was going to close.

Aldr. Lewis: I support Scarecrow and closing of the streets. My concern that I want to bring to the attention of Public Works is that in years past, with the food vendors in all our parking lots, they can create a greasy mess that is difficult to clean up. Peter - are the vendors responsible for cleaning up the messes they make of our parking lots? If so, who pays for it?

Mr. Suhr: Yes, the vendor is supposed to be responsible for that clean up. If there is any additional clean up needed after they leave that we are alerted to, we will continue the clean up as needed. We do record our time for that and then charge the vendor back for that time. If we are talking about grease situations then you are going to see a stain on the concrete or asphalt for some time until the weather takes care of it unless we really go out and power wash.

Aldr. Lewis: I understand. Maybe we can encourage them to be more careful to start with.

Mr. Suhr: Maybe that is something we can bring back to the special events committee and have that on their checklist to remind them that they are responsible for everything; it needs to be put back the way they found it or they will be charged.

No further discussion.

Motion by Aldr. Bancroft, seconded by Aldr. Vitek. No additional discussion. Approved unanimously by voice vote. **Motion carried.**

6.a. Recommendation to approve Agreement for Design, Construction Documents and Construction Services for the Renovation to City Owned Building at 107-109 East Main Street (Former George's Sports) to Schramm Construction.

Peter Suhr presented. The City has purchased the former George's Sports located at 107-109 East Main Street in 2012 with the intent to utilize the building as a compliment to the adjacent Arcada Theater. You may also know the building's condition has continued to deteriorate since that time and therefore, Public Works retained Schramm Construction to perform much needed demolition work on the interior and we also did a complete roof replacement in the fall of 2017.

The building is now weather tight and there has been much discussion regarding the future of George's building. The City has budgeted \$900,000 this year for continued improvements on the building. The next natural steps in the process would be for us to finish the demolition and abatement work that we started last year, also to construct a usable interior space and potentially remodel the exterior façade so that the building would be suitable for a future tenant or marketable for sale of the property.

Tonight we are seeking approval of a \$45,000 agreement with Schramm Construction and Architect Paul Lankanau to prepare design and construction documents to be used for permitting and constructing the work that I just explained. More specifically, the work proposed includes exterior improvements which are yet to be defined and interior improvements which are best described with the concept plans in your packet.

If tonight's concept is reasonable, we will continue to seek your approval as the design evolves, especially as related to the exterior improvements where we don't have concepts for you tonight. Also, you would need to approve any construction bids before the work is performed, so in other words, this is not a final approval of the plans, it is simply approval to get the plans complete.

The schedule is aggressive, but the building can be ready by next spring. We have separated the schedule into two parallel tracks; one for design and bidding and one for construction. We can be back in front of you in the next 30 days to get approval of the demolition and abatement bid and start that construction work. This is the first phase of the project for a reason; the structural engineers in particular need to see the structure and before they can do so, we need to do that demolition.

The second priority would be any exterior improvements. The only reason for that is because we are up against winter if we stay on schedule. In the next 30 days we would have an exterior improvement design for you to approve with bids in October 2018. That exterior improvement, especially on the exterior façade, could happen between September-December 2018.

The third phase of the project represents the interior improvements. We would have improved design for you to consider and that work could be done between December and April 2019. The reality is that we could have spaces available for tenant buildout by spring of next year.

Aldr. Bessner: So tonight we are just approving \$44,350?

Mr. Suhr: Yes.

Aldr. Gaugel: Is the \$44,350 only an estimate or is it a not to exceed?

Mr. Suhr: It is not to exceed.

Aldr. Lemke: I would trust the Historic Commission's opinions and bring them in early.

Mr. Suhr: We will be meeting with the Historic Commission probably in the next two weeks.

Aldr. Stellato: I'm in support of this. Does the elevator have to go to the basement for ADA accessibility?

Mr. Suhr: Yes.

Aldr. Stellato: There is no question as responsible owners, the demolition and abatement has to happen quickly, and I think we would want to get the tuck pointing done before winter.

Aldr. Gaugel: I would move to approve an agreement for design construction documents and construction services for the renovation to the City owned building at 107-109 East Main Street (former George's Sports) to Schramm Construction for a not to exceed price of \$44,350.

No further discussion.

Chairman Payleitner: Kristi, would you call a roll, please?

K. Dobbs:

Vitek: Yes

Bessner: Yes

Lewis: Yes

Stellato: Yes

Silkaitis: Yes

Lemke: Yes

Turner: Yes

Bancroft: Yes

Gaugel: Yes

Motion by Aldr. Gaugel, seconded by Aldr. Lemke. No additional discussion. Approved unanimously by roll call vote. **Motion carried.**

6.b. Presentation of 2018 Water Utility Master Plan.

Chris Adesso presented. This presentation is meant to be an Executive Summary presentation, so if you have any questions along the way, please stop me.

Presentation by Chris Adesso.

Aldr. Bessner: If you look at St. Charles being land locked to a degree and we talk about future businesses coming in, how different could this plan be from St. Charles being land locked and not being land locked?

Mr. Adesso: One example we have is the old St. Charles Mall. The way we quantify it is a population equivalent which is a unit of measure that would measure the demand one person would use for water. Trotter and Associates as our consultant has been able to make some assumptions based on estimated commercial usage for some redevelopment where we have gone from commercial to residential or vice versa. Then they projected that based on the known projects that are in the hopper with Community Development. So anything they have approved right now, plus anything that Community Development is aware of that might come in to play over the next ten years we have converted into a population equivalent and then projected that need out.

Aldr. Bessner: So are the bones are in place to adjust for that?

Mr. Adesso: The bones are in place, the skeleton is strong. What we need to consider is that within the next five years, we have enough quantity to supply the water. Within the next ten years, if everything happens the way we think it might happen, the City could see development in terms of population equivalent growth near 25%, so in order to accommodate that growth, we need to consider another water asset in terms of quantity.

Aldr. Lewis: We supply water to residents outside City limits, so how do we factor in that growth that happens in the County?

Mr. Adesso: Illinois American Water is not adding any demand right now. Some of the other customers we have outside corporate limits are pretty built out so we are not anticipating a lot of growth outside corporate limits, unless we are talking about annexing something.

Aldr. Lewis: It's not anticipated, but if it did happen, would it pose a problem or concern?

Mr. Adesso: I think we would have to take a closer look at that depending on the size of the development that may factor in to how we plan for supplying that water demand, where we would put that well, things like that. But since we don't have anything on the horizon, we didn't plan for it.

Aldr. Gaugel: One of our wells is next to the current police station; will that well continue to be in service regardless of what happens to that property down the road?

Mr. Adesso: These projections take into account that well staying, or a well similar in production.

Aldr. Lemke: Did Trotter take into consideration that people use water more efficiently now?

Mr. Adesso: Part of the information that Trotter considered was our actual pumping number. So to your point, if our customers are using less water, we would be pumping less water.

Aldr. Lemke: Have they considered if we do grow the population by 25%, they would be consuming less water than the average person?

Mr. Adesso: That is exactly the reason why we use population equivalents as the quantity to measure because that takes into account for those types of technology improvements and that population equivalent is an industry standard amount.

Aldr. Turner: What we are saying is that we are not going to get 25% more population of people, we are going to get the equivalent of that because of commercial use and that is going to equal out to 25% more heads in the City.

Mr. Adesso: That is absolutely 100% correct.

No further discussion.

7. Executive Session

None.

8. Additional items from Mayor, Council, Staff or Citizens.

Mayor Rogina: Congratulations to Mark Koenen on his new grandson!

9. Move to Adjourn Government Services Committee Meeting.

Motion by Aldr. Turner, seconded by Aldr. Bancroft. No additional discussion. Approved unanimously by voice vote. **Motion carried.**