

CITY OF CHILlicothe, ILLINOIS

ORDINANCE NO. 21-12-32

**AN ORDINANCE AUTHORIZING A REVISED FIDUCIARY AGREEMENT BETWEEN THE
CITY OF CHILlicothe, ILLINOIS AND THE MULTI-COUNTY NARCOTICS
ENFORCEMENT GROUP**

**ADOPTED BY THE CITY COUNCIL OF
THE CITY OF CHILlicothe, ILLINOIS
THE 13TH DAY OF DECEMBER, 2021**

**Published in pamphlet form by authority of the City Council of the City of Chillicothe, Peoria
County, Illinois, this 13th day of December, 2021**

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AN ORDINANCE AUTHORIZING A REVISED FIDUCIARY AGREEMENT
BETWEEN THE CITY OF CHILLICOTHE, ILLINOIS AND THE
MULTI-COUNTY NARCOTICS ENFORCEMENT GROUP

WHEREAS, the City of Chillicothe, Illinois (“City of Chillicothe”) is an Illinois municipality organized and operating pursuant to the Illinois Municipal Code (65 ILCS 5/1-1-1, *et. seq.*); and

WHEREAS, pursuant to the Illinois Municipal Code, the corporate authorities of the City of Chillicothe have the authority to pass and enforce all necessary police ordinances (65 ILCS 5/11-1-1); and

WHEREAS, the City of Chillicothe has adopted, codified, and published the Code of Ordinances, City of Chillicothe, Illinois (“Chillicothe Code”), including, amongst other chapters, provisions regarding law enforcement and the establishment of the Police Department of the City of Chillicothe; and

WHEREAS, Section 1-5(c) of the Chillicothe Code allows the City Council of the City of Chillicothe (“City Council”) to establish ordinances necessary for the lawful governance of the City of Chillicothe; and

WHEREAS, City Council passed Ordinance Number 21-08-17 on August 9, 2021, approving a substantially similar Memorandum of Understanding detailing a fiduciary agreement between the Multi-County Narcotics Enforcement Group (“PMEG”) and the City of Chillicothe and directing the Mayor of the City of Chillicothe to execute and deliver said Memorandum to PMEG.

WHEREAS, the Memorandum of Understanding approved on August 9, 2021 was executed by the Mayor of the City of Chillicothe and delivered to PMEG, but was not executed by PMEG, who has proposed a revised Memorandum of Understanding.

WHEREAS, the City Council has determined it is necessary and in the best interests of the City of Chillicothe and the health, safety, and welfare of its citizens to enter into the revised Memorandum of Understanding Detailing the Fiduciary Agreement Between the Multi-County Narcotics Enforcement Group and the City of Chillicothe and establish all necessary procedures, guidelines, and powers in accordance therewith, as provided herein.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CHILLICOTHE, PEORIA COUNTY, ILLINOIS, AS FOLLOWS:

Section One: The foregoing recitals and the findings therein are hereby adopted by the City Council and are incorporated herein by reference in their entirety.

Section Two: The City Council hereby approves the Memorandum of Understanding Detailing the Fiduciary Agreement Between PMEG & CPD (“MOU”), which is attached hereto as Exhibit A and incorporated herein by this reference.

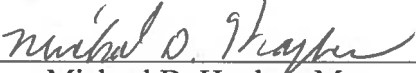
Section Three: The Mayor of the City of Chillicothe is hereby authorized and directed to execute the MOU and deliver same to PMEG.

Section Four: The Chillicothe Police Department, by and through its Chief of Police, shall perform all fiduciary requirements in accordance with the MOU and all relevant state, federal, and local statutes, laws, regulations, ordinances, rules, and guidelines, and such procedures and protocols established by the City Council.

Section Five: This Ordinance shall be effective immediately upon passage, approval and publication as may be required by law.

PASSED AND APPROVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CHILLICOTHE, PEORIA COUNTY, ILLINOIS this 13th day of December, 2021.

Ayes: Six (6)
Nays: None (0)
Absent: Two (2)



Michael D. Hughes, Mayor

Attest: 

Margaret Hurd, Clerk



EXHIBIT A

Memorandum of Understanding Detailing the Fiduciary Agreement Between PMEG & CPD

The Chillicothe Police Department (CPD) has agreed to act as a fiduciary on behalf of the Multi-County Narcotics Enforcement Group (PMEG). This agreement outlines the fiduciary requirements for CPD for receiving, maintaining, and expending funds awarded to PMEG through the United States Department of Justice (Justice) and United States Department of the Treasury (Treasury) Equitable Sharing Program (Program):

Participation

- CPD must be a compliant Program participant and must be a member of PMEG.
- CPD understands that no federal agency personnel, if involved, may have command or control over or direct the use of Program funds. CPD may receive Program funds as a result of its participation in PMEG as well as funds awarded based on its assistance in other investigations.

Maintenance of Funds

- CPD must ensure that a separate account or account code is maintained solely for Justice and solely for Treasury.
- All CPD awarded funds, regardless of whether awarded on behalf of PMEG participation or other investigations, are maintained in each respective Justice or Treasury account.
- When awarded funds are wirelessly deposited into CPD's forfeiture account, CPD will transfer PMEG's portion to the Fiduciary – M.E.G. Account #1133985 per the PMEG Equitable Sharing Memorandum of Understanding.
- CPD will ensure that Program funds are not commingled with funds from any other source, including other federal funds, state forfeiture, Organized Crime Drug Enforcement Task Force reimbursements, or general funds.
- CPD will submit an Equitable Sharing Agreement and Certification (ESAC) form through the Justice eShare Portal within 60 days of the end of CPD's fiscal year.

Expenditures

- All expenditures in support of PMEG and CPD must be approved by the PMEG agency head or designee and must be in accordance with the Justice's Guide to Equitable Sharing for State and Local Law Enforcement Agencies (Guide) and any subsequent updates, as well as all jurisdiction purchasing policies.
- All expenditures of federally shared funds will follow PMEG's jurisdiction procurement policies.
- All checks for expenditures shall be signed by both the CPD Chief and the PMEG Treasurer or any member of the PMEG executive board.

Compensation

- In order to recoup administrative expenses incurred as a result of performing the tasks associated with fiduciary duties, CPD will be paid 5% per eligible seizure as defined in the Equitable Sharing Memorandum of Understanding. This payment will be in addition to any funds awarded to the Chillicothe Police Department as designated by the aforementioned Memorandum of Understanding.
- Any cost incurred by CPD in regards to the fiduciary duties and requirements will be reimbursed by PMEG.

Compliance and Audits

- All expenditures in support of PMEG and CPD must be reported on the Schedule of Expenditures for Federal Awards (SEFA) under Catalog of Federal Domestic Assistance (CFDA) number 16.922 for Justice and 21.016 for Treasury for inclusion in the jurisdiction's Single Audit.
- Transfers of Program funds to other member agencies are prohibited. A waiver from the Justice Money Laundering and Asset Recovery Section (MLARS) or Treasury Executive Office for Asset Forfeiture (TEOAF) must be obtained if a transfer be needed. Any authorized transfer of funds is subject to sub-recipient monitoring requirements, pursuant to the OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) 2 CFR Part 200 Section 200.330-332.
- All accounting practices and internal controls must be in accordance with the Guide and Uniform Guidance, 2 CFR Section 200.303.

Dissolution

- In the event PMEG disbands, all funds awarded to CPD shall remain with CPD unless an agreement to transfer remaining PMEG earmarked funds to the member agencies is made between all participants. A waiver must be obtained from MAARS or TEOAF to transfer any funds and all transferred funds will be subject to sub-recipient monitoring.

By signing below, CPD acknowledges that each party understands this agreement and will comply with all policies set forth in the Guide and the Uniform Guidance.

I agree to comply with all policies and requirements set forth in the Guide and the above agreement. I understand that violations of this policy may result in temporary or permanent suspension from the Program.


Signature

MAYOR
Title

CHILICOTHE
Agency

12/24/21
Date


Signature

Director
Title

PMEG
Agency

12/14/21
Date