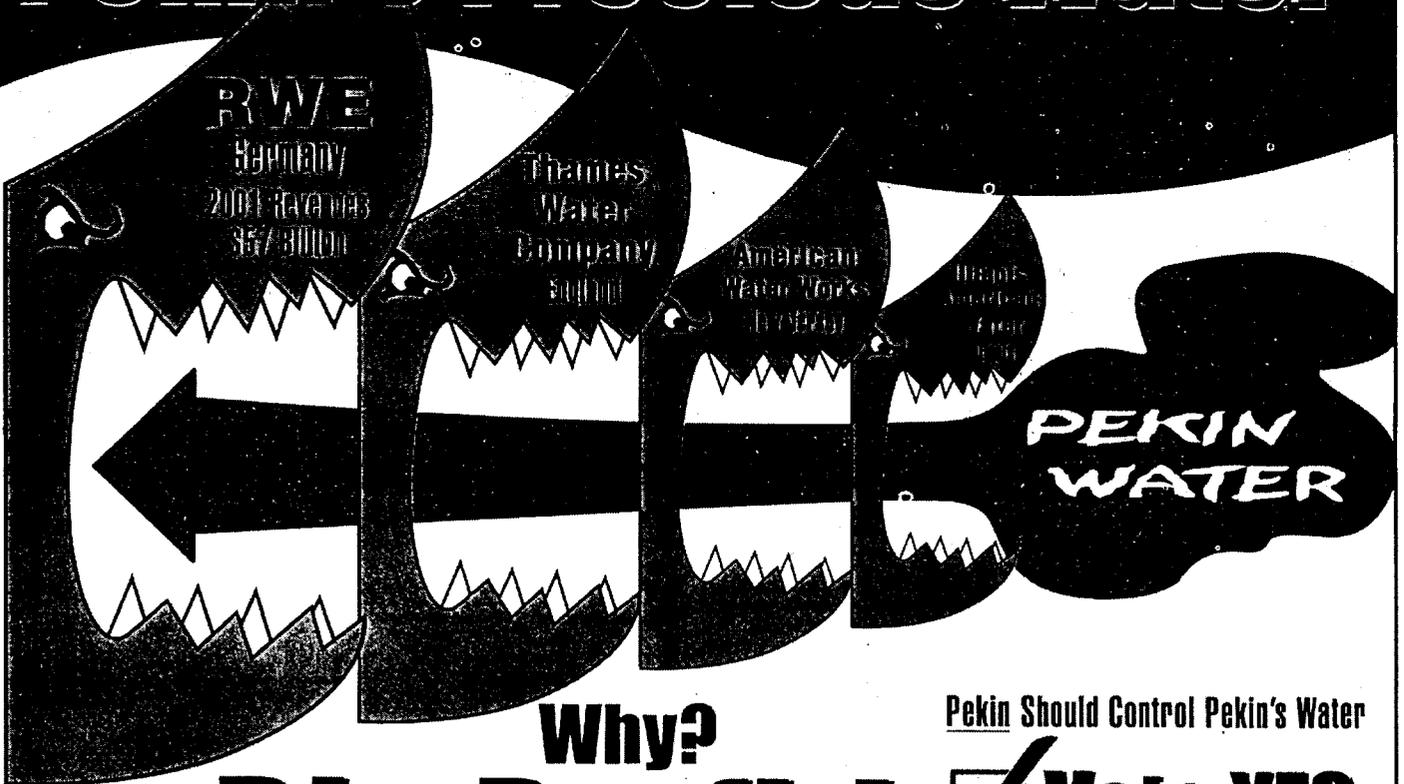


Everybody Wants Pekin's Precious Water



Why?
Big Profit!

Pekin Should Control Pekin's Water

Vote YES

FLCOW
For Locally Owned Water

Paid for by Citizens For Locally Owned Water, PAC, P.O. Box 832, Pekin, IL 61555-0832

Remember This?



You were told repeatedly by Illinois-American prior to the November 2000 election that Pekin's water system was **NOT FOR SALE**. Surprise! Less than a year later, American Water Works, parent company of Illinois-American announced they were selling the Pekin system to RWE, a utility giant in Essen, **GERMANY**.

Illinois-American wanted your opinion on whether it should sell the water system to the City of Pekin, but they didn't bother to ask your opinion if you wanted our water system to be sold to a **FOREIGN COMPANY**.

Ask Yourself This:

- What guarantee do we have that RWE won't sell off our precious water to other communities?
- Will RWE raise our water rates to pay for the 36.5% premium they paid American Water Works to buy their common stock?
- Will Pekin become a speck on the tail of RWE, a foreign conglomerate with 2001 worldwide revenues of \$57 billion dollars?

Pekin Should Control Pekin's Water



✓ Not Germany

Pekin Should Control Pekin's Water

**Break the water monopoly,
vote March 19th.**

Get The Facts
Watch Cable
Channel 22



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From RWE's 2001 Annual Report, page 15:

**“With the
high profitability
typical of
water operations,
the new business
will play a
prominent role
in RWE's value
enhancing strategy.”**

What more can we say. For the past 10 years we have been telling Pekin citizens that they are paying too much for their water service owned by Illinois-American Water Company. And now IA, along with their parent company American Water Works, is being sold to RWE, a utility giant in Essen, Germany.

RWE paid a 36.5% premium to buy the common stock of American Water. How long do you think it will be before that greed for "high profitability" finds its way to your water bill?

Pekin Should Control Pekin's Water



**“Under no
circumstances
will property tax
revenues be used
to acquire, operate
or maintain the
water company.”**

City Council Resolution Passed 2/11/02

Contrary to what you have been told by Illinois-American Water Company, your “property taxes will not be used to acquire, operate or maintain the water company” if purchased by the City.

Additional Resolution Provisions:

- A five year freeze on water rate increases, with a full public hearing before the City Council for any future increases after five years.
- Hire a private water management firm to operate the water company.
- Local employees of Illinois-American will have jobs offered and available to them thru a water management company.
- Payments in lieu of taxes made to affected taxing bodies losing tax revenue as a result of the city's acquisition, including Districts 108, 303, and any affected townships and the Pekin Park District.

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The City Has Demonstrated Sound Fiscal Responsibility

Property tax rates have decreased
from \$2.96 to \$1.19



Tax levy has gone from \$5.4 to \$3.6 million



City reserves have risen from \$6.9 to \$23.3 million



1,600 acres have been annexed
to the City of Pekin



All streets are on a 5-year maintenance schedule



1st time home buyers increased
ownership by 200 units

Ever since the current administration came into office in 1995, the City has stimulated growth and improvements in many areas. City ownership of Pekin's water system will provide additional means to help manage future growth. Pekin is the only city in Tazewell County that doesn't own its own water system. Nationwide, 90% of the water systems are owned by the city.

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