



**AGENDA**  
**COMMITTEE OF THE WHOLE MEETING**  
**Village Hall – Board Room**  
**Monday, September 28, 2015**  
**Immediately following Regular Village Board Meeting**

*Reasonable accommodations / auxiliary aids will be provided to enable persons with disabilities to effectively participate in any public meetings of the Board. Please contact the Village Administrative Office (847.883.8600) 48 hours in advance if you need special accommodations to attend.*

*The Committee of the Whole will not proceed past 10:30 p.m. unless there is a consensus of the majority of the Trustees to do so. Citizens wishing to address the Board on agenda items may speak when the agenda item is open, prior to Board discussion.*

**CALL TO ORDER**

**1.0 ROLL CALL**

**2.0 APPROVAL OF MINUTES**

- 2.1 Acceptance of the September 15, 2015 Committee of the Whole Meeting Minutes

**3.0 ITEMS OF GENERAL BUSINESS**

3.1 Planning, Zoning and Land Use

- 3.11 Preliminary Evaluation of a proposed Amendment to the existing Phase II Tri-State International Office Center Planned Unit Development (PUD) to permit a proposed 116-room Aloft Hotel at 20 Westminster Way (Marko Jovic)

3.2 Finance and Administration

- 3.21 Receipt and Consideration of Police Pension Fund Report (Village of Lincolnshire)

3.3 Public Works

- 3.31 Consideration and Discussion of Awarding a Bid to the Lowest Responsible Bidder, Green Acres Landscaping, Inc., for Landscape Corridor and Planting Area Maintenance Services at an Annual Cost of \$135,468.00 (Village of Lincolnshire)

- 3.32 Consideration and Discussion of Awarding of Bid to Alpha Building Maintenance Service, Inc., Homer Glen, IL, for Village Custodial Services at an Annual Cost of \$25,764.00 (Village of Lincolnshire)

3.4 Public Safety

3.5 Parks and Recreation

- 3.51 Consideration and Discussion of Park Board Recommendation to Approve the Lincolnshire Sports Association (LSA) Request to Share LSA Summer Baseball Tournament Revenues with the Village of Lincolnshire (Lincolnshire Sports Association)

3.6 Judiciary and Personnel

**4.0 UNFINISHED BUSINESS**

- 5.0 **NEW BUSINESS**
- 6.0 **EXECUTIVE SESSION**
- 7.0 **ADJOURNMENT**



**MINUTES  
COMMITTEE OF THE WHOLE MEETING  
Tuesday, September 15, 2015**

Present:

Mayor Brandt	<del>Trustee Feldman</del>
<del>Trustee Grujanac</del>	Trustee Hancock
Trustee McDonough	Trustee Servi
<del>Trustee McAllister</del>	Village Clerk Mastandrea
Village Attorney Simon	Village Manager Burke
Chief of Police Kinsey	Treasurer/Finance Director Peterson
Public Works Director Woodbury	Community & Economic Development
Management Analyst Shoukry	Director McNellis
Economic Development Coordinator Zozulya	

**ROLL CALL**

Mayor Brandt called the meeting to order at 7:34 p.m. and Village Clerk Mastandrea called the Roll.

**2.0 APPROVAL OF MINUTES**

**2.1 Acceptance of the August 24, 2015 Committee of the Whole Minutes**

The minutes of the August 24, 2015 Committee of the Whole Meeting were approved as submitted.

**3.0 ITEMS OF GENERAL BUSINESS**

**3.1 Planning, Zoning and Land Use**

**3.2 Finance and Administration**

**3.21 Receipt of Request from Citizens and Village Organizations Regarding Proposed Fiscal Year 2016 Budget (Village of Lincolnshire)**

Village Manager Burke provided a summary of the Village organizations annual requests regarding proposed fiscal year 2016 budget. Lake County Partners provided a request for annual membership. Village Manager Burke noted Maureen Reidy from Visit Lake County and Kristin Duncan from Lincolnshire Marriott Resort were in attendance to provide a summary of the Visit Lake County request.

Ms. Maureen Reidy, President of Visit Lake County provided a brief presentation regarding return on investment, events, and promotions for current year. Ms. Reidy provided specific examples of her organization's work to promote travel and tourism in the Village of Lincolnshire and

noted Visit Lake County is requesting the Village contribute \$25,000 in 2016.

Ms. Kristin Duncan, General Manager of the Lincolnshire Marriott provided information regarding the impact Visit Lake County has on the Marriott. Ms. Kristin Duncan asked the Board to consider the budget request from Visit Lake County

Trustee Hancock asked if any of the revenue received by Visit Lake County is used for direct advertising. Ms. Reidy noted a direct advertising campaign is done in the summer including social media and sales to encourage group business.

Mayor Brandt noted the request will be discussed during the budget meeting.

Mr. Loren Minkus, resident at 450 Village Green, representing Lincolnshire Place homeowners, noted their request is for a pedestrian activated stop sign at the crosswalk between Village Green North and Village Green South. Mr. Minkus stated 75% of the residents at Lincolnshire Place signed a petition for this stop sign.

Mayor Brandt stated Olde Half Day Road is the Illinois Department of Transportation's (IDOT) jurisdiction and asked if the request would need to be made to IDOT. Public Works Director Woodbury noted he is in the process of working with IDOT on corridor signals and will ask the question about the proposed stop sign. Public Works Director Woodbury stated he believes an engineering study would need to be done and ultimately this would be IDOT's decision.

Trustee McDonough asked what the residents would want at this crosswalk. Mr. Minkus stated the desire is to have a pedestrian activated stop sign. Public Works Director Woodbury provided the Board with photos of a pedestrian activated stop sign. Public Works Director Woodbury stated a line item has been identified in the 2016 budget; however, this would have to be approved by IDOT in order to move forward.

Mayor Brandt noted the same amounts have been allocated in the proposed 2016 budget for special events as was allocated in the past. Mayor Brandt asked if the funds should be managed by the Village for these events since the Lincolnshire Community Association (LCA) has pulled back substantially. Village Manager Burke noted there has been no formal request submitted by LCA for 2016 and they have not submitted an invoice as of yet for 4<sup>th</sup> of July 2015.

Trustee Servi noted he received resident concern regarding lack of a crosswalk at Jamestown Lane and would like to discuss this issue during the budget meetings. Mayor Brandt noted this issue is also IDOT related. Village Manager Burke noted Public Works Director Woodbury

included a capital request in the budget to be discussed. One of the challenges is there are currently no sidewalks at this location but discussions of extending the pathways along the corridor are in the goals for discussion.

Trustee McDonough asked for clarification in the calculation for the proposed donation for Visit Lake County. Community & Economic Development Director McNellis stated Visit Lake County requests \$25,000 for Fiscal Year 2016. He noted, however, in Fiscal Year 2015 \$15,000 was budgeted for the Village's annual contribution, and \$5,000 additional was included for marketing making the total current budget amount of \$20,000.

### **3.22 Consideration and Discussion of Village of Lincolnshire Goals for Fiscal Year 2016 (Village of Lincolnshire)**

Village Manager Burke provided a summary of the 2016 goals which have been developed by staff as well as based on discussions by the Board throughout the year.

Mayor Brandt noted her opinion would be for staff to prioritize trees as a goal and suggested increasing spending of tree bank funds. Mayor Brandt suggested putting a formal program in place for tree issues. A brief conversation followed regarding what is currently being done regarding tree plantings, replacement and removal of dead trees. Public Works Director Woodbury noted there is a Tree Adoption Program in place, and funds budgeted for tree plantings annually.

Trustee Hancock asked if budget consideration is being made for development of the business district corridors in the Village and would this be part of the budget discussions or goals of the Village. Village Manager Burke noted the "Central Area Plan" will be considered to address pedestrian access and identify development opportunities or redevelopment opportunities in the Village's major commercial areas. Community & Economic Development Director McNellis stated the plan is identified as the "Central Area Plan" because it involves a multitude of areas. Community & Economic Development Director McNellis stated the idea is to take the central core along Milwaukee Ave and look at different areas, in different ways to see what type of development and view the Village wants them to be for long-range planning.

Mayor Brandt noted she would like to establish a goal of having a Community Calendar in order to provide help for community events.

Trustee Hancock asked for staff to look at how signage is development for retail space since it all appears to be different. Community & Economic Development Director McNellis stated the signs for each retail area are approved depending on the centers' area of special sign control which is different for each commercial center. A brief conversation followed regarding the signage process, the different

centers, different variances and the current sign code. It was suggested Trustee Hancock attend the next Business Roundtable event to get information and meet the businesses involved.

**3.23 Consideration and Discussion of an Ordinance Authorizing the Sale of Surplus Property (Village of Lincolnshire)**

Village Manager Burke provided a summary of the proposed ordinance authorizing sale of surplus property presented to the Board approximately every six months.

There was a consensus of the Board to place this item on the Consent Agenda for approval at the next Regular Village Board Meeting.

3.3 Public Works

3.4 Public Safety

**3.41 Consideration and Discussion of a Request to Approve the STARCOM21 User Agreement to Allow Police Department to Join Motorola's STARCOM21 Radio Network (Village of Lincolnshire)**

**3.42 Consideration and Discussion of a Request to Authorize Police Department Purchase of Twenty-Eight (28) Motorola APx6000 Portable Radios at a cost of \$93,438 (Village of Lincolnshire)**

Mayor Brandt opened items 3.41 and 3.42 together.

Chief of Police Kinsey provided an update from the August 10, 2015 Committee of the Whole meeting and summary of the proposed request for approval of the STARCOM21 User Agreement and Police Department purchase of twenty-eight Motorola portable radios. Chief of Police Kinsey stated since this is a state mandate funds were not budgeted in 2015 so Motorola has agreed to defer payment until May of 2016.

There was a consensus of the Board to place these items on the Consent Agenda for approval at the next Regular Village Board Meeting.

3.5 Parks and Recreation

3.6 Judiciary and Personnel

**4.0 UNFINISHED BUSINESS**

**4.1 Continued Consideration of Lincolnshire Brand Design Options (Village of Lincolnshire)**

Village Manager Burke provided an update and summary of the Lincolnshire brand design process. It is the opinion of staff that the branding options have come a long way since the April 2015 meeting. Village Manager Burke

reiterated the Lincolnshire “L” is expected to co-exist with the new brand identity and not be abandoned entirely.

Mr. Jay Sharman, CEO and Founder of Teamworks Media provided a presentation regarding the proposed brand design options. Mr. Sharman noted a new brand would be rolled out over time.

Trustee Hancock asked if Teamworks Media reached out to residents and commercial for feedback. Mr. Sharman stated the residents’ response of what they felt Lincolnshire represented was green, green space, open space, and nature. Commercial feedback was that residents are not as supportive as they would like them to be; and there is not a downtown or central gathering place. Corporation feedback was that they like being in Lincolnshire but there is a want to improve relationships.

Mr. Sharman continued his presentation highlighting different proposed logos. Trustee Hancock asked if there was any consideration to include a picture of a school in the logos instead of commercial buildings. Mr. Sharman stated putting a school in the logo was not considered or incorporated in any of the proposed logos. Mr. Sharman stated that if the Village maintains the current logo, updates are recommended.

Trustee Hancock provided feedback related to each logo and stated his opinion was to attract younger families to Lincolnshire and feels this is being missed in the current design options. Trustee Hancock expressed concern that people do not get an idea for what Lincolnshire is from the logos presented.

Ms. Carol Summerfield provided some background into logo three/the multi-colored trees which evolved from the last meeting.

Trustee Hancock stated he did not think any of the logos communicated the full aspects of the Village. Ms. Summerfield noted it is difficult for a logo to communicate everything about the Village so Teamworks Media focused on who the intended audience is; what the outreach is and then they try to match this with the Communication Plan to help mirror the logo with the message. Trustee McDonough asked if the Communication Plan would be written by staff. Ms. Summerfield stated part of Teamworks Media’s contract is to write and implement the Communication Plan. Trustee McDonough asked if there was any logic in writing the Communication Plan first then coming back to match the logo to fit the plan. Ms. Summerfield noted the plan can be done first but the question remains, what is the primary communication point and what does the Village want the message to say about Lincolnshire since all of this comes with the message or story Teamworks Media would want to use in the creation of the plan.

Trustee Hancock noted the Board needs to determine the primary market out of four identified; retail, commercial, residents, and visitors.

Trustee Servi commented on the logos and stated he would like the current logo to be updated and pop. Trustee Servi noted he thought more work needed

to be done before a logo is decided and his opinion was none of the proposed logos are what the Village is looking for at this time.

Mayor Brandt asked if staff had any thoughts regarding the proposed logo designs.

Community & Economic Development Director McNellis stated this is a personal choice and his personal preference was logo three in different tones of green.

Economic Development Coordinator Zozulya noted her personal preference of what Teamworks Media presented was logo two or logo three and provided reasons for her preferences. Economic Development Coordinator Zozulya noted that during her business visits there has been a sense of excitement around the re-branding. Staff agrees with Teamworks Media that branding has to tell a story and the design of a logo is only part of the story.

Public Works Director Woodbury noted his personal preference was logo two.

Village Manager Burke noted the proposed branding was not taken on to bring change for change sake. Staff is working to get the vision of the Board and hopes the brand update can be executed to convey what the Board wants the Lincolnshire story to be. Village Manager Burke noted it was his opinion the current brand does not tell a story or a message of the Village. Village Manager Burke noted his opinion was that logo number one would be changing for change's sake.

Trustee Hancock noted his opinion would be to get a Marketing Plan prior to changing a logo. Trustee Hancock stated the branding is central to recent development discussions among the Village Board and finding out what the Board feels about the vision for the community will make it more apparent to whom we want to be as a Village.

Mayor Brandt noted several Trustees are absent from the meeting and suggested putting this on the next agenda under unfinished business. Mayor Brandt summarized noting proposed logs two and three are the desired logos with more greens from current discussions. Mayor Brandt suggested putting the Village Hall tower into proposed logo two rather than reflecting a commercial type building.

It was the consensus of the Board to place this item on the next agenda under unfinished business for further consideration and discussion.

## **5.0 NEW BUSINESS**

### **5.1 Budget Meeting Dates**

Mayor Brandt noted proposed budget meeting dates were submitted to the Board and asked if all the Board responded. Village Manager Burke stated he was still waiting for three responses but all three dates are available to all who did respond.

**5.2 News Article – Motorola Solutions**

Mayor Brandt noted she read an article that Motorola Solutions was moving to Illinois and asked if there is a chance they are moving to Lincolnshire.

Trustee McDonough noted it was announced today that they are moving to 500 W. Monroe, Chicago

**5.3 Brampton Lane Medians**

Mayor Brandt reminded the Board Mr. Kelley, resident on Brampton Lane came to a meeting requesting the medians by his house be removed. Mayor Brandt noted much of the foliage has currently been removed and asked if the medians would be left empty.

Public Works Director Woodbury noted low growing plant materials will be planted in the spring.

**6.0 EXECUTIVE SESSION**

**7.0 ADJOURNMENT**

Trustee McDonough moved and Trustee Servi seconded the motion to adjourn. Upon a voice vote, the motion was approved unanimously and Mayor Brandt declared the meeting adjourned at 9:24 p.m.

Respectfully submitted,

**VILLAGE OF LINCOLNSHIRE**

Barbara Mastandrea  
Village Clerk

**REQUEST FOR BOARD ACTION**  
**Committee of the Whole**  
**September 28, 2015**

<b>Subject:</b>	Aloft Hotel - PUD Amendment
<b>Action Requested:</b>	Preliminary Evaluation of a proposed Amendment to the existing Phase II Tri-State International Office Center Planned Unit Development (PUD) to permit a proposed 116-room Aloft Hotel at 20 Westminster Way
<b>Petitioner:</b>	Marko Jovic
<b>Originated By/Contact:</b>	Stephen Robles, AICP - Village Planner Department of Community & Economic Development
<b>Advisory Board Review:</b>	Village Board, Architectural Review Board

**Background:**

- The subject property is located at 20 Westminster Way, immediately south of Homewood Suites, within the Phase II Tri-State International Office Center Planned Unit Development (PUD), as illustrated in the attached Location Map.
- A 36-unit condominium building was approved for the vacant property in July 2007 (Ordinance No. 07-2992-20). However, the condominium project never secured building permits and approval was revoked since construction had not begun within 3 years from approval (per Section 6-14-11(G)).
- A previous Aloft Hotel proposal, with 138 rooms at 85 ft. tall, received preliminary PUD approval at the CityPark development on June 9, 2008 (Ordinance No. 08-3039-22). Subsequent final PUD plans were never submitted, resulting in the revocation of the preliminary PUD approval.

**Preliminary Evaluation Summary:**

- The applicant seeks to amend the existing Phase II Tri-State PUD, approved by Ordinance No. 86-866-03, to develop a 116-room Aloft Hotel and 3,000 square foot restaurant (see attached presentation packet).
- Unlike typical PUD's, the Tri-State PUD does not contain permissible land uses and development regulations for each parcel; rather the Annexation Agreement contains the regulatory standards. However, the Annexation Agreement expired on January 13, 2006. Therefore, this request would establish the land use and development standards specific to the subject parcel.
- Based on the attached concept plan, the following exceptions to the bulk regulations of the Zoning Code would be required:
  1. Building height increase from 42' to 45' (B2 permits maximum 42' building height). *The previously approved condo building at the site was approved at 44 feet tall.*
  2. Off-street parking located within the front yard setback (Village Code prohibits off-street parking in the front yard setback). *Parking within front yard setback is consistent with the adjacent Homewood Suites hotel to the north.*
  3. Reduction in off-street parking spaces to 147 (157 spaces would be required based on preliminary site data).
- Following this preliminary evaluation meeting, the development review process would be as follows:
  1. Architectural Review Board (ARB) consideration of the site development plans.
  2. Village Board public hearing Amending the Planned Unit Development (PUD) and consideration of ARB recommendation.

**At the ARB meeting, Staff intends to raise and discuss the following items:**

1. Architecture: The conceptual building elevations reflect Aloft Hotel's prototypical corporate building architecture, rather than incorporating materials consistent with Lincolnshire's character. As with the previously proposed Aloft Hotel at CityPark, Staff will collaborate with the applicant to discover acceptable building materials prior to ARB review. The approved building design for the Aloft Hotel at CityPark is attached for reference.
2. Vehicular Circulation: Primary vehicle access would be provided via the adjacent Homewood Suites hotel to the north, through an existing shared access easement. A second entry proposed from Westminster Way provides access to underground parking below the hotel. As shown in the attached site plan, this secondary access is disconnected from the internal parking lot resulting in additional traffic on Westminster Way. Staff will work with the applicant to explore the feasibility of connecting the parking lot with the ramp for improved internal circulation.
3. Parking: Based on the conceptual site data 157 parking spaces will be required per Village Code. 147 parking spaces are proposed; 105 surface parking and 42 underground parking spaces. Code required parking is partially based on an assumed maximum number of hotel employees, which will be confirmed by the applicant prior to ARB review. Additionally, the proposed 3,000 square foot restaurant contributes to the required parking total, which raises Staff concerns about this additional use if code required parking cannot be provided on-site.
4. Traffic Impact Study: Based on the increased traffic generated by the upcoming occupancy of CDW at 25/75 Tri State International, as well as future occupancy of Medline Industries at the Medline Campus (formerly Hewitt Half Day Campus), a traffic impact study of the Route 22/Westminster Way intersection may be needed to determine the potential traffic increases at this intersection from this proposal.
5. Building Height: The included cover letter notes a 45' maximum building height, 3' taller than the 42' maximum building height permitted in the B2 District. The building elevations in the attached presentation packet are prototypical Aloft Hotel elevations and illustrate a 66'-2" tall building. Per the Petitioner, the attached elevations do not reflect the final hotel design/building height and assures the hotel will not exceed 45' in height. This would require a reduction in the number of floors in the building. Site specific building elevations will be developed following Preliminary Evaluation for ARB review.

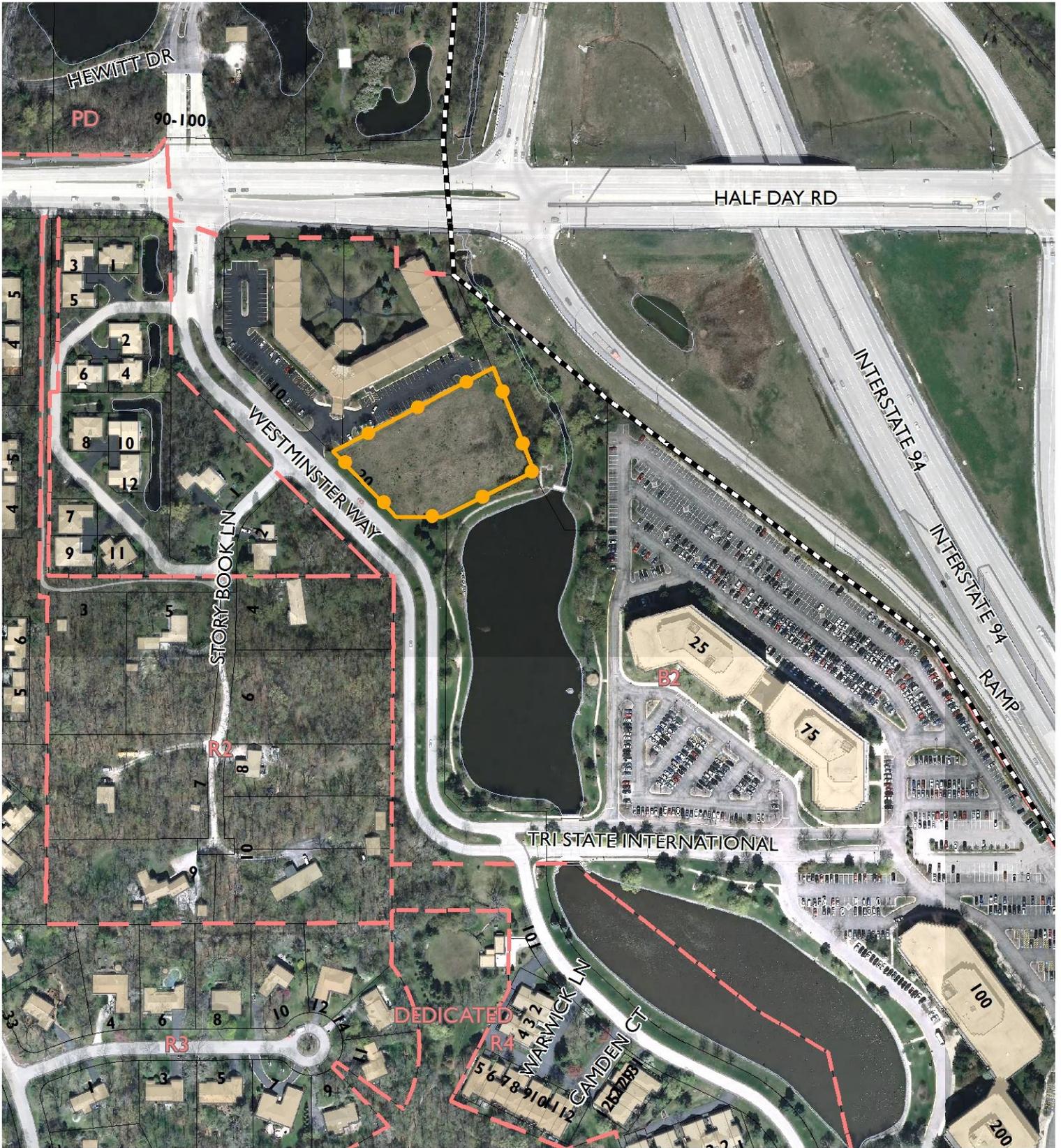
**Recommendation:**

Preliminary Evaluation feedback from the Village Board of the proposed uses and conceptual development plans prior to ARB review of Preliminary Development Plans.

**Reports and Documents Attached:**

- Location Map, prepared by Staff.
- Presentation Packet, submitted by Marko Jovic.
- Aloft Hotel at CityPark approved building elevations.

<b>Meeting History</b>	
Current Village Board Evaluation (COW):	September 28, 2015



MARKO JOCIC  
41 SE 5<sup>th</sup> St. #1205  
Miami, FL 33131

September 22, 2015

**Mayor – Village of Lincolnshire**

The Honorable Elizabeth Brandt

**Trustees – Village Of Lincolnshire**

The Honorable Karen Feldman

The Honorable Mark Hancock

The Honorable Tom McDonough

The Honorable Dan Servi

The Honorable Mara Grujanac

The Honorable Patrick McAllister

**RE: Letter of Request - Development of a 116 - unit Aloft hotel  
20 Westminster Way  
Lincolnshire, Illinois 60069**

Dear Mayor Brandt and Trustees:

Through several meetings and discussions with the Community and Economic Development, I am pleased to present you and the Village of Lincolnshire with plans and ideas for the development and operations of a 116-unit Aloft hotel near the intersection of Half Day Road and Westminster Road in Lincolnshire.

The analysis presented in this Letter of Interest is preliminary in nature and subject to additional review and consideration by the Village of Lincolnshire and myself.

In the following paragraphs we will outline our initial development program.

**Physical Development Proposal:**

Full-service 116-unit Aloft hotel would total approximately (58' x 191'), within a height of (45') building. We would anticipate that the "footprint" of the building fit the village zoning code. The plan for the hotel includes 147 parking spaces. The included elevations are an Aloft prototype for presentation purposes. The site specific elevations will be created after the preliminary review.

The hotel prototype includes a business center, an indoor swimming pool, cardio-exercise area, and a kitchen that services a breakfast restaurant and lobby bar. As a full-service hotel, room service will be available for hotel guests, as will a small meeting room. The hotel will also feature complimentary local transportation provided by hotel-operated buses.

In addition, the hotel lobby will include a 3,000 square foot restaurant. The restaurant will be leased and operated by a national corporate tenant. The restaurant will appeal to the hotel guests, local businesses, and members of the community by providing high quality food, outstanding professional service and an attractive ambiance. Indoor and outdoor seating will be provided to our guests, while overlooking gorgeous views of the pond and garden. This restaurant will be a vibrant, comfortable, and conversational atmosphere that will serve reasonably priced food and drinks for lunch and dinner. The following restaurants, along with a few others, have been taken into strong consideration: Capital Grille, Seasons 52, Bonefish Grille, and Eddie V's.

**Design Proposal:**

The hotel facility would be designed to incorporate an inviting street décor package that would be pedestrian friendly and inviting to area residents, hotel guests, and visitors to the local area office buildings.

My architect and I intend to work with the village to complete an overall exterior treatment of the facility, which would accommodate the business as well as the community. I plan to find a combination of natural stone, brick, and exterior treatments, which would be acceptable by the village.

\*\*\*The development team understands that many stakeholders are involved in the development of the facility, and we are willing to take direction on the design of the building from various public sources.\*\*\*

**Project Schedule:**

We expect that planning would commence immediately upon your preliminary concept approval and that formal presentation and construction would take place by spring of 2016. Project completion is anticipated in summer of 2017.

**Additional Notes:**

This hotel would be beneficial for the village because it would generate substantial tax revenue, create new job opportunities, and will form synergy with local businesses and schools.

Since my property is directly off the expressway, it would make for an attractive location for a hotel. There have not been any new hotels built in the Lincolnshire area in the last 15 years. I have several hotel franchises, operators, and investors who are interested in the project, all dedicated to build an upscale hotel to accommodate the high-income community. Neighboring hotels have been successful due to the several local businesses in the area, including:

BioSante Pharmaceuticals, Hewitt Associates, Automated Technologies, Baxter Healthcare Corporation, Discover Financial Services, Takeda Pharmaceuticals, Walgreens Corporation, W.W. Grainger Inc., Abbott Laboratories, Hospira, Inc., Condell Medical Center, Six Flags America/Hurricane Harbor, AON Corporation, LG Electronics USA, Inc., ACCO Brands, George Fischer Corporation, Sysmex America, Inc., Siemens Industry Inc., Trinity International University, Siemens Healthcare Solutions USA, Inc., APAC Customer Services, Inc., Reynolds, Consumer Products, Chicago Executive Airport.

If you and the Village Council require any additional information or have any questions about the overall development, please feel free to call me at 847-846-5545, or by email [marko9jocic@yahoo.com](mailto:marko9jocic@yahoo.com).

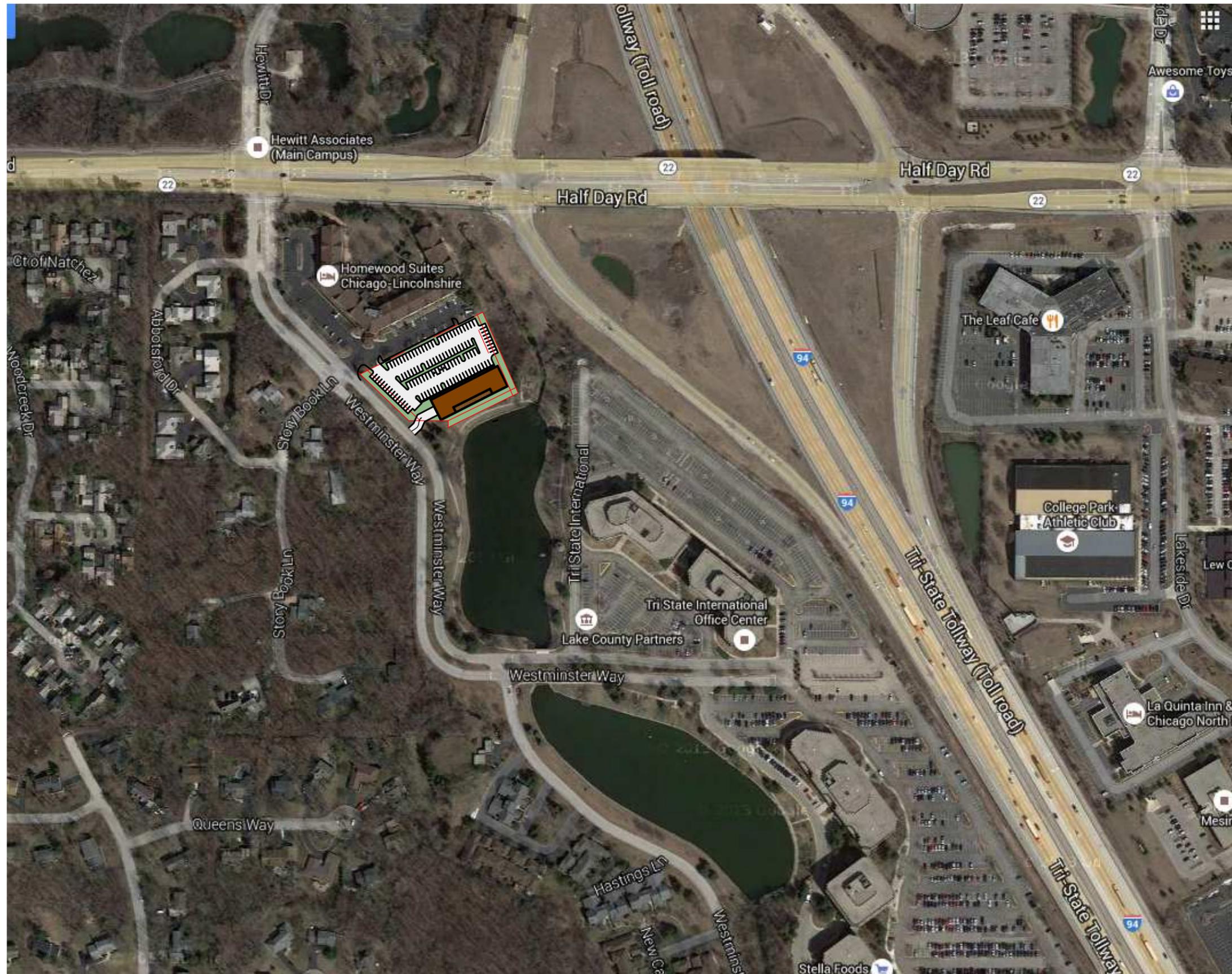
Best Regards,

*Marko Jocic*

Marko Jocic

Proposed Hotel Project

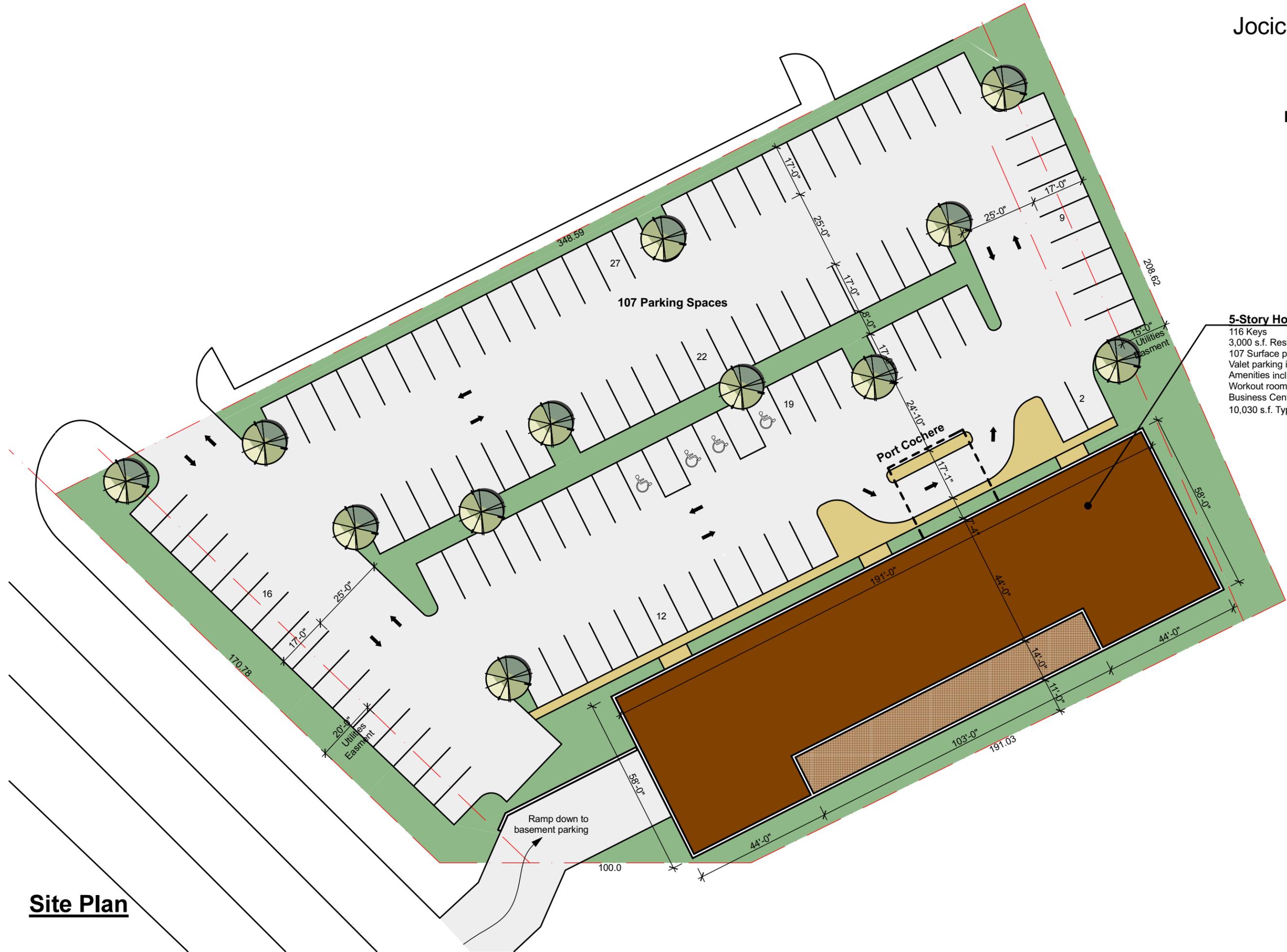
Lincolnshire, IL  
7/8/2015



Area/Context Map

Proposed Hotel Project

Lincolnshire, IL  
9/20/2015



- 5-Story Hotel**
- 116 Keys
  - 3,000 s.f. Restuarant
  - 107 Surface parking spaces
  - Valet parking in basement, 40 spaces
  - Amenities including indoor pool
  - Workout room
  - Business Center
  - 10,030 s.f. Typical Hotel Floor

**Site Plan**



Exterior



## ENTRY

Our entry experience is designed to help guests leave behind the boring and beige and enter into an experience that is anything but ordinary. The vivid colors of our trademark roof “swoof” act as a beacon to all who are open to adventure. The trademark “speed stripes” on the porte cochere greet guests before they even set foot in the hotel.

Just inside the doors, everything changes. In the entry vestibule, the sound of water from the water feature washes away the sounds of the outside. Those who take a moment to stop and look around are rewarded with surprise & delight: a time capsule. Embedded in the wall is a small door with a window partially revealing the objects cached by Aloft associates at the hotel opening - with a pledge to keep it locked for 50 years.

Underfoot, a walk-off mat that has a functional purpose of capturing the moisture & dust of the outside becomes a catwalk, a moment of entry that leads you right to the signature round desk of reception.

GUEST  
EXPERIENCE  
—

PUBLIC  
SPACE

GUESTROOMS

STORYTELLING  
STRATEGY



# Guestrooms

## CONCEPT

Savvy style continues into the guestrooms with a smart use of space and materials. Nine-foot-high ceilings give an airy feel to a compact footprint. The idea of wall-free loft living is evident: the furniture itself creates the wall that divides the sleeping space from the bath space with modular furniture that incorporates everything that guests need. The closet contains drawers and shelves for easy organization. The headboard has artwork (selected from a menu of choices), lighting, nightstands and outlets built in.

Urban sophistication is in every detail. A platform, triple-sheeted bed gives a sleek look. The bench juxtaposes reclaimed wood against brightly colored legs. The ergonomic desk chair has sleek lines and bold color. And larger rooms have a Fatboy beanbag – a fun way to bring in additional seating.

Thoughtful touches delight the guest: A bed that faces the window allows guests to enjoy the view while resting. An unexpected splash of vivid color in the bathroom. A hidden message in the roller blind that, when rolled down, reveals the word “goodnight” in seven languages.

It all comes together to create a room that feels lofty, fun and stylish while remaining efficient, compact and cost-effective.



GUEST  
EXPERIENCE

PUBLIC  
SPACE

**GUESTROOMS**

STORYTELLING  
STRATEGY

# Guestrooms

## BATHROOM

The bathroom is designed in two parts. The open, knocked-down wall area of the vanity & closet area, and the more private bathroom & shower area, concealed behind a sliding barn door. Modern and super organized, the vanity & closet area is sleek and streamlined and contains an unstocked mini-fridge for guests' convenience.

The bathroom area is wrapped in a ceramic tile that mimics weathered wood planks, giving a very industrial look. An open feel is created with a glass shower door, paired with a frosted window between the shower and the guestroom that lets in daylight. Happy surprises abound: vivid orange paint on the toilet area wall, and in-shower dispensers filled with fragrant Bliss Spa® bath amenities that indulge guests, while reducing the waste of discarded bottles.



GUEST  
EXPERIENCE

PUBLIC  
SPACE

GUESTROOMS

STORYTELLING  
STRATEGY

## RECEPTION

Our round reception desk is iconic Aloft with a mix of style and savvy. Pulled away from the wall and centrally placed in the open space, with no “front” or “back,” the desk offers 360-degree clear sight lines to the entire lobby space. This allows the hotel to get maximum value out of a reduced staff.

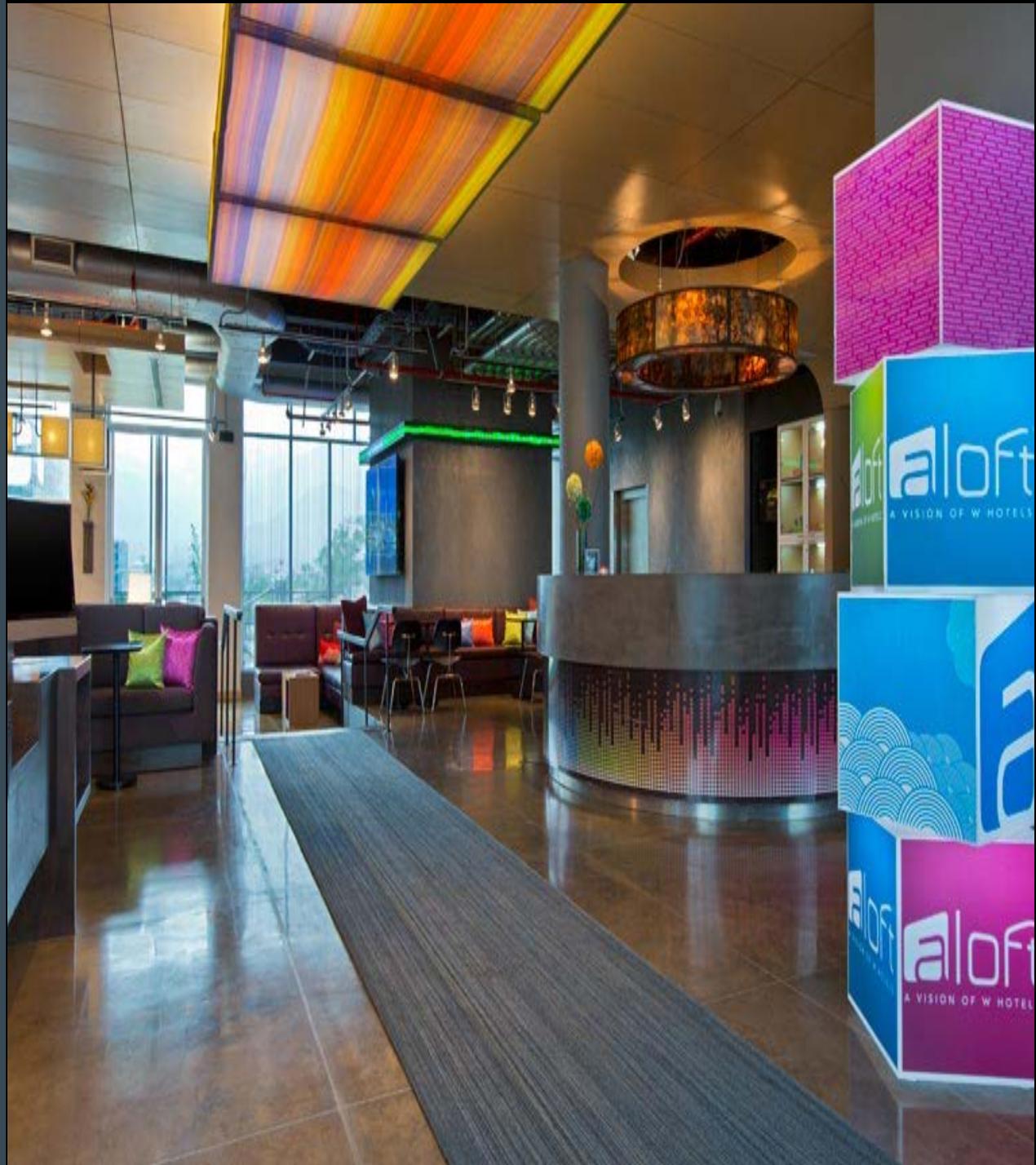
The desk has a sleek poured concrete top and is wrapped with a bold, backlit graphic that is updated four times a year as part of our seasonal programming. A large-scale, decorative light fixture hovers above the center of the desk, and a uniquely shaped mirror – either faceted or fish-eye – gives staff an even wider view of the public space. They can see guests approaching them from behind and can turn around and greet them.

GUEST  
EXPERIENCE  
—

PUBLIC  
SPACE

GUESTROOMS

STORYTELLING  
STRATEGY



GUEST  
EXPERIENCE

PUBLIC  
SPACE

GUESTROOMS

STORYTELLING  
STRATEGY

## RE:FUEL BY ALOFT<sup>SM</sup>

Aloft's answer to 24/7 grab & go gourmet, Re:fuel is designed to deliver quality items – a freshly made breakfast sandwich, good cappuccino – in an efficient space. A menu board informs the flow of the space and leads to a window where guests place their orders. A table in the center is filled with artfully arranged edibles.



GUEST  
EXPERIENCE

PUBLIC  
SPACE

GUESTROOMS

STORYTELLING  
STRATEGY

## RE:MIX<sup>SM</sup> LOUNGE

With big lounge chairs comfy enough to linger in, a pool table, a countertop table and plenty of electrical outlets to charge up devices – this is where work meets play. Guests relax, have a bite, catch up on e-mail and become part of the lobby scene.

An artwork-hanging system makes it easy to display and change out locally created work, which brings in art lovers and scene makers from the community. Modern screens delineate the space while preserving the free-flowing openness of the lobby.



## W XYZ® BAR

By day, a bright, open lounge area. By night, a bar abuzz with life. Located adjacent to, but a level down from, Re:mix lounge, W XYZ bar is designed for chilling out in comfort and draws guests out of their rooms to work, eat, drink and enjoy the experience.

A major feature is the back bar's rotating "cages," which flip closed during the day to display a cheerful graphic and give the area a bright, energetic feel. At twilight they flip open to display the bottles, LED candles are put out, and an electric vibe of nightlife fills the space.

Grouped seating breaks up the open space and provides a bit of privacy for guests or groups. Comfy banquettes come with a collection of slipcovers designed to be changed out seasonally – a clever way to visually freshen the space and extend the life of the fabrics. Seasonal throw pillows are changed out four times a year to keep things novel and stylish.

Connecting the space to the outdoor Backyard, a double-sided fireplace invites guests to linger and gaze.



GUEST  
EXPERIENCE

PUBLIC  
SPACE

GUESTROOMS

STORYTELLING  
STRATEGY

GUEST  
EXPERIENCE  
—

PUBLIC  
SPACE

GUESTROOMS

STORYTELLING  
STRATEGY

## BACKYARD

The energy continues outside into the Backyard. With all-weather seating in a modern design and a double-sided fireplace that peeks into W XYZ bar, this is an ideal place to enjoy a summer evening or catch a Live at Aloft Hotels performance. This outdoor hangout space overlooks Splash pool.



GUEST  
EXPERIENCE  
—

PUBLIC  
SPACE

GUESTROOMS

STORYTELLING  
STRATEGY

## RE:CHARGE<sup>SM</sup> GYM

Our self-expresser guests appreciate a generously sized fitness area. So we deliver. High ceilings with exposed mechanicals and big windows overlooking the pool and Backyard create a nice facility to house LifeFitness cardio and weight equipment.



GUEST  
EXPERIENCE  
—

PUBLIC  
SPACE

GUESTROOMS

STORYTELLING  
STRATEGY

## SPLASH POOL

Aloft pools are filled with fun touches, from the oversized “a” in the bottom to the artwork made of repurposed surfboards hanging above. Daylight comes in through the windows that look out over the Backyard. Modern design is featured throughout, from the wood ceiling with oversized wooden beams to the lounge furniture in fun, bright colors.



GUEST  
EXPERIENCE

PUBLIC  
SPACE

GUESTROOMS

STORYTELLING  
STRATEGY

## TACTIC

Our small meeting space for about 12 people is flexibly furnished with folding tables and stackable chairs upholstered in vivid color. Tech equipment includes full audio-visual components and a 42" wall-mounted TV.

For locations with higher meeting intensity, we have created Ex:change meeting room specifications, with furniture and finishes specified for that space.



# Aloft Hotel Proposal at CityPark (2008)



RECEIVED  
MAY - 7 2008  
VILLAGE OF LINCOLNSHIRE  
COMMUNITY DEVELOPMENT



Perspective Looking Southwest

CityPark - Lincolnshire, Illinois



43 South Vail Avenue  
Arlington Heights, Illinois 60005  
Job No. 05084 © 2008  
April 17, 2008  
REVISED May 2, 2008



# Aloft Hotel Proposal at CityPark (2008)



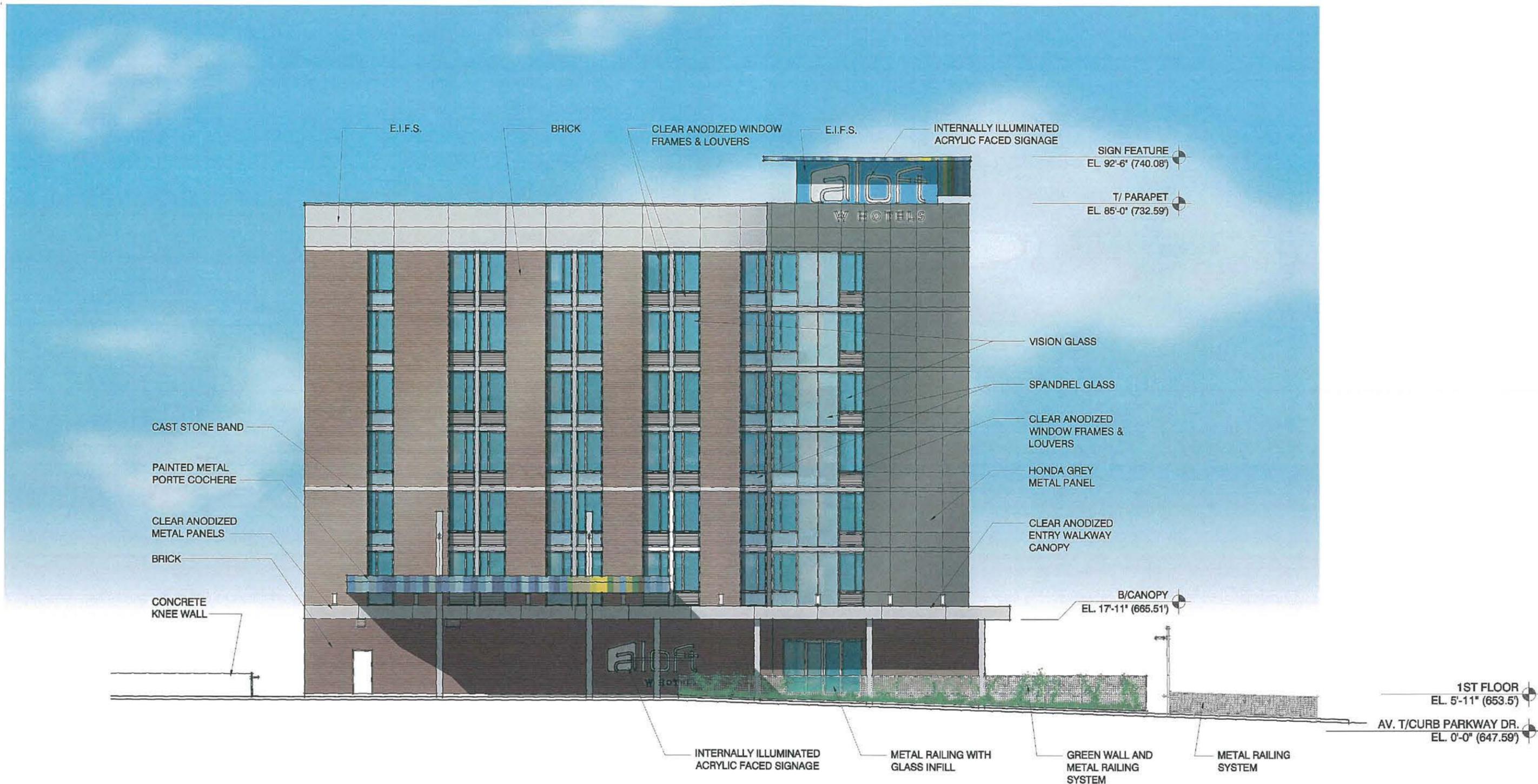
## North Elevation

CityPark - Lincolnshire, Illinois



43 South Vail Avenue  
 Arlington Heights, Illinois 60005  
 Job No. 05084 © 2008  
 April 17, 2008  
 REVISED May 2, 2008  
**HKM**  
 ARCHITECTS + PLANNERS, INC.

# Aloft Hotel Proposal at CityPark (2008)



## East Elevation

CityPark - Lincolnshire, Illinois



43 South Vail Avenue  
 Arlington Heights, Illinois 60005  
 Job No. 05084 © 2008  
 April 17, 2008  
 REVISED May 2, 2008



**REQUEST FOR BOARD ACTION  
COMMITTEE OF THE WHOLE MEETING  
September 28, 2015**

**Subject:** Annual Report to the Village Board on the Fiscal Status of the Police Pension Fund

**Action Requested:** Receipt and Consideration of Police Pension Fund Report

**Originated**

**By/Contact:** Village Manager / Police Pension Board

**Referred To:** Village Board

**Summary:** Police Pension Board President, Steven Lee and Jason Franken, Foster & Foster Actuaries, will be in attendance at the September 28, 2015 Village Board meeting to make a presentation to the Board on the status of the Police Pension Fund and request employer contributions to the fund for Fiscal Year 2016.

**Background:** In 2007, the Village began a process of annually contributing more to the Police Pension Fund than the required contribution to improve the funded ratio. The added employer contributions over previous years have successfully resulted in an 89.3% funded ratio as of December 31, 2014. However, corrections to the actuarial assumptions used in this year's actuarial calculations reduced the funded ratio to 80.1%. The most significant corrections in this year's calculation compared to previous years include: an updated mortality table, more accurate reflection of employee census and spouse assumptions, and the disability incidence in the line of duty was increased (see attached page 7 of the January 1, 2015 Actuarial Valuation). Mr. Lee will provide a historic overview; explain the effects related to the recent actuarial changes, and present the projected employer contributions for the coming years.

The Village's total pension liability as of December 31, 2014 is \$7.94 million (\$3.1m Illinois Municipal Retirement Fund IMRF & \$4.8m Police Pension Fund PPF). Independent actuary valuations, using a few "like" assumptions, calculated funding levels for 2014 to be 80.1% PPF and 83.6% IMRF. Lincolnshire has experienced an unusual "swing" since 2013. The Village's total pension liability as of December 31, 2013 was \$5.3 million (\$2.7m Illinois Municipal Retirement Fund IMRF & \$2.6m Police Pension Fund PPF). Independent actuary valuations, using "like" assumptions, calculated funding levels for 2013 to be 87.7% PPF and 84.6% IMRF.

It is important to note, even in light of the change in funded ratio, for the current year, the Village's funding status is in the top tier of most downstate police pension plans; ranking 4 out of 357 in the most recent 2013 Downstate Police Pension Funds Analysis of Financial Condition-Rate of Funding.

**Budget Impact:** Budget impact for Fiscal Year 2016 to be determined.

**Service Delivery Impact:** None.

**Recommendation:** Consideration and discussion Police Pension Board presentation/request.

**Reports and Documents Attached:**

- Page 7 of the January 1, 2015 Actuarial Valuation
- July 2, 2015 Letter Regarding Contribution Impact of Mortality Assumption Changes
- 2015 Actuarial Valuation Report
- Municipal Compliance Report

Meeting History	
Initial Referral to Village Board (COW):	09/28/2015

### Plan Changes Since Prior Valuation

No plan changes have occurred since the prior valuation.

### Actuarial Assumption/Method Changes Since Prior Valuation

The following method change was made since the prior valuation:

1. The amortization period over which to amortize the unfunded actuarial accrued liability was changed from 15 years as of January 1, 2014 to 30 years beginning January 1, 2011, with a floor of 15 years.

The following assumption changes were made since the prior valuation:

1. Retirement Rates, Termination Rates and Disability Rates were updated to align with the formal study commissioned by the Illinois Department of Insurance. This study used actual experience from all Police Plans in Illinois to derive experience based assumptions.
2. The Healthy Lives Mortality assumption was updated from the RP-2000 Combined Healthy Mortality Table (male) with blue collar adjustment and with a 200% load for participants under age 50 and 125% for participants age 50 and over to the RP-2000 Combined Healthy Mortality Table with a Blue Collar adjustment, projected to 2015 using Scale BB.
3. The Disabled Lives Mortality assumption was updated from the RP-2000 Combined Healthy Mortality Table (male) with blue collar adjustment and with a 200% load for participants under age 50 and 125% for participants age 50 and over to the RP-2000 Disabled Mortality Table, projected to 2015 using Scale BB.
4. The disability incidence in the line of duty assumption was increased from 15% to 70%.

July 2, 2015

Mr. Michael Peterson  
Village Treasurer  
One Olde Half Day Road  
Lincolnshire, IL 60069

*Re: 2015 Contribution Impact of Mortality Assumption Changes on Village of Lincolnshire Police Pension Fund*

Dear Mr. Peterson,

As requested, we have evaluated the impact of the mortality assumption changes on the 2015 contribution requirement for the Village of Lincolnshire Police Pension Fund. There were three separate mortality tables employed in the calculations from 2014 to 2015, as summarized below:

1. Tepfer 2014 Table: RP-2000 Combined Healthy Mortality Table (male) with blue collar adjustment and with a 200% load for participants under age 50 and 125% for participants age 50 and over. This is the table that was used to determine the 2014 Village Contribution requirement.
2. Tepfer 2015 Table: RP-2000 Combined Healthy Mortality Table (male) with blue collar adjustment projected by Scale BB to 2015 and with a 150% load for participants under age 50. This was the table that TCG Public Consulting, Ltd. used in the draft 2015 Village Contribution requirement. This calculation was since re-determined by Foster & Foster.
3. F&F 2015 Tables: RP-2000 Combined Healthy Mortality with a blue collar adjustment, projected to 2015 using Scale BB for healthy lives. RP-2000 Disabled Retiree Mortality, projected to 2015 using Scale BB for disabled lives. These are the tables that determined the F&F 2015 Village Contribution requirement.

To maintain the pure impact of the mortality changes, we held all other assumptions constant and equal to those employed in the Foster & Foster 2015 actuarial valuation report.

As you can see from the table on the following page, the impact of the initial change that Mr. Tepfer made resulted in the most significant impact to the contribution requirement. The 2014 table lacked any projection to account for mortality improvement over time, it assumed higher rates at all ages than a typical RP-2000 table by implementing additional load factors, and it was a male-only table so all females were assumed to have the same mortality as their male counterparts. Generally, higher mortality rates will result in lower liability.

The table to which Mr. Tepfer changed for the 2015 contribution determination did include significant mortality improvement, despite maintaining a load for younger participants. This table also inherently assumed higher mortality rates by the nature of being a male-only table. Females were assumed to have the same mortality as their male counterparts.

Foster & Foster updated the healthy mortality table to account for gender specific mortality rates, projection to 2015 (similar to Mr. Tepfer), and no special loads suggesting mortality deviations from the standard tables. Additionally, we implemented a separate mortality table for disabled retirees rather than using a healthy table for all members. In total, these changes had a significant, but smaller contribution impact.

	Tepfer 2014 Table	Tepfer 2015 Table	F&F 2015 Table
<b><i>UAAL Determination</i></b>			
EAN Liability	\$21,729,476	\$23,732,289	\$24,245,329
Actuarial Value of Assets	<u>19,408,176</u>	<u>19,408,176</u>	<u>19,408,176</u>
Unfunded Actuarial Accrued Liability (UAAL)	2,321,300	4,324,113	4,837,153
<b><i>Village Contribution</i></b>			
(1) Total Normal Cost	492,255	528,317	528,070
(2) Amortization of UAAL	175,884	327,637	366,510
(3) Administrative Expenses	35,000	35,000	35,000
(4) Interest on (1), (2) and (3) above	45,704	57,912	60,423
(5) Expected Member Contributions	206,396	206,396	206,396
(6) Village Contribution, (1) + (2) + (3) + (4) - (5)	542,447	742,470	783,607
<b><i>Contribution Impact</i></b>		200,023	41,137

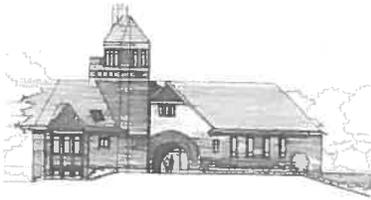
Please let us know if you have any questions about these results.

Sincerely,

Foster & Foster, Inc.



Jason L. Franken



Police Department  
One Olde Half Day Road  
Lincolnshire, IL 60069-3035  
847•883•9900  
847•883•9909 (FAX)



August 12, 2015

Village of Lincolnshire  
One Olde Half Day Road  
Lincolnshire, IL 60069

Re: 2015 Pension Contribution Request

Dear Mayor Blomberg & Village Trustees,

On August 11, 2014, the Police Pension Board held its quarterly meeting. At the meeting, the Actuarial Valuation Report prepared by Foster and Foster was presented to the Pension Board and discussed in depth. Based upon the recommendations provided by our enrolled actuary and pursuant to the municipal funding obligations contained under Article 3 of the Illinois Pension Code (40 ILCS 5/3-125 and 5/3-127), the Lincolnshire Police Pension Fund respectfully requests a Village contribution of \$783,607 for the plan year ending December 31, 2015 (to be contributed in 2016). This funding request follows the funding methodology adopted by the Pension Board. Our funded ratio as of January 1, 2015 was 80.1%, with assets of \$19,452,281.

Attached to this request, for your review, are the Actuarial Valuation Report and the Municipal Compliance Report. Pension Board President Steven Lee would welcome any comments at the upcoming August 24<sup>th</sup> Village Board Meeting.

Thank you for your continued support of the Police Pension Fund.

Respectfully Submitted,

Steven Lee  
President

Adam Hyde  
Secretary

Patrick Quillinan  
Vice-President

Mickey Herst  
Trustee

Jamie Watson  
Assistant Secretary

**VILLAGE OF LINCOLNSHIRE, ILLINOIS  
POLICE PENSION FUND**

**Municipal Compliance Report  
For the Year Ended December 31, 2014**

Pursuant to 40 ILCS 5/3-143, The Pension Board is providing this report to the Board of Trustees of the Village of Lincolnshire on the condition of the pension fund at the end of the most recently completed fiscal year.

- 1) The total assets of the fund in its custody at the end of the fiscal year and the current market value of those assets:

Market Value	Year Ending December 31, 2014
Cash and Demand Deposits	\$ 16,861
Money Market Mutual Funds	224,851
Certificates of Deposit	302,221
State and Local Obligations	318,164
U.S. Government and Agency Obligations	3,251,336
Corporate Bonds	2,661,810
Insurance Company Contracts	0
Common and Preferred Stocks	1,294,185
Mutual Funds	11,333,383
Accrued Interest	46,900
Prepaid Expenses	13,658
Net Liabilities	<u>(11,088)</u>
Total	<u>\$ 19,452,281</u>

As of June 30, 2015, the current market value of the assets is \$19,806,880.

- 2) The estimated receipts during the next succeeding year from deductions from salaries of police officers, and from all other sources:

Police Officer Contributions	<u>\$206,000</u>
Property Taxes	<u>\$623,300</u>
Additional Village Contributions	<u>\$0</u>

- 3) The estimated amount required during the next succeeding fiscal year to (a) pay all pensions and other obligations provided in Article 3 of the Illinois Pension Code, and (b) to meet the annual requirements of the fund as provided in sections 3-125 and 3-127:

(a) Pensions and other obligations	<u>\$977,000</u>
(b) Annual funding requirement	<u>\$414,716</u>

**VILLAGE OF LINCOLNSHIRE, ILLINOIS  
POLICE PENSION FUND**

**Municipal Compliance Report  
For the Year Ended December 31, 2014**

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- 4) The total net income received from investment of assets along with the assumed investment return and actual investment return received by the fund during its most recently completed fiscal year compared to the total net income, assumed investment return, and actual investment return received during the preceding fiscal year:

	Year Ending December 31, 2014	Year Ending December 31, 2013
Net income received from Investment of Assets	<u>\$469,096</u>	<u>\$2,236,744</u>
Assumed Investment Return	<u>6.5%</u>	<u>6.5%</u>
Actual Investment Return	<u>2.5%</u>	<u>13.4%</u>

- 5) The total number of active employees who are financially contributing to the fund:

Number of active members	<u>23</u>
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- 6) The total amount that was disbursed in benefits during the fiscal year, including number of and total amount disbursed to (i) annuitants in receipt of a regular retirement pension, (ii) recipients being paid a disability pension, and (iii) survivors and children in receipt of benefits:

	Year Ending December 31, 2014	
	Number	Amount
(i) Regular Retirement Pensions	<u>11</u>	<u>\$773,286</u>
(ii) Disability Pensions	<u>3</u>	<u>\$87,537</u>
(iii) Survivors and Childs Benefits	<u>1</u>	<u>\$17,628</u>

- 7) The funded ratio of the fund:

	Year Ending December 31, 2014	Year Ending December 31, 2013
Funded Ratio	<u>80.0%</u>	<u>87.7%</u>

**VILLAGE OF LINCOLNSHIRE, ILLINOIS  
POLICE PENSION FUND**

**Municipal Compliance Report  
For the Year Ended December 31, 2014**

8) The unfunded liability carried by the fund, along with an actuarial explanation of the unfunded liability:

	Year Ending December 31, 2014
Unfunded Liability	<u>\$4,837,151</u>

The Unfunded Liability is the excess of the Actuarial Accrued Liability over the Actuarial Value of Assets.

The Actuarial Accrued Liability is the actuarial present value of the portion of the projected benefits that has been allocated to the past as of the valuation date based on the Entry Age Normal actuarial valuation method.

The Actuarial Value of Assets is a smoothed amount that is based upon past and current market values.

9) The investment policy of the pension board under the statutory investment restrictions imposed on the fund.

See attached "Lincolnshire Police Pension Plan Investment Policy Statement" dated May, 2014.

**CERTIFICATION**

We, the undersigned Trustees of the Lincolnshire Police Pension Fund, based upon information that we believe to be accurate and reliable, do hereby certify pursuant to 40 ILCS 5/3-134 of the Illinois Pension Code, that this document is true and accurate.

President Steven Alee Date 8/11/15

Secretary [Signature] Date 8/11/15

Trustee [Signature] Date 8-11-15

Trustee [Signature] Date 8/11/15

Trustee \_\_\_\_\_ Date \_\_\_\_\_

**Lincolnshire Police Pension Plan**

**Investment Policy Statement**

**May 2014**

## **Lincolnshire Police Pension Plan INVESTMENT POLICY STATEMENT**

Dated: May 2014

The purpose of this investment policy statement is to establish a clear understanding of the investment objectives of the Lincolnshire Police Pension Plan (the Pension Plan) and should be used as a guideline for any investment managers, mutual funds, and insurance companies retained. This policy statement also describes the suggested performance standards that should be utilized by the Lincolnshire Police Pension Board in monitoring the investment performance on a continuing basis.

The responsibility of the Board is to establish broad guidelines for the Pension Plan, select appropriate investments, determine or approve asset allocation, and to monitor performance of investments on a regular basis. The investment managers are responsible for optimizing the return on the assets (net of fees) within the guidelines that have been established.

### **Objectives**

**Funds of the Lincolnshire Police Pension Fund will be invested in accordance with Illinois Statutes, which govern Police Pension Plans (see attachment A)**

The primary objective for the investments of the Pension Plan is the preservation of capital while providing for the long-term growth of principal without undue exposure to risk. The objectives shall be accomplished by utilizing a strategy of equities, fixed income, and cash equivalents; in a mix which is conducive to participation in a rising market while allowing for adequate protection in a falling market. The investment managers, mutual funds, and insurance companies greatest concern should be total return with consistency of investment performance. Due to the inevitability of short-term market fluctuations which may cause variations in the investment performance, it is intended that the equity investment manager(s) strive to achieve the following goals over 5 year moving periods.

The investment goals of the plan shall be broadly outlined as follows:

- 1) As an investment return goal, the total return on the assets, net of fees, shall strive to exceed the Consumer Price Index plus 5% over five year moving periods. In addition, the total return on the assets, net of fees, shall strive to exceed a 7.5% nominal rate of return over five year moving periods. It is understood that the overall nature of the markets will have a great effect on the actual returns.
- 2) The total fund shall be diversified both by asset class (e.g., equities, bonds, and cash equivalents) and within equities by economic sector, industry, quality, size, investment style, etc. However, this should not imply that assets must be diversified to the extent required to become an index of either the economy or any stock/bond exchange. The purpose of diversification is to provide reasonable assurance that no single security or class of securities will have a disproportionate impact on the total fund.
- 3) To achieve its investment objective, the Fund shall be divided into two parts: an "Equity Fund" and a "Fixed Income Fund". The purpose of dividing the funds in this manner is to ensure that the overall asset allocation between these two major classes remains under the regular scrutiny of the Board. Over the long run, the allocation

between the Equity and Fixed Income Funds is expected to be an important determinant of the Fund's investment performance.

- 4) The purpose of the Fixed Income Fund (fixed income and cash equivalents) is to provide a deflation hedge, to reduce the overall volatility of the Fund, and to support the needs of the Plan.
- 5) The Fixed Income Fund should normally represent the asset allocation percentages specified below using market values. Should the investment committee determine that it is significantly above or below this target the Board will review it and may decide to change the allocation.
- 6) The purpose of the Equity Portion is to provide for growth in principal to support Pension payment requirements, while at the same time preserve the purchasing power of the Fund's assets. It is recognized that the Equity Fund entails the assumption of greater market variability and risk.
- 7) The Equity Fund should normally represent the asset allocation percentages specified below using market values. Should the Board determine that it is significantly above or below this target the Board will review it and may decide to change the allocation. The Board may change any of the ratios at their discretion (in accordance with Illinois Statutes that govern Police Pension Plans), but it is anticipated that such changes will be infrequent.
- 8) The Multi Class category should represent approximately 20% of the total fund. The multi class asset category may offer exposure to a broad universe of investment strategies. These strategies may include, but are not limited to, equities, fixed income, commodities, real estate, etc. The purpose of the multi class allocation is to broadly diversify the portfolio.
- 9) The Board shall allocate additions to principal. As a rule, new cash will be used to rebalance the total fund to the target percentages specified below.

#### **Asset Allocation**

- 1) The asset allocation of the plan shall be monitored on a quarterly basis by the Board. *The asset allocation should strive to be diversified as outlined below; however, it is understood that market fluctuations and plan requirements will cause variations:*

<b>Asset Class</b>	<b>Minimum</b>	<b>Preferred</b>	<b>Maximum</b>
<b>Large Cap Growth</b>	<b>5.00%</b>	<b>10.00%</b>	<b>15.00%</b>
<b>Large Cap Value</b>	<b>5.00%</b>	<b>10.00%</b>	<b>15.00%</b>
<b>Small/Mid Cap Growth</b>	<b>2.50%</b>	<b>5.00%</b>	<b>7.50%</b>
<b>Small/Mid Cap Value</b>	<b>2.50%</b>	<b>5.00%</b>	<b>7.50%</b>
<b>International Growth</b>	<b>5.00%</b>	<b>7.50%</b>	<b>10.00%</b>
<b>International Value</b>	<b>5.00%</b>	<b>7.50%</b>	<b>10.00%</b>
<b>Multi-Class</b>	<b>10.00%</b>	<b>20.00%</b>	<b>30.00%</b>
<b>Fixed Income and Cash</b>	<b>35.00%</b>	<b>35.00%</b>	<b>50.00%</b>

<b>Equity</b>	<b>35.00%</b>	<b>45.00%</b>	<b>55.00%</b>
<b>Multi-Class</b>	<b>10.00%</b>	<b>20.00%</b>	<b>30.00%</b>
<b>Fixed Income and Cash</b>	<b>35.00%</b>	<b>35.00%</b>	<b>45.00%</b>

The above asset allocation will also be managed in accordance with Illinois Statutes which govern Police Pension Plans. Changes in the asset allocation parameters are to be approved by the Board and derived from using tools such as the "Efficient Investment Frontier".

- 2) Additions to principal shall be allocated by the Board. As a general rule, unless funds are allocated to a balanced manager, new cash will be used to rebalance the total fund to the target percentages specified above.
- 3) The Board is given full discretion relating to asset allocation within the above specifications.
- 4) The investment managers, mutual funds, and insurance companies will not be evaluated on the asset allocation decision made by the Board. They will be evaluated on their total return performance (net of fees) against a benchmark (index) that reflects their investment management style (e.g. growth, value, core, etc.) and the asset class that they are managing (e.g. small-cap, mid-cap, large-cap, etc.).

#### **Guidelines for the Equity Fund**

**Note: See the Illinois Statutes, which govern Police Pension Plans for additional equity guidelines.**

- 1) The objective for the Equity Fund, excluding foreign equities, is to outperform (net of fees) the S&P 500 equity index over a full market cycle. Performance will be monitored on a quarterly basis and evaluated over rolling two-to-five year periods.
- 2) The Equity Fund's goal is to be broadly diversified according to economic sector, industry, number of holdings, and other investment characteristics.
- 3) Equity investment style is expected to be a criterion for manager selection, within the context of a diversified manager structure. Active managers' decisions as to individual security selection, quality and quantity, number of industries, and turnover shall be made subject to the usual standards of fiduciary prudence. The same is true of any

tools used and the interpretation of the results produced. However, managers are expected to invest consistently in the style for which they were hired.

- 4) Unless otherwise instructed, an equity manager may at his discretion hold investment reserves of either cash equivalents or bonds, but with the understanding that performance will be measured against stock indexes described in his investment guidelines.
- 5) The Investment Committee will vote proxies for those securities under its control in the interest of the Pension Plan's participants and beneficiaries. The Committee also directs each Equity Investment Manager to vote proxies for those securities under management, absent any specific directive to the contrary by the Investment Committee, in the interest of the Pension Plan's participants and beneficiaries.

#### **Guidelines for the Fixed Income Fund**

**The fixed income assets will be managed in accordance with the Illinois State Pension Code (40 ILCS 5/1-113.2) and include, but are not limited to the following investments:**

- Interest bearing obligations that are direct obligations of the United States of America.
- Interest bearing obligations to the extent that they are fully guaranteed or insured as to payment of principal and interest of the United States of America; interest bearing bonds, notes, debentures, or other similar obligations of agencies of the United States of America.
- Interest bearing bonds of the State of Illinois; interest bearing bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois.
- Pooled interest bearing accounts managed by IPTIP (Illinois Public Treasurers' Investment Pool)
- Interest bearing funds or pooled accounts managed, operated, and administered by banks, subsidiaries of banks or subsidiaries of bank holding companies.
- Money market mutual funds that are registered under the federal Investment Company Act of 1940 and Illinois Securities Law of 1953 and consist of securities guaranteed by the United States of America, bonds, notes debentures or other similar obligation of the United States or its agencies, and short-term obligations of corporations organized in the United States with assets exceeding \$ 4,000,000,000 provided the obligations mature no later than 180 days from the date of purchase and the time of purchase, the obligations are rated by at least 2 standard national rating services at one of their 3 highest classifications.
- Corporate bonds managed through an investment advisor must meet all of the following requirements:
  - The bonds must be rated as investment grade by one of the 2 largest rating services at the time of purchase.
  - If subsequently downgraded below investment grade, the bonds must be liquidated from the portfolio by the manager within 90 days after being downgraded.
- If the portfolio's fixed income value is less than \$5 million, except for Treasuries, agency debentures or pass-throughs, no more than 10% of the fixed income assets may be invested in securities of a single issuer.

- If the portfolio's fixed income value in excess of \$5 Million, except for Treasuries, agency debentures or pass-throughs, no more than 5% of the fixed income assets may be invested in a single user.
  - 1) The objective of the Fixed Income Fund is to be in-line (net of fees) with the Barclays Intermediate Government/Credit Index. Performance will be monitored on a quarterly basis and evaluated over rolling two-to-five year periods.
  - 2) The Fixed Income Manager is expected to employ professional management techniques; changes in average duration should be moderate and incremental. Planned changes in overall average duration should be communicated to the Board.
  - 3) In general, the portfolio shall be well diversified with respect to type, duration, and government issuer in order to minimize risk exposure.

### **Risk Guidelines**

- 1) The Board recognizes that a certain amount of volatility will be incurred in order to meet the secondary objective of long-term growth of capital. However, the standard deviation of the total portfolio shall not be excessive as compared to the balanced index. A quarterly monitor provided by the consultants will assist the Board with this evaluation.
- 2) The intent of the fixed income and cash portions is to reduce the overall volatility of the portfolio. Therefore, the standard deviation of the fixed income portion shall not be significantly higher than that of the Barclays Intermediate Government Index.

### **Investment Manager Restrictions**

**Note: See the Illinois Statutes, which govern Police Pension Plans for additional guidelines.**

- 1) There shall be no short-selling, securities lending, financial futures, margins, options, or other specialized investments.
- 2) There shall be no investments in non-marketable securities, commodities, or speculative real estate.
- 3) There shall be no investments in private placements or letter stock.
- 4) Each investment manager should insure that, an individual common stock will not represent more than 10% of that manager's portfolio. Also, if an individual common stock represents more than 5% of the total plan market value the investment consultant will make the Board aware of this situation. The Board may decide to take action after a review of the situation.
- 5) Not more than \$100,000 of an investment manager's portfolio shall be invested in commercial paper of any one issuer and purchases are limited to A1P1 rated paper.

- 6) Not more than the FDIC insured amount shall be invested in bank certificates of deposits of any single issuer. If an outside manager feels it appropriate to invest in greater than this specified amount with any single bank, approval must be required from the Investment Committee.
- 7) If any major management or personnel changes occur within the investment manager's firm, the Board is to be immediately notified.

### **Guidelines for Transactions**

- 1) All objectives and policies will be reviewed, at least annually, for their continued pertinence by the Board. They shall remain in effect until modified.
- 2) If a manager believes that a policy guideline inhibits his investment performance, it is his responsibility to communicate his views to the Board.
- 3) The Fund portfolios will be monitored on a continual basis for consistency in investment philosophy, return relative to objectives, and investment risk as measured by asset concentrations, exposure to extreme economic conditions and market volatility. Portfolios shall be reviewed by the Board on a quarterly basis, but results will be evaluated over rolling three-to-five year periods. The Board will regularly review each manager to confirm that factors underlying performance expectations remain in place.
- 4) The Custodian will provide a monthly transaction journal and investment position for each investment manager.
- 5) Each investment manager will report total return net of all commissions and fees on a quarterly basis. Regular communication concerning specific investments, investment strategy and outlook is expected. Investment managers are required to inform the Board of any change in firm ownership, organizational structure, professional personnel, account structure (e.g., number, asset size, and account minimum), or fundamental investment philosophy.

### **Equity Manager Review Process**

This statement of investment policy shall be reviewed annually. The investment performance will be reviewed on a quarterly basis, and the report will be provided by an independent third party (Legacy Strategic Asset Management). Each investment manager will be initially expected to meet with the Board on an annual basis or as deemed necessary by the Board. However, quarterly communication in the form of telephone calls or correspondence is encouraged.

1. Failure to follow the Lincolnshire Police Pension Plan Investment Policy Statement may be grounds for removal. Written notification from the Investment Committee may be sent to the investment manager establishing the violation with a specific time frame to comply with the policy; non-conformance may result in termination.

2. Failure to consistently meet investment benchmarks, as established within a reconciled performance monitor, over an extended period of time may result in a manager being placed on “watch” and may eventually lead to termination. Specifically, if a manager trails their respective index or bogey by 200 basis points over 3 years and the manager is in the 50% percentile ranking or below of a comparable manager universe then the manager is immediately placed on “watch”.
3. Failure to comply with investment restrictions as provided by the Investment Committee may be grounds for removal.
4. Substantive changes in an investment manager’s philosophy, process, people or fees may result in that manager being placed on “watch” and may result in termination.

### **Administrative Guidelines**

New cash flow shall be invested in a government money market fund and used first to pay benefits. As a rule, new cash not needed to pay benefits will be used to re-balance the total portfolio in accordance with target asset allocation policy.

The Investment Committee with assistance from Legacy Strategic Asset Management will monitor the plans in compliance with Illinois Department of Insurance Statutes.

### **Revisions:**

- 2/22/06 – Changed model portfolio, Large Cap 23%, International 10% and Real Estate 2%.
- 04/30/08 – Added Equity Manager Review Process
- 04/28/09 – Replaced Lehman Intermediate Government Index with Barclays Intermediate Government Index
- 04/27/2010 - Added - Not more than the FDIC insured amount shall be invested in bank certificates of deposits of any single issuer
- July 1, 2011 -Asset Allocation – Parameters to Accommodate SB 3538
- February 18, 2012 – Changed Fixed Income Objective to Barclay Intermediate Gov’t / Credit
- May 15, 2012 – Changed Model Asset Allocation to accommodate Phase II of SB3538 and included expanded Fixed Income Guidelines
- May 7, 2013 – Changed Model Asset Allocation

VILLAGE OF LINCOLNSHIRE  
POLICE PENSION FUND

ACTUARIAL VALUATION  
AS OF JANUARY 1, 2015

CONTRIBUTIONS APPLICABLE TO THE  
PLAN/FISCAL YEAR ENDED DECEMBER 31, 2015

July 1, 2015

Board of Trustees  
c/o Mr. Adam Hyde  
Village of Lincolnshire Police Pension Fund  
One Olde Half Day Road  
Lincolnshire, IL 60069

Re: Village of Lincolnshire Police Pension Fund

Dear Board:

We are pleased to present to the Board this report of the annual actuarial valuation of the Village of Lincolnshire Police Pension Fund. The valuation was performed to determine whether the assets and contributions are sufficient to provide the prescribed benefits and to develop the appropriate funding requirements for the applicable plan year.

The valuation has been conducted in accordance with generally accepted actuarial principles and practices, including the applicable Actuarial Standards of Practice as issued by the Actuarial Standards Board, and reflects laws and regulations issued to date pursuant to the provisions of Article 3, Illinois Pension Code, as well as applicable federal laws and regulations. In our opinion, the assumptions used in this valuation, as adopted by the Board of Trustees, represent reasonable expectations of anticipated plan experience.

In conducting the valuation, we have relied on personnel, plan design, and asset information supplied by the Board of Trustees, financial reports prepared by the custodian bank and the actuarial assumptions and methods described in the Actuarial Assumptions section of this report. While we cannot verify the accuracy of all this information, the supplied information was reviewed for consistency and reasonableness. As a result of this review, we have no reason to doubt the substantial accuracy of the information and believe that it has produced appropriate results. This information, along with any adjustments or modifications, is summarized in various sections of this report.

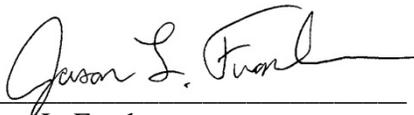
The undersigned is familiar with the immediate and long-term aspects of pension valuations and meets the Qualification Standards of the American Academy of Actuaries necessary to render the actuarial opinions contained herein. All of the sections of this report are considered an integral part of the actuarial opinions.

To our knowledge, no associate of Foster & Foster, Inc. working on valuations of the program has any direct financial interest or indirect material interest in the Village of Lincolnshire, nor does anyone at Foster & Foster, Inc. act as a member of the Board of Trustees of the Village of Lincolnshire Police Pension Fund. Thus, there is no relationship existing that might affect our capacity to prepare and certify this actuarial report.

If there are any questions, concerns, or comments about any of the items contained in this report, please contact me at 630-620-0200.

Respectfully submitted,

Foster & Foster, Inc.

By:   
Jason L. Franken  
Enrolled Actuary #14-6888

JLF/lke  
Enclosures

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## SUMMARY OF REPORT

The regular annual actuarial valuation of the Village of Lincolnshire Police Pension Fund, performed as of January 1, 2015, has been completed and the results are presented in this Report. The contribution amounts set forth herein are applicable to the plan/fiscal year ended December 31, 2015.

The contribution requirements, compared with those set forth in the January 1, 2014 actuarial report are as follows:

Valuation Date	<u>1/1/2015</u>	<u>1/1/2014 *</u>
Total Required Contribution	\$990,003	\$896,167
% of Total Annual Payroll	47.5%	43.5%
Member Contributions (Est.)	206,396	204,034
% of Total Annual Payroll	9.91%	9.91%
Village Required Contribution	783,607	692,133
% of Total Annual Payroll	37.6%	34.2%

\* Note, 2014 results were developed by TCG Public Consulting, Ltd.

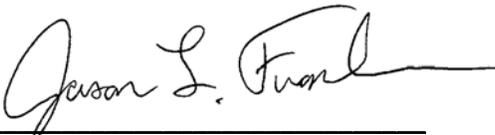
As you can see, the Total Required Contribution, when expressed as a percentage of annual payroll, shows an increase when compared to the results determined in the January 1, 2014 actuarial valuation report. This increase was primarily driven by the changes in actuarial assumptions. Had the assumptions not been changed, the Village Required Contribution as a percent of total annual payroll would have been 30.6%, a decrease of over 3.5% of payroll from the prior year.

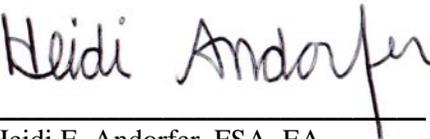
Reasons for this decrease include an investment return of 6.56% (Actuarial Basis) which slightly exceeds the 6.50% assumed return, and a salary increases that are slightly lower than expected at ages closer to retirement. This is slightly offset by the retirement that occurred during this past fiscal year.

The balance of this Report presents additional details of the actuarial valuation and the general operation of the Fund. The undersigned would be pleased to meet with the Board of Trustees in order to discuss the Report and answer any pending questions concerning its contents.

Respectfully submitted,

FOSTER & FOSTER, INC.

By:   
Jason L. Franken, FSA, EA, MAAA

By:   
Heidi E. Andorfer, FSA, EA

### Plan Changes Since Prior Valuation

No plan changes have occurred since the prior valuation.

### Actuarial Assumption/Method Changes Since Prior Valuation

The following method change was made since the prior valuation:

1. The amortization period over which to amortize the unfunded actuarial accrued liability was changed from 15 years as of January 1, 2014 to 30 years beginning January 1, 2011, with a floor of 15 years.

The following assumption changes were made since the prior valuation:

1. Retirement Rates, Termination Rates and Disability Rates were updated to align with the formal study commissioned by the Illinois Department of Insurance. This study used actual experience from all Police Plans in Illinois to derive experience based assumptions.
2. The Healthy Lives Mortality assumption was updated from the RP-2000 Combined Healthy Mortality Table (male) with blue collar adjustment and with a 200% load for participants under age 50 and 125% for participants age 50 and over to the RP-2000 Combined Healthy Mortality Table with a Blue Collar adjustment, projected to 2015 using Scale BB.
3. The Disabled Lives Mortality assumption was updated from the RP-2000 Combined Healthy Mortality Table (male) with blue collar adjustment and with a 200% load for participants under age 50 and 125% for participants age 50 and over to the RP-2000 Disabled Mortality Table, projected to 2015 using Scale BB.
4. The disability incidence in the line of duty assumption was increased from 15% to 70%.

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS

	After Changes <u>1/1/2015</u>	Before Changes <u>1/1/2015</u>	<u>1/1/2014</u>
<b>A. Participant Data</b>			
Number Included			
Actives	23	23	23
Service Retirees	11	11	10
Beneficiaries	1	1	1
Terminated Vested	2	2	2
Disability Retirees	3	3	3
Total	<u>40</u>	<u>40</u>	<u>39</u>
Total Annual Payroll	\$2,082,705	\$2,082,705	\$2,058,866
Payroll Under Assumed Ret. Age	2,082,705	2,082,705	2,058,866
Annual Rate of Payments to:			
Service Retirees	813,671	813,671	696,912
Beneficiaries	17,628	17,628	17,628
Terminated Vested	0	0	0
Disability Retirees	87,537	87,537	86,616
<b>B. Assets</b>			
Actuarial Value	19,408,176	19,408,176	18,385,680
Market Value	19,452,281	19,452,281	19,161,108
<b>C. Liabilities</b>			
Present Value of Benefits <sup>1</sup>			
Active Members			
Retirement Benefits	11,446,209	11,047,887	12,050,713
Disability Benefits	1,269,890	1,595,807	1,689,146
Death Benefits	270,701	486,285	419,964
Vested Benefits	1,333,771	492,211	535,124
Service Retirees	13,421,299	11,775,566	10,283,836
Beneficiaries	170,862	135,461	146,105
Terminated Vested	56,641	56,641	69,095
Disability Retirees	<u>1,238,115</u>	<u>1,109,219</u>	<u>1,162,817</u>
Total	29,207,488	26,699,077	26,356,800

<sup>1</sup> Values reported for 1/1/2014 are consistent with the report issued by TCG Public Consulting, Ltd.

	<u>After Changes</u> <u>1/1/2015</u>	<u>Before Changes</u> <u>1/1/2015</u>	<u>1/1/2014</u>
<b>C. Liabilities - (Continued)</b>			
Present Value of Future Salaries	21,318,210	21,996,418	N/A
Present Value of Future Member Cont.	2,112,635	2,179,845	N/A
Normal Cost			
Retirement Benefits	360,959	362,349	394,194
Disability Benefits	83,696	96,037	94,138
Death Benefits	12,573	24,241	21,619
Vested Benefits	<u>70,842</u>	<u>31,006</u>	<u>39,977</u>
Total Normal Cost	528,070	513,633	549,928
Present Value of Future Normal Costs	4,962,161	4,963,814	5,402,135
Actuarial Accrued Liability			
Retirement Benefits	7,964,940	7,470,626	N/A
Disability Benefits	487,046	651,969	N/A
Death Benefits	165,688	274,099	N/A
Vested Benefits	740,736	261,682	N/A
Inactives	<u>14,886,917</u>	<u>13,076,887</u>	<u>N/A</u>
Total Actuarial Accrued Liability	24,245,327	21,735,263	20,954,665
Unfunded Actuarial Accrued Liab (UAAL)	4,837,151	2,327,087	2,568,985
Funded Ratio	80.05%	89.29%	87.74%
<b>D. Actuarial Present Value of Accrued Benefits</b>			
Vested Accrued Benefits			
Inactives	14,886,917	13,076,887	N/A
Actives	2,167,971	2,095,892	N/A
Member Contributions	<u>1,813,755</u>	<u>1,813,755</u>	<u>N/A</u>
Total	18,868,643	16,986,534	N/A
Non-vested Accrued Benefits	<u>751,884</u>	<u>756,001</u>	<u>N/A</u>
Total Present Value Accrued Benefits	19,620,527	17,742,535	N/A
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:			
Plan Amendments	0	N/A	
Assumption Changes	1,877,992	N/A	
New Accrued Benefits	0	N/A	
Benefits Paid	0	N/A	
Interest	0	N/A	
Other	<u>0</u>	<u>N/A</u>	
Total:	1,877,992	N/A	

Valuation Date Applicable to Fiscal Year Ending	After Changes 1/1/2015 <u>12/31/2015</u>	Before Changes 1/1/2015 <u>12/31/2015</u>	1/1/2014 <u>12/31/2014</u>
<b>E. Pension Cost</b>			
Normal Cost (with interest)	\$562,395	\$547,019	\$585,674
% of Total Annual Payroll <sup>1</sup>	27.0	26.3	28.4
Administrative Expense (with interest)	37,275	37,275	37,275
% of Total Annual Payroll <sup>1</sup>	1.8	1.8	1.8
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 26 years (as of 1/1/2015)	390,333	258,168	273,218
% of Total Annual Payroll <sup>1</sup>	18.7	12.4	13.3
Total Required Contribution	990,003	842,462	896,167
% of Total Annual Payroll <sup>1</sup>	47.5	40.5	43.5
Expected Member Contributions	206,396	206,396	204,034
% of Total Annual Payroll <sup>1</sup>	9.91	9.91	9.91
Expected Contribution	783,607	636,066	692,133
% of Total Annual Payroll <sup>1</sup>	37.6	30.6	33.6

**F. Past Contributions**

Plan Year Ending: 12/31/2014

Total Required Contribution	903,894
Village Requirement	692,133

Actual Contributions Made:

Members	211,761
Member Interest	20,419
Village	<u>589,303</u>
Total	821,483

G. Net Actuarial Gain (Loss) 204,942

<sup>1</sup> Contributions developed as of 1/1/2015 are expressed as a percentage of projected annual payroll at 1/1/2015 of \$2,082,705.

H. Schedule Illustrating the Amortization of the Total Unfunded Actuarial Accrued Liability as of:

<u>Year</u>	<u>Projected Unfunded Accrued Liability</u>
2015	\$4,837,151
2016	\$4,761,233
2017	\$4,680,380
2022	\$4,190,110
2027	\$3,518,398
2037	\$1,337,196
2041	\$0

I. (i) 3 Year Comparison of Actual and Assumed Increases in Pensionable Compensation

		<u>Actual</u>	<u>Assumed</u>
Year Ended	12/31/2014	4.38%	4.29%
Year Ended	12/31/2013	N/A	N/A
Year Ended	12/31/2012	N/A	N/A

(ii) 3 Year Comparison of Investment Return on Actuarial Value

		<u>Actual</u>	<u>Assumed</u>
Year Ended	12/31/2014	6.56%	6.50%
Year Ended	12/31/2013	N/A	N/A
Year Ended	12/31/2012	N/A	N/A

## STATEMENT BY ENROLLED ACTUARY

This actuarial valuation was prepared and completed by me or under my direct supervision, and I acknowledge responsibility for the results. To the best of my knowledge, the results are complete and accurate, and in my opinion, the techniques and assumptions used are reasonable and meet the requirements and intent of the Illinois Pension Code and adhere to the Actuarial Standards of Practice. There is no benefit or expense to be provided by the plan and/or paid from the plan's assets for which liabilities or current costs have not been established or otherwise taken into account in the valuation. All known events or trends which may require a material increase in plan costs or required contribution rates have been taken into account in the valuation.



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Jason L. Franken, FSA, EA, MAAA  
Enrolled Actuary #14-6888

DEVELOPMENT OF JANUARY 1, 2015 AMORTIZATION PAYMENT

(1)	Unfunded Actuarial Accrued Liability as of January 1, 2014	\$2,568,985
(2)	Village's Normal Cost Applicable for the year	380,894
(3)	Interest on (1) and (2)	190,605
(4)	Sponsor Contributions to the System during the year ending December 31, 2014	589,303
(5)	Interest on (4)	<u>19,152</u>
(6)	Expected UAAL as of January 1, 2015 (1)+(2)+(3)-(4)-(5)	\$2,532,029
(7)	Change in UAAL Due to Actuarial (Gain)/Loss and Assumption Changes	
	Liability (Gain)/Loss	(193,810)
	Investment Return (Actuarial Asset Basis)	(11,132)
	Assumption Change (Gain)/Loss	2,510,064
	Asset Method Change (Gain)/Loss	0
	Cost Method Change (Gain)/Loss	<u>0</u>
		<u>2,305,122</u>
(8)	Unfunded Actuarial Accrued Liability as of January 1, 2015	\$4,837,151

	<u>Date Established</u>	<u>Years Remaining</u>	<u>1/1/2015 Amount</u>	<u>Amortization Amount</u>
	1/1/2015	26	<u>4,837,151</u>	<u>366,510</u>
Total			4,837,151	366,510

## PROJECTION OF BENEFIT PAYMENTS

Year	Payments for Current Actives	Payments for Current Inactives	Total Payments
2015	40,355	978,215	1,018,569
2016	68,264	951,781	1,020,045
2017	93,938	980,702	1,074,640
2018	130,406	1,008,087	1,138,493
2019	184,038	1,033,688	1,217,726
2020	257,229	1,057,277	1,314,506
2021	312,728	1,078,682	1,391,409
2022	373,140	1,097,797	1,470,937
2023	432,298	1,114,583	1,546,881
2024	506,500	1,128,999	1,635,499
2025	581,693	1,141,022	1,722,715
2026	645,779	1,150,679	1,796,458
2027	717,447	1,157,930	1,875,377
2028	828,507	1,162,734	1,991,241
2029	942,590	1,165,041	2,107,631
2030	1,052,842	1,177,318	2,230,160
2031	1,153,919	1,174,473	2,328,392
2032	1,252,689	1,168,196	2,420,885
2033	1,376,929	1,158,062	2,534,991
2034	1,503,467	1,143,680	2,647,147
2035	1,615,590	1,124,677	2,740,267
2036	1,713,848	1,100,690	2,814,539
2037	1,806,273	1,071,513	2,877,786
2038	1,906,269	1,037,014	2,943,283
2039	1,991,504	997,110	2,988,614
2040	2,083,137	951,905	3,035,042
2041	2,143,443	901,636	3,045,079
2042	2,212,500	846,693	3,059,193
2043	2,296,985	787,852	3,084,837
2044	2,386,457	726,034	3,112,491
2045	2,457,300	662,279	3,119,579
2046	2,524,247	597,815	3,122,062
2047	2,565,242	533,756	3,098,998
2048	2,596,488	471,245	3,067,733
2049	2,618,078	411,629	3,029,706
2050	2,630,663	355,950	2,986,612
2051	2,634,472	304,945	2,939,417
2052	2,629,423	259,154	2,888,577
2053	2,614,735	218,667	2,833,403
2054	2,591,327	183,446	2,774,773

## ACTUARIAL ASSUMPTIONS AND METHODS

Mortality Rate	RP-2000 Combined Healthy Mortality with a blue collar adjustment, projected to 2015 using Scale BB.
Disabled Mortality Rate	RP-2000 Disabled Retiree Mortality, projected to 2015 using Scale BB.
Interest Rate	6.50% per year compounded annually, net of investment related expenses.
Retirement Age	See table below.
Disability Rate	See table below. 70% of the disabilities are assumed to be in the line of duty.
Termination Rate	See table below.
Salary Increases	Rates vary by age from 24 to 55, with level increases after age 55.

Age	Rate
25	7.36%
30	5.48%
35	4.53%
40	4.02%
45	3.81%
50	3.68%
55	3.62%

Payroll Growth	None assumed. Level dollar amortization.
Inflation	2.50% per year.
Cost-of-Living Adjustment	<p><u>Tier 1</u>: 3.00% per year after age 55. Those that retire prior to age 55 receive an increase of 1/12 of 3.00% for each full month since benefit commencement upon reaching age 55.</p> <p><u>Tier 2</u>: 1.25% per year after the later of attainment of age 60 or first anniversary of retirement.</p>
Administrative Expenses	Expenses paid out of the fund other than investment-related expenses are assumed to be \$35,000 per year.
Marital Status	85% of Members are assumed to be married.
Spouse's Age	Males are assumed to be three years older than females.

ACTUARIAL ASSUMPTIONS AND METHODS

% Terminating During the Year		% Becoming Disabled During the Year		% Retiring During the Year	
Age	Rate	Age	Rate	Age	Rate
15 - 24	10.00%	20	0.05%	<=49	0%
25	7.50%	25	0.05%	50 - 54	20%
26 - 27	6.25%	30	0.22%	55 - 59	25%
28 - 31	5.00%	35	0.26%	60 - 62	33%
32 - 34	4.00%	40	0.40%	63 - 69	50%
35 - 37	3.00%	45	0.65%	>=70	100%
38 - 49	2.00%	50	0.95%		
>=50	3.50%	55	1.30%		
		60	1.65%		
		65	2.00%		

Funding Method

Entry Age Normal Cost Method.

Actuarial Asset Method

Investment gains and losses are smoothed over a 5-year period.

Amortization Method

100% of the UAAL is amortized according to a Level Dollar method over a period of 30 years beginning January 1, 2011, with a floor of 15 years.

## VALUATION NOTES

Total Annual Payroll is the projected annual rate of pay for the fiscal year following the valuation date of all covered members.

Present Value of Benefits is the single sum value on the valuation date of all future benefits to be paid to current Members, Retirees, Beneficiaries, Disability Retirees and Vested Terminations.

Normal (Current Year's) Cost is the current year's cost for benefits yet to be funded.

Unfunded Accrued Liability is a liability which arises when a pension plan is initially established or improved and such establishment or improvement is applicable to all years of past service.

Total Required Contribution is equal to the Normal Cost plus an amount sufficient to amortize the Unfunded Accrued Liability over 30 years from January 1, 2011 (with a floor amortization period of 15 years). The required amount is adjusted for interest according to the timing of contributions during the year.

Entry Age Normal Cost Method - Under this method, the normal cost is the sum of the individual normal costs for all active participants. For an active participant, the normal cost is the participant's normal cost accrual rate, multiplied by the participant's current compensation.

- (a) The normal cost accrual rate equals:
  - (i) the present value of future benefits for the participant, determined as of the participant's entry age, divided by
  - (ii) the present value of the compensation expected to be paid to the participant for each year of the participant's anticipated future service, determined as of the participant's entry age.
- (b) In calculating the present value of future compensation, the salary scale is applied both retrospectively and prospectively to estimate compensation in years prior to and subsequent to the valuation year based on the compensation used for the valuation.
- (c) The accrued liability is the sum of the individual accrued liabilities for all participants and beneficiaries. A participant's accrued liability equals the present value, at the participant's attained age, of future benefits less the present value at the participant's attained age of the individual normal costs payable in the future. A beneficiary's accrued liability equals the present value, at the beneficiary's attained age, of future benefits. The unfunded accrued liability equals the total accrued liability less the actuarial value of assets.
- (d) Under this method, the entry age used for each active participant is the participant's age at the time he or she would have commenced participation if the plan had always been in existence under current terms, or the age as of which he or she first earns service credits for purposes of benefit accrual under the current terms of the plan.

CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS  
December 31, 2014  
Actuarial Asset Basis

INCOME		
Contributions:		
Member	211,761	
Miscellaneous Member Revenue	20,419	
Village	589,303	
Total Contributions		821,483
Earnings from Investments		
Interest & Dividends	645,142	
Miscellaneous Income	10	
Change in Actuarial Value	624,180	
Total Earnings and Investment Gains		1,269,332
EXPENSES		
Administrative Expenses:		
Investment Related*	68,913	
Other	22,328	
Total Administrative Expenses		91,241
Distributions to Members:		
Benefit Payments	878,451	
Refund of Contributions/Transfers	98,627	
Total Distributions		977,078
Change in Net Assets for the Year		1,022,496
Net Assets Beginning of the Year		18,385,680
Net Assets End of the Year**		19,408,176

\*Investment Related expenses include investment advisory, custodial and performance monitoring fees.

\*\*Net Assets may be limited for actuarial consideration

ACTUARIAL ASSET VALUATION

December 31, 2014

Actuarial Assets for funding purposes are developed by recognizing the total actuarial investment gain or loss for each Plan Year over a five year period. In the first year, 20% of the gain or loss is recognized. In the second year 40%, in the third year 60%, in the fourth year 80%, and in the fifth year 100% of the gain or loss is recognized. The actuarial investment gain or loss is defined as the actual return on investments minus the actuarial assumed investment return. Actuarial Assets shall not be less than 80% nor greater than 120% of the Market Value of Assets.

Plan Year Ending	Gains/(Losses)	Gains/(Losses) Not Yet Recognized				
		Amounts Not Yet Recognized by Valuation Year				
		2015	2016	2017	2018	2019
12/31/2011	(915,868)	(183,174)	0	0	0	0
12/31/2012	251,547	100,619	50,309	0	0	0
12/31/2013	1,238,559	743,135	495,424	247,712	0	0
12/31/2014	(770,594)	(616,475)	(462,356)	(308,238)	(154,119)	0
Total		44,105	83,377	(60,526)	(154,119)	0

Development of Investment Gain/Loss

Market Value of Assets, 12/31/2013	19,161,108
Contributions Less Benefit Payments & Administrative Expenses	(177,923)
Expected Investment Earnings *	1,239,690
Actual Net Investment Earnings	<u>469,096</u>
2015 Actuarial Investment Gain/(Loss)	(770,594)

\*Expected Investment Earnings = 6.50% x (19,161,108 + 0.5 x -177,923)

Development of Actuarial Value of Assets

Market Value of Assets, 12/31/2014	19,452,281
(Gains)/Losses Not Yet Recognized	<u>(44,105)</u>
Actuarial Value of Assets, 12/31/2014	19,408,176

(A) 12/31/2013 Actuarial Assets: 18,385,680

(I) Net Investment Income:

1. Interest and Dividends	645,142
2. Realized Gains (Losses)	0
3. Change in Actuarial Value	624,180
4. Investment Expenses	<u>(68,913)</u>
Total	1,200,409

(B) 12/31/2014 Actuarial Assets: 19,408,176

Actuarial Asset Rate of Return = (2 x I) / (A + B - I): 6.56%

Market Value of Assets Rate of Return: 2.46%

1/1/2015 Limited Actuarial Assets: 19,408,176

STATISTICAL DATA <sup>1</sup>

	<u>1/1/2012</u>	<u>1/1/2013</u>	<u>1/1/2014</u>	<u>1/1/2015</u>
<u>Active Members</u>				
<i>Tier 1</i>				
Number	N/A	N/A	N/A	19
Average Current Age	N/A	N/A	N/A	41.0
Average Age at Employment	N/A	N/A	N/A	27.5
Average Past Service	N/A	N/A	N/A	13.5
Average Annual Salary	N/A	N/A	N/A	\$95,644
<i>Tier 2</i>				
Number	N/A	N/A	N/A	4
Average Current Age	N/A	N/A	N/A	26.2
Average Age at Employment	N/A	N/A	N/A	24.9
Average Past Service	N/A	N/A	N/A	1.3
Average Annual Salary	N/A	N/A	N/A	\$66,365
<u>Retirees &amp; Beneficiaries</u>				
Number	N/A	N/A	11	12
Average Current Age	N/A	N/A	N/A	64.5
Average Annual Benefit	N/A	N/A	N/A	\$69,275
<u>Disability Retirees</u>				
Number	N/A	N/A	3	3
Average Current Age	N/A	N/A	N/A	64.4
Average Annual Benefit	N/A	N/A	N/A	\$29,179
<u>Terminated Vested Members</u>				
Number	N/A	N/A	2	2
Average Current Age	N/A	N/A	N/A	32.7
Average Annual Benefit	N/A	N/A	N/A	\$0 <sup>2</sup>

<sup>1</sup> Historical value are no available.

<sup>2</sup> The terminated vested participants who are included in the valuation are awaiting a refund of employee contributions. Therefore, they will not be entitled to a future annual benefit from the plan.

## AGE AND SERVICE DISTRIBUTION

### PAST SERVICE

AGE	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30+	Total
15 - 19	0	0	0	0	0	0	0	0	0	0	0	0
20 - 24	1	0	0	0	0	0	0	0	0	0	0	1
25 - 29	1	0	2	0	0	0	0	0	0	0	0	3
30 - 34	0	0	0	0	0	3	0	0	0	0	0	3
35 - 39	0	0	0	0	0	1	5	0	0	0	0	6
40 - 44	0	0	0	0	0	0	2	1	0	0	0	3
45 - 49	0	0	0	0	0	0	1	2	1	0	0	4
50 - 54	0	0	0	0	0	0	0	0	1	1	0	2
55 - 59	0	0	0	1	0	0	0	0	0	0	0	1
60 - 64	0	0	0	0	0	0	0	0	0	0	0	0
65+	0	0	0	0	0	0	0	0	0	0	0	0
Total	2	0	2	1	0	4	8	3	2	1	0	23

## PARTICIPANT RECONCILIATION

### 1. Active lives

a. Number in prior valuation 1/1/2014	23
b. Terminations	
i. Vested (partial or full) with deferred benefits	1
ii. Non-vested or full lump sum distribution received	0
c. Deaths	
i. Beneficiary receiving benefits	0
ii. No future benefits payable	0
d. Disabled	0
e. Retired	1
f. Voluntary withdrawal	0
g. Continuing participants	21
h. New entrants	2
i. Data corrections	0
j. Total active life participants in 1/1/2015 valuation	23

### 2. Non-Active lives (including beneficiaries receiving benefits)

	Service Retirees, Vested Receiving <u>Benefits</u>	Vested <u>Deferred</u>	Receiving Disability <u>Benefits</u>	Receiving Death <u>Benefits</u>	<u>Total</u>
Participants, 1/1/2014	10	2	3	1	16
Retired	1	0	0	0	1
Vested Deferred	0	1	0	0	1
Death, With Survivor	0	0	0	0	0
Death, No Survivor	0	0	0	0	0
Disabled	0	0	0	0	0
Refund of Contributions	0	(1)	0	0	(1)
Rehires	0	0	0	0	0
Data Corrections	0	0	0	0	0
Participants, 1/1/2015	11	2	3	1	17

SUMMARY OF CURRENT PLAN

Article 3 Pension Fund

The Plan is established and administered as prescribed by “Article 3. Police Pension Fund – Municipalities 500,000 and Under” of the Illinois Pension Code.

Credited Service

Years and fractional parts of years of service as a sworn police officer employed by the Village.

Normal Retirement

Date

**Tier 1:** Age 50 and 20 years of Credited Service.

**Tier 2:** Age 55 with 10 years of service.

Benefit

**Tier 1:** 50% of annual salary attached to rank on last day of service plus 2.50% of annual salary for each year of service over 20 years, up to a maximum of 75% of salary. The minimum monthly benefit is \$1,000 per month.

**Tier 2:** 2.50% per year of service times the average salary for the eight consecutive years prior to retirement times the number of years of service. The maximum benefit is 75% of average salary.

Form of Benefit

**Tier 1:** For married retirees, an annuity payable for the life of the Member; upon the death of the member, 100% of the Member’s benefit payable to the spouse until death. For unmarried retirees, the normal form is a Single Life Annuity.

**Tier 2:** Same as above, but with 66 2/3% of benefit continued to spouse.

Cost-of-Living Adjustment

**Tier 1:** An annual increase equal to 3.00% per year after age 55. Those that retire prior to age 55 receive an increase of 1/12 of 3.00% for each full month since benefit commencement upon reaching age 55.

**Tier 2:** An annual increase each January 1 equal to 3.00% per year or one-half of the annual unadjusted percentage increase in the consumer price index-u for the 12 months ending with the September preceding each November 1, whichever is less, of the original pension after the attainment of age 60 or first anniversary of pension start date whichever is later.

Disability Benefit

Eligibility

Total and permanent as determined by the Board of Trustees.

Benefit Amount

A maximum of:

- a.) 65% of salary attached to the rank held by Member on last day of service, and;
- b.) The monthly retirement pension that the Member is entitled to receive if he or she retired immediately.

For non-service connected disabilities, a benefit of 50% of salary attached to rank held by Member on last day of service.

Pre-Retirement Death Benefit

Service Incurred

100% of salary attached to rank held by Member on last day of service.

Non-Service Incurred

A maximum of:

- a.) 50% of salary attached to the rank held by Member on last day of service, and;
- b.) The monthly retirement pension earned by the deceased Member at the time of death, regardless of whether death occurs before or after age 50.

For non-service deaths with less than 10 years of service, a refund of member contributions is provided.

Contributions

Employee

9.91% of Salary.

Village

Remaining amount necessary for payment of Normal (current year's) Cost and amortization of the accrued past service liability over a period ending in 2040.

Vesting (Termination)

Less than 10 years

Refund of Member Contributions.

10 or more years

Either the termination benefit, payable upon reaching age 60, provided contributions are not withdrawn, or a refund of member contributions. The termination benefit is 2.50% of annual salary held in the year prior to termination times credited service.

Board of Trustees

The Board consists of two members appointed by the Village, two active Members of the Police Department elected by the Membership and one retired Member of the Police Department elected by the Membership.

DISCLOSURE INFORMATION PER STATEMENT NO. 27 OF THE  
GOVERNMENTAL ACCOUNTING STANDARDS BOARD

ANNUAL PENSION COSTS AND RELATED INFORMATION

Contribution rates as of 12/31/2014

Village	26.2%
Plan Members	9.910%
Actuarially Determined Contribution	540,123
Contributions made	589,303
Actuarial valuation date	1/1/2014
Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of pay, closed
Remaining amortization period	19.5 Years (as of 1/1/2014)
Asset valuation method	Five-Year Smoothed
Actuarial assumptions:	
Investment rate of return	6.50%
Projected salary increase**	Schedule of Rates by Age
** Includes inflation at	2.50%
Post Retirement COLA	3.00%

<u>Year</u> <u>Ending</u>	<u>Actuarially</u> <u>Determined</u> <u>Contribution</u>	<u>Percentage</u> <u>of APC *</u> <u>Contributed</u>	<u>Net</u> <u>Pension</u> <u>Obligation</u>
12/31/2014	540,123	114%	(5,053,203)

\* Annual Pension Cost from Village sources.

DISCLOSURE INFORMATION PER STATEMENT NO. 27 OF THE  
GOVERNMENTAL ACCOUNTING STANDARDS BOARD

DEVELOPMENT OF NET PENSION OBLIGATION (NPO)

The recent development of the Net Pension Obligation is as follows:

	<u>12/31/2014</u>
Actuarially Determined	
Contribution (A)	540,123
Interest on NPO	(323,887)
Adjustment to (A)	302,740
	-----
Annual Pension Cost	518,976
Contributions Made	589,303
	-----
Increase in NPO	(70,327)
NPO Beginning of Year	(4,982,876)
	-----
NPO End of Year	(5,053,203)

STATEMENT OF FIDUCIARY NET POSITION  
December 31, 2014

<u>ASSETS</u>	MARKET VALUE
Cash and Cash Equivalents:	
Cash and Cash Equivalents	16,861
Certificates of Deposit	302,221
Money Market	224,851
Cash	0
Total Cash and Equivalents	543,933
Receivables:	
Accrued Past Due Interest	46,900
Total Receivable	46,900
Investments:	
State and Local Obligations	318,164
U.S. Gov't and Agency Obligations	3,251,336
Stock Equities	1,294,185
Corporate Bonds	2,661,810
Mutual Funds	11,333,383
Total Investments	18,858,878
Other Assets	13,658
Total Assets	19,463,369
<u>LIABILITIES</u>	
Liabilities:	
Payable:	
Expenses	11,088
Total Liabilities	11,088
Net Assets:	
Active and Retired Members' Equity	19,452,281
NET POSITION RESTRICTED FOR PENSIONS	19,452,281
TOTAL LIABILITIES AND NET ASSETS	19,463,369

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE YEAR ENDED December 31, 2014  
Market Value Basis

ADDITIONS

Contributions:

Member	211,761
Miscellaneous Member Revenue	20,419
Village	589,303

Total Contributions 821,483

Investment Income:

Miscellaneous Income	10	
Investment Earnings	(107,143)	
Net Increase in Fair Value of Investments		(107,133)
Interest & Dividends		645,142
Less Investment Expense <sup>1</sup>		(68,913)

Net Investment Income 469,096

Total Additions 1,290,579

DEDUCTIONS

Distributions to Members:

Benefit Payments	878,451
Refund of Contributions/Transfers	98,627

Total Distributions 977,078

Administrative Expenses 22,328

Total Deductions 999,406

Net Increase in Net Position 291,173

NET POSITION RESTRICTED FOR PENSIONS

Beginning of the Year 19,161,108

End of the Year 19,452,281

<sup>1</sup>Investment Related expenses include investment advisory, custodial and performance monitoring fees.

NOTES TO THE FINANCIAL STATEMENTS  
(For the Year Ended December 31, 2014)

Plan Description

*Plan Administration*

The Plan is administered by a Board of Trustees comprised of:

- a.) Two members appointed by the Village,
- b.) Two active Members of the Police Department elected by the Membership, and
- c.) One retired Member of the Police Department elected by the Membership.

*Plan Membership as of January 1, 2015:*

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	15
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	2
Active Plan Members	23
	40
	40

*Benefits Provided*

The Plan provides retirement, termination, disability and death benefits.

Normal Retirement:

Age: Tier 1: Age 50 and 20 years of service.

Tier 2: Age 55 with 20 years of service.

Benefit: 2.5% of Average Final Compensation times Credited Service.

Early Retirement:

Age: Tier 1: Age 60 and 8 years of service.

Tier 2: Age 55 with 10 years of service.

Benefit: Determined as for Normal Retirement; Benefit for members hired after January 1, 2011 is reduced 6.0% for each year that Early Retirement precedes Normal Retirement.

Vesting (Termination):

Tier 1: Less than 8 years: Refund of accumulated contributions without interest.

8 or more: Refund of Contributions or accrued benefit payable at retirement age.

Tier 2: Less than 10 years: Refund of accumulated contributions without interest.

10 or more: Refund of Contributions or accrued benefit payable at retirement age.

Disability:

Eligibility: Total and permanent as determined by the Board of Trustees.

Benefit: Benefit accrued to date of disability. Minimum benefit for Service Incurred is 65% of AFC. For Non-Service Incurred benefit is 50% of Salary.

Pre-Retirement Death Benefits:

Service Incurred: 100% of Salary.

Non-Service Incurred: Greater of 50% of salary or accrued benefit.

Non-Vested: Refund of Required Contribution Account.

Cost-of-Living Adjustments:

Tier 1: Retirees - 3% per year upon attaining age 55. For retirements prior to age 55, 1/12 of 3% per month benefit commences prior to reaching age 55. Disabled Retirees - annual increase of 3% of the original benefit amount upon attaining age 60. For disablements prior to age 60 3% of original benefit per year benefit commenced prior to age 60.

Tier 2: An annual increase equal to the lesser of 3% per year or 1/2 the annual unadjusted percentage increase in the consumer price index-u for the 12 months ending with the September preceding each November 1, of the original pension after attaining age 60.

*Contributions*

Remaining amount necessary for payment of Normal (current year's) Cost and amortization of the accrued past service liability over a period ending in 2040, as provided in Article 3 of the Illinois Pension Code.

Investments

*Investment Policy:*

The following was the Board's adopted asset allocation policy as of December 31, 2014:

<u>Asset Class</u>	<u>Target Allocation</u>
Large Cap Growth	11.0%
Large Cap Value	11.0%
Small/Mid Cap Growth	6.5%
Small/Mid Cap Value	6.5%
International Growth	7.5%
International Value	7.5%
Multi-Class	15.0%
Fixed Income and Cash	35.0%
<u>Total</u>	<u>100.0%</u>

*Concentrations:*

The Plan did not hold investments in any one organization that represent 5 percent or more of the Pension Plan's fiduciary net position.

*Rate of Return:*

For the year ended December 31, 2014 the annual money-weighted rate of return on Pension Plan investments, net of pension plan investment expense, was 2.53 percent.

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

## NET PENSION LIABILITY OF THE SPONSOR

The components of the net pension liability of the sponsor on December 31, 2014 were as follows:

Total Pension Liability	\$ 23,974,642
Plan Fiduciary Net Position	\$ (19,452,281)
Sponsor's Net Pension Liability	\$ 4,522,361
Plan Fiduciary Net Position as a percentage of Total Pension Liability	81.14%

*Actuarial Assumptions:*

The total pension liability was determined by an actuarial valuation as of January 1, 2015 using the following actuarial assumptions applied to all measurement periods.

Inflation	2.50%	
Salary Increases	Graded by age from 7.69% to 3.62% at age 55 and later	
Investment Rate of Return	6.50%	

RP-2000 Combined Healthy Mortality Table with a Blue Collar Adjustment, Projected to 2015 with Scale BB.

The demographic assumptions used in the January 1, 2015 valuation were based on the results of an actuarial experience study performed by the State of Illinois Department of Insurance.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2014 are summarized in the following table:

<u>Asset Class</u>	<u>Long Term Expected Real Rate of Return</u>
Large Cap Growth	5.2%
Large Cap Value	4.9%
Small/Mid Cap Growth	6.0%
Small/Mid Cap Value	5.7%
International Growth	5.3%
International Value	5.3%
Multi-Class	1.8%
Fixed Income and Cash	0.5%

**Discount Rate:**

The discount rate used to measure the total pension liability was 6.50 percent.

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

	1% Decrease <u>5.50%</u>	Current Discount Rate <u>6.50%</u>	1% Increase <u>7.50%</u>
Sponsor's Net Pension Liability	\$ 8,171,867	\$ 4,522,361	\$ 1,554,465

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS  
Last 10 Fiscal Years

	12/31/2014
Total Pension Liability	
Service Cost	543,025
Interest	1,466,549
Changes of Benefit Terms	-
Differences Between Expected and Actual Experience	434,345
Changes of Assumptions	-
Contributions - Buy Back	-
Benefit Payments, Including Refunds of Employee Contributions	(977,078)
Net Change in Total Pension Liability	1,466,841
Total Pension Liability - Beginning	22,507,801
Total Pension Liability - Ending (a)	\$ 23,974,642
Plan Fiduciary Net Position	
Contributions - Employer	589,303
Contributions - Employee	232,180
Contributions - Buy Back	-
Net Investment Income	469,096
Benefit Payments, Including Refunds of Employee Contributions	(977,078)
Administrative Expense	(22,328)
Other	-
Net Change in Plan Fiduciary Net Position	291,173
Plan Fiduciary Net Position - Beginning	19,161,108
Plan Fiduciary Net Position - Ending (b)	\$ 19,452,281
Net Pension Liability - Ending (a) - (b)	\$ 4,522,361
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	81.14%
Covered Employee Payroll	\$ 2,082,705
Net Pension Liability as a Percentage of Covered Employee Payroll	217.14%

**SCHEDULE OF CONTRIBUTIONS**  
Last 10 Fiscal Years

	<u>12/31/2014</u>
Actuarially Determined Contribution	692,133
Contributions in Relation to the Actuarially Determined Contributions	589,303
Contribution Deficiency (Excess)	\$ 102,830
Covered Employee Payroll	2,082,705
Contributions as a Percentage of Covered Employee Payroll	28.30%

Notes to Schedule

Valuation Date: 1/1/2014

Actuarially determined contribution is calculated as of January 1 of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Funding Method:	Entry Age Normal.
Amortization Method:	Level dollar.
Remaining Amortization Period:	15 Years (as of 1/1/2014).
Actuarial Asset Method:	Assets are valued with an adjustment made to expected assets to uniformly spread actuarial investment gains and losses (as measured by actual market value investment return against expected market value investment return) over a five-year period.
Inflation:	2.50% per year.
Salary Increases:	Graded by age from 7.3611% at 25 years old to 3.6220% at 55 years old.
Payroll Growth:	0.00% per year.
Interest Rate:	6.50% per year compounded annually, net of investment related expenses.
Retirement Rates	See Table Below.
Termination Rates:	See Table Below.
Disability Rates:	See Table Below. It is assumed that 15% of Disability Retirements and 5% of Pre-Retirement Deaths are service-related.
Mortality:	RP-2000 Combined Healthy Mortality Table (male) with blue collar adjustment and with a 200% load for participants under age 50 and 125% for participants age 50 and over.

Other Information:

Termination and Disability Rate Table.

<u>Age</u>	<u>% Terminating During the Year</u>	<u>% Becoming Disabled During the Year</u>
25	7.34%	0.13%
30	4.16%	0.26%
35	2.23%	0.44%
40	1.19%	0.71%
45	1.02%	1.08%
50	0.00%	1.59%

Retirement Rate Table

<u>Age</u>	<u>% Retiring During the Year</u>	<u>Age</u>	<u>% Retiring During the Year</u>
50	36.0%	60	22.0%
51	22.0%	61	30.0%
52	18.0%	62	39.0%
53	19.0%	63	48.0%
54	19.0%	64	57.0%
55	20.0%	65	65.0%
56	20.0%	66	74.0%
57	20.0%	67	83.0%
58	21.0%	68	91.0%
59	21.0%	69	0.0%

SCHEDULE OF INVESTMENT RETURNS  
Last 10 Fiscal Years

	<u>12/31/2014</u>
Annual Money-Weighted Rate of Return	
Net of Investment Expense	2.53%

NOTES TO THE FINANCIAL STATEMENTS  
(For the Year Ended December 31, 2014)

General Information about the Pension Plan

*Plan Administration*

The Plan is administered by a Board of Trustees comprised of:

- a.) Two members appointed by the Village,
- b.) Two active Members of the Police Department elected by the Membership, and
- c.) One retired Member of the Police Department elected by the Membership.

*Plan Membership as of January 1, 2015:*

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	15
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	2
Active Plan Members	23
	40
	40

*Benefits Provided*

The Plan provides retirement, termination, disability and death benefits.

Normal Retirement:

Age: Tier 1: Age 50 and 20 years of service.

Tier 2: Age 55 with 20 years of service.

Benefit: 2.5% of Average Final Compensation times Credited Service.

Early Retirement:

Age: Tier 1: Age 60 and 8 years of service.

Tier 2: Age 55 with 10 years of service.

Benefit: Determined as for Normal Retirement; Benefit for members hired after January 1, 2011 is reduced 6.0% for each year that Early Retirement precedes Normal Retirement.

Vesting (Termination):

Tier 1: Less than 8 years: Refund of accumulated contributions without interest.

8 or more: Refund of Contributions or accrued benefit payable at retirement age.

Tier 2: Less than 10 years: Refund of accumulated contributions without interest.

10 or more: Refund of Contributions or accrued benefit payable at retirement age.

Disability:

Eligibility: Total and permanent as determined by the Board of Trustees.

Benefit: Benefit accrued to date of disability. Minimum benefit for Service Incurred is 65% of AFC. For Non-Service Incurred benefit is 50% of Salary.

Pre-Retirement Death Benefits:

Service Incurred: 100% of Salary.

Non-Service Incurred: Greater of 50% of salary or accrued benefit.

Non-Vested: Refund of Required Contribution Account.

Cost-of-Living Adjustments:

Tier 1: Retirees - 3% per year upon attaining age 55. For retirements prior to age 55, 1/12 of 3% per month benefit commences prior to reaching age 55. Disabled Retirees - annual increase of 3% of the original benefit amount upon attaining age 60. For disablements prior to age 60 3% of original benefit per year benefit commenced prior to age 60.  
Tier 2: An annual increase equal to the lesser of 3% per year or 1/2 the annual unadjusted percentage increase in the consumer price index-u for the 12 months ending with the September preceding each November 1, of the original pension after attaining age 60.

Contributions

Remaining amount necessary for payment of Normal (current year's) Cost and amortization of the accrued past service liability over a period ending in 2040, as provided in Article 3 of the Illinois Pension Code.

**Net Pension Liability**

The Sponsor's net pension liability was measured as of December 31, 2014.  
The total pension liability used to calculate the net pension liability was determined as of that date.

*Actuarial Assumptions:*

The total pension liability was determined by an actuarial valuation as of January 1, 2015 using the following actuarial assumptions applied to all measurement periods.

Inflation	2.50%
Salary Increases	Graded by age from 7.69% to 3.62% at age 55 and later
Investment Rate of Return	6.50%

RP-2000 Combined Healthy Mortality Table with a Blue Collar Adjustment, Projected to 2015 with Scale BB.

The demographic assumptions used in the January 1, 2015 valuation were based on the results of an actuarial experience study performed by the State of Illinois Department of Insurance.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December, 31 2014 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Large Cap Growth	11.0%	5.2%
Large Cap Value	11.0%	4.9%
Small/Mid Cap Growth	6.5%	6.0%
Small/Mid Cap Value	6.5%	5.7%
International Growth	7.5%	5.3%
International Value	7.5%	5.3%
Multi-Class	15.0%	1.8%
Fixed Income and Cash	35.0%	0.5%
Total	<u>100%</u>	

**Discount Rate:**

The discount rate used to measure the total pension liability was 6.50 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

## CHANGES IN NET PENSION LIABILITY

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances at December 31, 2013	\$ 22,507,801	\$ 19,161,108	\$ 3,346,693
Changes for a Year:			
Service Cost	543,025		543,025
Interest	1,466,549		1,466,549
Differences Between Expected and Actual Experience	434,345		434,345
Changes of Assumptions	-		-
Changes of Benefit Terms	-		-
Contributions - Employer		589,303	(589,303)
Contributions - Employee		232,180	(232,180)
Contributions - Buy Back	-	-	-
Net Investment Income		469,096	(469,096)
Benefit Payments, Including Refunds of Employee Contributions	(977,078)	(977,078)	-
Administrative Expense		(22,328)	22,328
Other Changes	-	-	-
New Changes	1,466,841	291,173	1,175,668
Balances at December 31, 2014	<u>\$ 23,974,642</u>	<u>\$ 19,452,281</u>	<u>\$ 4,522,361</u>

*Sensitivity of the net pension liability to changes in the discount rate.*

	Current Discount		
	1% Decrease	Rate	1% Increase
	5.50%	6.50%	7.50%
Sponsor's Net Pension Liability	\$ 8,171,867	\$ 4,522,361	\$ 1,554,465

*Pension plan fiduciary net position.*

Detailed information about the pension plan's fiduciary net position is available in a separately issued Plan financial report.

PENSION EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS  
OF RESOURCES RELATED TO PENSIONS

For the year ended December 31, 2015 the Sponsor will recognize a pension expense of \$776,200. On December 31, 2015 the Sponsor reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	372,296	-
Changes of Assumptions	-	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	616,475	-
Total	\$ 988,771	\$ -

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:			
2016		\$	216,168
2017		\$	216,168
2018		\$	216,168
2019		\$	216,167
2020		\$	62,050
Thereafter		\$	62,050

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS  
Last 10 Fiscal Years

	12/31/2014
Total Pension Liability	
Service Cost	543,025
Interest	1,466,549
Changes of Benefit Terms	-
Differences Between Expected and Actual Experience	434,345
Changes of Assumptions	-
Contributions - Buy Back	-
Benefit Payments, Including Refunds of Employee Contributions	(977,078)
Net Change in Total Pension Liability	1,466,841
Total Pension Liability - Beginning	22,507,801
Total Pension Liability - Ending (a)	\$ 23,974,642
 Plan Fiduciary Net Position	
Contributions - Employer	589,303
Contributions - Employee	232,180
Contributions - Buy Back	-
Net Investment Income	469,096
Benefit Payments, Including Refunds of Employee Contributions	(977,078)
Administrative Expense	(22,328)
Other	-
Net Change in Plan Fiduciary Net Position	291,173
Plan Fiduciary Net Position - Beginning	19,161,108
Plan Fiduciary Net Position - Ending (b)	\$ 19,452,281
 Net Pension Liability - Ending (a) - (b)	\$ 4,522,361
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	81.14%
 Covered Employee Payroll	\$ 2,082,705
Net Pension Liability as a Percentage of Covered Employee Payroll	217.14%

## SCHEDULE OF CONTRIBUTIONS

Last 10 Fiscal Years

	12/31/2014
Actuarially Determined Contribution	692,133
Contributions in Relation to the	
Actuarially Determined Contributions	589,303
Contribution Deficiency (Excess)	\$ 102,830
Covered Employee Payroll	\$ 2,082,705
Contributions as a Percentage of	
Covered Employee Payroll	28.30%

### Notes to Schedule

Valuation Date: 1/1/2014

Actuarially determined contribution is calculated as of January 1 of the fiscal year in which contributions are reported.

### Methods and assumptions used to determine contribution rates:

Funding Method:	Entry Age Normal.
Amortization Method:	Level dollar.
Remaining Amortization Period:	15 Years (as of 1/1/2014).
Actuarial Asset Method:	Assets are valued with an adjustment made to expected assets to uniformly spread actuarial investment gains and losses (as measured by actual market value investment return against expected market value investment return) over a five-year period.
Inflation:	2.50% per year.
Salary Increases:	Graded by age from 7.3611% at 25 years old to 3.6220% at 55 years old.
Payroll Growth:	0.00% per year.
Interest Rate:	6.50% per year compounded annually, net of investment related expenses.
Retirement Rates	See Table Below.
Termination Rates:	See Table Below.
Disability Rates:	See Table Below. It is assumed that 15% of Disability Retirements and 5% of Pre-Retirement Deaths are service-related.
Mortality:	RP-2000 Combined Healthy Mortality Table (male) with blue collar adjustment and with a 200% load for participants under age 50 and 125% for participants age 50 and over.

Other Information:

Termination and Disability Rate Table.

<u>Age</u>	<u>% Terminating During the Year</u>	<u>% Becoming Disabled During the Year</u>
25	7.34%	0.13%
30	4.16%	0.26%
35	2.23%	0.44%
40	1.19%	0.71%
45	1.02%	1.08%
50	0.00%	1.59%

Retirement Rate Table

<u>Age</u>	<u>% Retiring During the Year</u>	<u>Age</u>	<u>% Retiring During the Year</u>
50	36.0%	60	22.0%
51	22.0%	61	30.0%
52	18.0%	62	39.0%
53	19.0%	63	48.0%
54	19.0%	64	57.0%
55	20.0%	65	65.0%
56	20.0%	66	74.0%
57	20.0%	67	83.0%
58	21.0%	68	91.0%
59	21.0%	69	0.0%

COMPONENTS OF PENSION EXPENSE  
FISCAL YEAR DECEMBER 31, 2015

	Net Pension Liability	Deferred Inflows	Deferred Outflows	Pension Expense
Beginning Balance	\$ 3,346,693	\$ -	\$ 589,303	
Total Pension Liability Factors:				
Service Cost	543,025			543,025
Interest	1,466,549			1,466,549
Changes in Benefit Terms	-			-
Contributions - Buy Back	-			-
Differences Between Expected and Actual Experience With Regard to Economic or Demographic Assumptions	434,345	-	434,345	
Current Year Amortization		-	(62,049)	62,049
Changes in Assumptions About Future Economic or Demographic Factors or Other Inputs	-	-	-	
Current Year Amortization		-	-	-
Benefit Payments	(977,078)			(977,078)
Net Change	<u>1,466,841</u>	<u>-</u>	<u>372,296</u>	<u>1,094,545</u>
Plan Fiduciary Net Position:				
Contributions - Employer	589,303		(589,303)	
Contributions - Employee	232,180			(232,180)
Contributions - Buy Back	-			-
Net Investment Income	1,239,690			(1,239,690)
Difference Between Projected and Actual Earnings on Pension Plan Investments	(770,594)	-	770,594	
Current Year Amortization		-	(154,119)	154,119
Benefit Payments	(977,078)			977,078
Administrative Expenses	(22,328)			22,328
Other	-			-
Net Change	<u>291,173</u>	<u>-</u>	<u>27,172</u>	<u>(318,345)</u>
Ending Balance	<u>\$ 4,522,361</u>	<u>\$ -</u>	<u>\$ 988,771</u>	<u>\$ 776,200</u>

**REQUEST FOR BOARD ACTION  
September 28, 2015 Committee of the Whole**

**Subject:** Consideration and Discussion of Awarding a Bid to the lowest responsible bidder, Green Acres Landscaping, Inc., for landscape corridor and planting areas maintenance services at an Annual Cost of \$135,468.00.

**Action Requested:** Consideration, Discussion, and Placement on the October 13, 2015 Consent Agenda for Approval

**Originated By/Contact:** Bradford H. Woodbury, Public Works Director

**Referred To:** Village Board

**Summary / Background:**

On September 17, 2015, Village Staff opened bids for landscape maintenance at various locations throughout the Village. The bid document included soliciting prices for landscape maintenance of various public land and rights-of-way throughout the Village including: Village streetscapes/corridors; perennial beds; roadway medians; guardrails; and residential cul-de-sacs. The bid request also solicited pricing on landscape maintenance on several Village-owned properties including: Village Hall, South Village Green, and Public Works Facility. The contract term is for a one year period with an option to renew for one additional year, at the discretion of the Village of Lincolnshire. Staff sent proposals to five (5) contractors and received two bids by the September 17, 2015 bid opening. This contract was last bid out in 2012 and was originally awarded at \$128,482.00. Green Acres Landscaping of Ingleside, Illinois submitted the low bid in the amount of \$135,468.00. Additionally, Green Acres has proposed no annual increase for the year 2017.

**Budget Impact:**

The 2016 Draft Budget includes \$137,500.00 for landscape services.

**Service Delivery Impact:**

Staff anticipates no change to current service level with the base contract. Green Acres Landscaping has been very responsive and met Staff expectations over the past contract period.

**Recommendation:**

Staff has been very satisfied with the level of service Green Acres has provided over the past 3 years. Staff checked the references supplied by Green Acres Landscaping, Inc. and recommends awarding the contract in the amount of \$135,468.00 to Green Acres Landscaping of Ingleside, Illinois.

**Reports and Documents Attached:**

- Bid Tabulation Report.

<b>Meeting History</b>	
<b>Initial Referral to Village Board (COW):</b>	<b>September 28, 2015</b>
<b>Regular Village Board Meeting:</b>	<b>October 13, 2015</b>

**Bid Tabulation – Landscape Corridor Maintenance – Village of Lincolnshire  
September 17, 2015 – Bid Opening – 10:00a.m.**

**Green Acres Landscaping, Ingleside, IL**

**Fleck Landscaping, Wheeling, IL**

**Proposal Section A: Village Hall, Village Hall Outlot and South Village Green**

1. Village Hall	\$13,300.00 per/yr.	\$46,186.00 per/yr.
2. Village Hall Outlot	\$price included above	\$20,168.00 per/yr.
3. South Village Green	\$3668.00per/yr.	\$13,029.00 per/yr.
<b>Section Subtotals</b>	<b>\$16,968.00 per year</b>	<b>\$79,383.00 per year</b>

**Proposal Section B: Park and Street Beds**

4. Park Street Beds	\$58,800.00 per/yr.	\$89,276.00 per/yr.
5. Fall/Spring Clean Up	\$4,950.00 per/yr.	\$12,120.00 per/yr.
6. Mulching	\$17,650.00 per/yr.	\$21,700.00 per/yr.
<b>Section Subtotals</b>	<b>\$81,400.00 per year</b>	<b>\$112,196.00 per year</b>

**Proposal Section C: Corridor Mowing**

7. Corridor Mowing	\$21,700.00 per/yr.	\$20,160.00 per/yr.
8. Guardrail Maintenance	\$800.00 per/yr.	\$4,200.00 per/yr.
<b>Section Subtotals</b>	<b>\$22,500.00 per year</b>	<b>\$24,360.00 per year</b>

**Proposal Section D: Cul-De-Sac Maintenance**

9. Spring/Fall Clean-Up	\$5,000.00 per/yr.	\$3,700.00 per/yr.
10. Cul-De-Sac Maintenance	\$4,400.00 per/yr.	\$26,740.00 per/yr.
11. Cul-De-Sac Mulching	\$5,200.00 per/yr.	\$4,420.00 per/yr.
<b>Section Subtotals</b>	<b>\$14,600.00 per year</b>	<b>\$34,860.00 per year</b>

<b><u>TOTAL CONTACT COST</u></b>	<b>\$135,468.00 per year</b>	<b>\$250,799.00 per year</b>
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**REQUEST FOR BOARD ACTION  
Committee of the Whole  
September 28, 2015**

**Subject:** Consideration and Discussion of Awarding Bid to Alpha Building Maintenance Service, Inc., Homer Glen Illinois, for Village Custodial Services at an Annual Base Bid Cost of \$25,014.00(Village of Lincolnshire)

**Action Requested:** Consideration, Discussion, and Placement on the October 13, 2015 Consent Agenda

**Originated By/Contact:** Scott Phippen, Operations Superintendent

**Referred To:** Village Board

**Summary / Background:**

The Village published a bid notice on September 3 for contractual custodial services for the Village's facilities (Village Hall, Public Works, Spring Lake Park Pavilion) for fiscal year 2016 with renewal options, at the Village's discretion, for fiscal years 2017 and 2018. On September 17, staff publicly opened six sealed proposals. Alpha Building Maintenance Service, Inc., Homer Glen, Illinois, submitted the lowest responsible bid.

The following is the base bid price prepared by each bidder:

	<u>2016</u>	<u>2017</u>	<u>2018</u>
Alpha Building Maintenance Service, Inc.	\$25,014.00	\$25,764.00	\$26,558.00
ABC, Inc.	\$27,995.00	\$28,955.00	\$29,965.00
EBM Inc.	\$28,322.02	\$28,322.02	\$29,030.15
Best Quality Facility, LLC.	\$29,705.00	\$29,705.00	\$29,705.00
Eco Clean Maintenance, Inc.	\$30,290.00	\$30,290.00	\$30,290.00
Crystal Maintenance Services	\$35,650.00	\$35,650.00	\$35,650.00
GSF USA, Inc.	\$46,095.00	\$47,037.00	\$47,997.00

In addition to the base bid, alternate bids were received for quarterly cleaning activities such as carpet cleaning, window cleaning, and floor cleaning. Alpha Building Maintenance Services was also the low bidder for these items at \$415.00 for each activity, per occurrence, in fiscal year 2016.

Staff included quarterly cleaning for the Public Works Facility and cleaning of the Pavilion at North Park to the bid request as well. These items were not included in previous bids for this service. The cost for these additions is \$4,980.00 for the Public Works Facility and \$943.00 for North Park totaling \$5,923.00.

**Budget Impact:**

In fiscal year 2015, \$32,700.00 was budgeted for these services. Based on Alpha's bid proposal, staff recommends \$35,000.00 be allocated in the 2016 budget. This is an increase of \$2,300.00 and includes the additional work at the Public Works Facility and North Park.

Alpha's bid totals for all services each year is as follows:

<b><u>Facility Base Bid</u></b>	<b><u>2016</u></b>	<b><u>2017</u></b>	<b><u>2018</u></b>
Village Hall/Police Dept.	\$18,216.00	\$18,762.00	\$19,344.00
Public Works Facility	\$4,912.00	\$5,060.00	\$5,212.00
Spring Lake Pavilion	\$943.00	\$971.00	\$1,001.00
North Park Pavilion	\$943.00	\$971.00	\$1,001.00
Total	\$25,014.00	\$25,764.00	\$26,558.00
<b><u>Facility Quartely Clean</u></b>			
Village Hall/Police Dept.	\$4,980.00	\$5,136.00	\$5,292.00
Public Works Facility	\$4,980.00	\$5,136.00	\$5,292.00
Total	\$9,960.00	\$10,272.00	\$10,584.00
<b>Grand Total</b>	<b>\$34,974.00</b>	<b>\$36,036.00</b>	<b>\$37,142.00</b>

**Recommendation:**

Alpha Building Maintenance Service, Inc. has a long history of providing custodial services to government, and school buildings, including Vernon Hills. Their references were all satisfied with their service, and Alpha has an A+ rating with the Better Business Bureau. Staff recommends acceptance of Alpha Building Maintenance Service, Inc.'s bid for custodial services to Village Facilities.

**Reports and Documents Attached:**

- Alpha Building Maintenance Service, Inc. bid proposal

<b>Meeting History</b>	
<b>Initial Referral to Village Board (COW):</b>	<b>September 28, 2015</b>
<b>Regular Village Board Meeting:</b>	<b>October 13, 2015</b>

# **Janitorial Bid Proposal**

Prepared For

**Village of Lincolnshire**

One Olde Half Day Rd Lincolnshire, Illinois 60069

By

**Alpha Building Maintenance Services, Inc.**



**Green Clean Certified**



## Alpha Building Maintenance Services

12713 Hadley Rd.  
Homer Glen, IL 60491  
815-485-8800

7549 W. 99<sup>th</sup> Place Unit A  
Bridgeview, IL 60455  
708-233-1948

September 16, 2015

Village of Lincolnshire  
One Old Half Day Rd  
Attn: Scott Phippen  
Lincolnshire IL.60069

### **Re: Custodial Cleaning Proposal**

Dear Scott

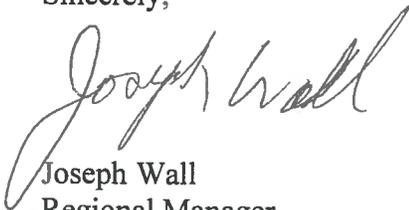
Thank you for the opportunity to provide you with a proposal for cleaning your facilities. **Alpha Building Maintenance Services (ABMS) is a local, medium-sized, family-owned business.** We have enjoyed steady growth in our 47 years of existence because of our ability to thrill our customers with exceptional service. We specialize in servicing school districts, **municipalities**, and medical facilities. I am proud to say that our financial health is strong; despite the various market challenges that exist in our economy today.

I am also pleased to provide you with the following information:

- **Business Address:** 12713 Hadley Road, Homer Glen, IL 690491
- **Legal Name:** Alpha Building Maintenance Services, Inc. (an Illinois corporation)
- **Officers:** Ms. Lorraine Grab, President (100% shareholder); Wayne Baxtrom, GM
- **Principal Contact:** Mr. Joseph Wall, Acct. Executive, (708) 217-0582

At ABMS, we are proud to say that we do our job extremely well! Our caring, professional employees are directly responsible for this success. I **guarantee** that, through efficient procedures and well-defined processes, we are the best-qualified contractor for your maintenance needs. Please give us a chance to prove it! I am available to answer any questions that you may still have.

Sincerely,



Joseph Wall  
Regional Manager

**VILLAGE OF LINCOLNSHIRE**

**NOTICE TO BIDDERS**

**CUSTODIAL STAFFING AND MAINTENANCE  
FOR LINCOLNSHIRE FACILITIES**

The Village of Lincolnshire will receive sealed proposals until 10:00 a.m. local time on Thursday, September 17, 2015 at the Lincolnshire Village Hall, located at One Olde Half Day Road, Lincolnshire, Illinois 60069-3035, at which time and place the bids will be publicly opened.

The proposed project includes provision of all labor, materials, tools and services required for custodial staffing and maintenance at the Village Hall, Public Works Facility and Spring Lake Park Pavilion, and North Park Pavilion of the Village of Lincolnshire, Illinois, in accordance with the Specifications, Notice to Bidders, Instructions to Bidders, and forms of Contract.

Proposal specifications will be made available free of charge on Thursday, September 3, 2015 at the Village of Lincolnshire webpage located at <http://www.lincolnshireil.gov/bid-information>

Interested bidders may contact Scott Pippen, Operations Superintendent, to arrange pre-bid access to the listed facilities.

All Contracts for the Construction of Public Works are subject to the Illinois Prevailing Wage Act (820 ILCS 130/1-12) and the Employment of Illinois Workers on Public Works Act (30 ILCS 570).

The Village of Lincolnshire reserves the right to defer the acceptance of a proposal until December 31, 2015 and to accept or reject any and all proposals and to waive technicalities and to accept the proposal which best meets the needs and requirements of the Village.

Village of Lincolnshire

Scott Pippen, Operations Superintendent

Village of Lincolnshire

Proposal for  
CUSTODIAL STAFFING AND MAINTENANCE  
FOR LINCOLNSHIRE FACILITIES

TO: Mayor and Board of Trustees  
Village of Lincolnshire  
One Olde Half Day Road  
Lincolnshire, Illinois 60069

FROM: ALPHA BUILDING MAINTENANCE SVL.  
Company  
7549 W 99TH PL UNIT A.  
Address  
BRIDGEVIEW IL 60455  
City State Zip  
(708) 233-1948  
Telephone

Dear Mayor and Trustees:

We, the undersigned, hereby propose to furnish all labor, materials, tools and services required for the Custodial Staffing and Maintenance for Lincolnshire Facilities for the Village of Lincolnshire, Illinois, in accordance with the Plans and Specifications, Notice to Bidders, Instructions to Bidders, and forms of Contract and bid bond.

The undersigned declares that we have examined said Plans and Specifications and acknowledges that the same are accurate and complete and are approved by the undersigned.

The undersigned agrees that the contract shall be for a one year period, but shall provide that it can be extended, on an annual basis, at the option of the Village of Lincolnshire in its sole and absolute discretion, for up to two additional years, on the terms in the bid document submitted in response to the request for proposal.

The undersigned agrees to commence work not later than 10 calendar days of the notice to proceed from the Village, and to complete the project within the time frame specified in the Terms and Conditions.

The undersigned understands that a contract to purchase the product and/or work shall be formed based upon the terms of the RFP upon acceptance of Contractor's proposal by the Village and that the Village will not execute any form of contract submitted by the Contractor. No substitutes will be permitted unless specified by the Contractor in the proposal and approved by the Village.

The undersigned submits the following Schedule of Unit Prices for the work to be performed as shown on the Plans and Specifications, and agrees that the items of work not specifically mentioned in the Schedule which are necessary and required to complete the work intended shall be done incidental to and as part of the items of work for which a unit price is given, and understands that no additional payment will be made for such incidental work. The Contractor shall be responsible for identifying any and all costs to complete the project on time and in order to create a functional and operational system in accordance with the Plans and Specifications.

Each pay item should have a unit price and a total price. If no total price is shown or if there is a discrepancy between the product of the unit price multiplied by the quantity, the unit price shall govern. If a unit price is omitted, the total price will be divided by the quantity in order to establish a unit price.

Any errors or omissions in mathematics shall inure to the benefit of the Village of Lincolnshire.

A bid may be declared unacceptable if neither a unit price nor a total price is shown.

The undersigned has received and considered in this proposal the following:

- Addendum # \_\_\_\_\_
- Addendum # \_\_\_\_\_
- Addendum # \_\_\_\_\_

If no addenda were received, mark not applicable.

The prices stated in this proposal are guaranteed for 45 days from the date hereof, and if awarded the work within that period, we agree to complete the work covered by this Proposal at said prices.

Dated this 16 day of SEPTEMBER 2015.

Respectfully submitted,

ALPHA BUILDING MAINTENANCE SVC.  
Company (Typed)

By W. Baxtrom  
Name (Signature)

WAYNE BAXTROM  
Name (Typed)  
GENERAL MANAGER  
Title (Typed)

CONTRACTOR'S CERTIFICATION

Alpha Building Maint Ser of Braidwood, Illinois, as part of its bid on a contract for

Janitorial Service for the Village of Lincolnshire, hereby certifies that said contractor is not barred from bidding on the aforementioned contract as a result of a violation of either Section 5/33E-3 or 5/33E-4 of Article 33E of Chapter 720 of the Illinois Compiled Statutes, 1994.

Alpha Building Maint Ser having submitted a bid/proposal for Janitorial Ser to the Village of Lincolnshire, hereby certifies that said contractor has a written sexual harassment policy in place in full compliance with Chapter 775 ILCS 5/2-105(A), 1994.

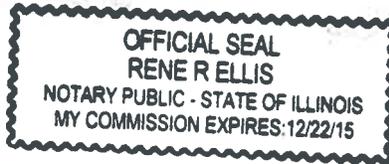
I, Wayne Baxtrom duly authorized agent for Alpha Building Maint Ser having been first duly sworn depose and state as follows:

1. The above-named company is not delinquent in payment of any tax administered by the Illinois Department of Revenue or if it is:
2.
  - a. It has previously filed the appropriate document contesting its liability for the tax or the amount of tax in accordance with procedures established by the appropriate revenue Act; or
  - b. It has entered into an agreement with the Department of Revenue for payment of all its taxes due and is in compliance with that agreement.

By: Wayne Baxtrom  
Signature  
WAYNE BAXTROM  
Name, printed  
Authorized Agent of Contractor

Subscribed and sworn to before me this 16<sup>th</sup> day of SEPTEMBER, 2015.

Rene R Ellis  
Notary Public  
\*\*\*SEAL\*\*\*



PREVAILING WAGE ACT  
NOTIFICATION TO CONTRACTORS

Pursuant to P.A. 96-0437, effective January 1, 2010, a public body that fails to provide written notice to its public works contractors that a project is subject to Illinois prevailing wage requirements is, itself, liable for interest, penalties and fines as stated under Section 4(a-3) of the Act. Failure by the public body to provide written notice does not relieve the contractor of the duty to comply with the prevailing wage rate, nor of the obligation to pay any back wages, to the extent applicable under the Act. This notice is being provided for the mutual benefit of you and the Village.

This contract may call for the performance or delivery of a "public work," within the meaning of the Illinois Prevailing Wage Act, 820 ILCS 130/01 et seq. ("the Act"). The Act requires contractors and subcontractors, to the extent that the Act applies, to pay laborers, workers and mechanics performing services on public works projects no less than the "prevailing rate of wages" (hourly cash wages plus fringe benefits) in the county where the work is performed. Related to the Act, the Substance Abuse Prevention on Public Works Projects Act, 820 ILCS 265/1, et seq., requires contractors and subcontractors performing services on public works to have in place a written substance abuse program, which meets or exceeds the program requirements in this Act, on file with the Village.

As the prevailing rate of wages are revised by the Department of Labor and are available on the Department's official website, the revised prevailing rate of wages shall apply to this contract and the cost therefore shall be borne solely by the contractor.

To the extent that the Act applies, all contractors and subcontractors rendering services under this contract must comply with all requirements of the Act, including but not limited to, all wage, notice and record keeping and submittal duties, including the Substance Abuse Prevention on Public Works Act. If the contractor determines that the Act does not apply to it, contractor shall—in lieu of certified payrolls—submit a letter stating that the Act does not apply to it and setting forth the reasons therefor.

## INSTRUCTIONS TO BIDDERS

### GENERAL CONDITIONS

- 1. Examination of Plans, Specifications and Site of Work:** The bidder shall carefully examine the site of the proposed work and the plans, specifications, and forms of proposal, and contract before submitting his bid for the work contemplated. The submission of a proposal shall be considered conclusive evidence that the bidder has investigated and is satisfied as to all conditions to be encountered in performing the work, and is fully informed as to the character, quality, quantities and costs of work to be performed and materials to be furnished, and to the requirements of the Plans, Specifications, Notice to Contractors, Instructions to Bidders, Proposal, and Contract. If his bid is accepted, the bidder will be responsible for all errors in his proposal resulting from his failure or neglect to comply with these instructions, and for any anticipated profits resulting from such failure or neglect.
- 2. Preparation of Proposal:** The bidder shall submit his proposal on forms furnished by the Village. All writing shall be in ink or typewriter, except the signature of the bidder shall be written with ink. A proposal made by an individual shall be signed by the bidder or his duly authorized agent. A proposal made by a partnership shall be signed by one partner or by a duly authorized agent thereof. A proposal made by a corporation shall be signed by an authorized officer or duly authorized agent of such corporation.
- 3. Bidder's Statement of Competency:** The bidder shall submit with his proposal a satisfactory statement of his competency to perform the work contemplated in the form of a signed letter addressed to the Village. The bidder's statement of competency shall consist of a complete report of his equipment, prior experience including the project names, locations, dates of completion and contact name with telephone number of at least (3) similar projects completed within the last 18 months, and any other pertinent or material facts.
- 4. Delivery of Proposal:** The proposal shall be placed in a sealed envelope plainly marked to indicate its contents and the bidder's name and address. Proposals shall be delivered prior to the time and at the place designated in the Notice to Contractors. When delivered by mail, the sealed proposal marked as specified above shall be enclosed in an additional envelope addressed to the Village and preferably sent by registered or certified mail. If the proposal is received after the opening of bids, it will be returned to the bidder unopened. Proposals may not be submitted by email or facsimile.
- 5. Opening of Proposals:** Proposals will be opened and read publicly at the time and place designated in the Notice to Contractors. Bidders, their authorized agents, and other interested parties are invited to be present.
- 6. Rejection of Proposals:** The Village reserves the right to reject a bidder's proposal

for any of the following causes:

6.1 Developments subsequent to the bid opening which in the Owner's opinion would reasonably be construed as affecting the competency or responsibility of the bidder.

6.2 Conviction of a violation of State or Federal law, or rule or regulation of a State or Federal agency, relating to or reflecting on the competency of the bidder for performing the work contemplated.

6.3 More than one proposal for the same work from an individual, partnership, or corporation under the same or different names, or evidence of collusion among bidders.

6.4 Proposal contains omissions, erasures, alterations, unauthorized additions, conditional or alternate bids, or irregularities of any kind which tend to make the proposal incomplete, indefinite, or ambiguous as to its meaning.

6.5 Proposal form is other than furnished by the Village.

6.6 Proposal is not accompanied by a proper bidder's statement of competency.

6.7 Lack of qualifications as revealed by the bidder's statement of competency.

6.8 Uncompleted work which in the judgment of the Village might hinder or prevent the prompt completion of additional work if awarded.

**7. Award of Contract:**

7.1 Unless all proposals are rejected for good cause, award of contract will be made to the lowest responsive, responsible bidder whose proposal complies with all specified requirements stated herein. The successful bidder will be notified by letter that his bid has been accepted and he has been awarded the contract by the Village.

**8. Insurance Requirements:** The contractor shall secure and maintain such insurance from an insurance company authorized to write casualty insurance in the State of Illinois to protect against claims for bodily injury, death or property damage which may arise from the project. The contractor shall pay the premiums for such insurance in such amount and with such provisions as will protect the Village from contingent liability and a copy of such insurance policy or policies shall be delivered to the Village. The insurance policy shall name the Village as an additional insured, and shall submit a certificate of insurance or certified copy of the insurance policy with the Village.

The insurance shall cover:

- 8.1 General liability Insurance including general aggregate coverage, products aggregate coverage, personal and advertising injury, and each occurrence; a minimum limit two million dollars (\$2,000,000.00 ) for each item.
- 8.2 Automobile and truck public liability including bodily injury (per person), bodily injury (per accident) and property damage; a minimum combined single limit of two million dollars (\$2,000,000.00).
- 8.3 Excess liability umbrella coverage of two million dollars (\$2,000,000.00 ) for each occurrence and two million dollars (\$2,000,000.00) in aggregate.
- 8.4 Workmen's Compensation and Employer's Liability Insurance shall be secured and maintained as required by the State.

**9. Failure to Execute Contract:** Failure on the part of the successful bidder to execute a contract within fifteen (15) days after the date the contract was mailed or otherwise delivered to him, will be just cause for the annulment of the award. If the Village fails to execute the contract agreement within a reasonable time, not to exceed ninety (90) days after receiving the executed contract agreement from the successful bidder, the Contractor shall have the right to withdraw his proposal.

**10. Indemnification**

10.1 To the fullest extent permitted by law, the Contractor shall indemnify and hold harmless the Village and its officers, and agents and employees from and against claims, damages, losses, and expenses, including but not limited to attorney's fees, arising out of or resulting from performance of the work, provided that such claim, damages, losses and expenses, including but not limited to attorney's fees, arising out of or resulting from performance of the work, provided that such claim, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property (other than the work itself) including loss of use resulting therefrom, but only to the extent caused in whole or in part by negligent acts or omissions of the Contractor, a Subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, regardless of whether or not such claim, damage, loss or expense is caused in part by a party indemnified hereunder. Such obligation shall not be construed to negate, abridge or reduce other rights or obligations of indemnity which would otherwise exist as to party or person described in this paragraph 10.

10.2 In claims against any person or entity indemnified under this paragraph by an employee of the Contractor, a Subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, the indemnification obligation under this paragraph shall not be limited by a limitation or amount or type of damages, compensation or benefits payable by or for the Contractor or a Subcontractor under

worker's or workman's compensation acts, disability benefit acts or other employee benefit acts.

**11. Tax Exempt** The Village of Lincolnshire is a tax exempt body. All purchases of materials subject to a sales or use tax shall be coordinated with the Village of Lincolnshire in order to claim this tax exempt status.

**12. Delays and Extensions of Time:** If the Contractor is delayed at any time in progress of the work by an act or neglect of the Village, or of an employee of either, or of a separate contractor employed by the Village, or by changes ordered in the work, or by labor disputes, fire, unusual delay in deliveries, unavoidable casualties or other causes beyond the Contractor's control, or by delay authorized by the Village, at its sole discretion, pending arbitration, or by other causes which the Village, at its sole discretion, determines may justify delay, then the contract time shall be extended by change order for such reasonable time as the Village may determine at its sole discretion.

**13. Payment and Holdback**

13.1 Payment of invoices submitted before the 15 of the month will be submitted for Board approval and payment will be made by the 15th of the following month.

**14. Substitutions:** Any component may be substituted in accordance with the following conditions:

14.1 The column marked substitution shall be marked with an appropriate reference indicating a substitution. No substitutions shall be allowed unless the substitution column is marked on the proposal in accordance with this section.

14.2 All substitutions must be accompanied by catalog cuts and a text narrative clearly and explicitly detailing how and why the proposed substitution meets or exceeds the specified item.

14.3 Plans and drawings, as applicable, showing the connections and interrelationships to the system must accompany the proposal.

14.4 Any additional wiring, cabling and interconnection changes related to the substitution shall be considered incidental to and included in the price of the proposed substitution.

14.5 The Village, at its sole discretion, shall either accept or reject any item marked as a substitution prior to contract approval.

14.6 If the Village rejects an item marked as a substitution, an appropriate amount, based upon a pro-rated proportion of the total of item #\_\_\_ of Section \_\_\_\_\_.

## **15. Subcontractor**

If Contractor proposes to perform contract with Sub-contractor(s), then all qualifications, insurance requirements, and other applicable terms and conditions shall apply to each and every Sub-contractor. The proposal shall include such documentation for each Sub-contractor. Prior to any work being performed by the Sub-Contractor, the Contractor shall submit all the necessary information to the Village regarding Sub-contractor including company name, company address, certificate of insurance, licenses, years in business, bid certification, name of project contact person; and the Village, at its sole discretion, may require additional insurance, bonds, or deposits to assure faithful performance.

## **16. Discrepancies**

16.1 Prior to the opening of bids, requests for clarification of the plans, specifications, or contract documents shall be submitted in writing to the Village. Clarifications will be issued at the discretion of the bidder. Only clarifications provided in writing shall be relied upon when preparing bids.

16.2 Upon execution of the Contract, any discrepancies between drawings and the plans and specifications shall be subject to interpretation by the Village of Lincolnshire as Owner, in its sole discretion. The Contractor shall immediately, upon finding any discrepancy, request an interpretation from the Village. The Village shall provide a written clarification within 5 working days or the Contractor shall use best judgment.

**17. Drug-free Workplace** Employees are required to be drug and alcohol free at all times that they are in the workplace. This means that no measurable amount of abuse drug or alcoholic beverage shall be present in the employee's system while on the job, either during the regularly scheduled workday or any overtime or emergency response. Employees must realize that many legal and illegal drugs used for recreational purposes may remain in the system for several days, and that residual amounts of legal and illegal drugs discovered in the system are included in this policy.

**18. Smoke-free Workplace** No smoking is allowed on the premises of any buildings in the Village of Lincolnshire.

**Custodial Staffing and Maintenance for Lincolnshire Facilities  
CONTRACT**

THIS AGREEMENT made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between the Village of Lincolnshire, County of Lake, State of Illinois, hereinafter called the "Village", and, \_\_\_\_\_, of \_\_\_\_\_ (address) hereinafter called "Contractor".

WITNESSETH: That for and in consideration of the payments and agreements hereinafter mentioned:

1. The Contractor will furnish all materials, supplies, tools, equipment, labor and other services necessary to commence and complete the \_\_\_\_\_ PROJECT, in accordance with the conditions and prices stated in the Proposal, Notice to Contractors, Instructions to Bidders, Plans and Specifications, and Schedule of Unit Prices all of which are made a part hereof and herein called "Contract Documents."
2. All terms, conditions, representations, specifications, promises, and undertakings contained in the Bidders Proposal, the Instructions to Bidders, Specifications for \_\_\_\_\_, and Supplemental Special Provisions of this contract, form part and partial this contract as if they were fully set forth herein.
3. The owner will pay the Contractor in the amounts, manner and at times as set forth in the Contract Documents.
4. This agreement is binding upon the parties hereto and their respective heirs, executors, administrators, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have executed, or caused to be executed by their duly authorized officials, this Agreement as of the day and year first above written.

Attest:

Village of Lincolnshire:

By \_\_\_\_\_  
Signature  
Barbara Mastandrea, Village Clerk

By \_\_\_\_\_  
Signature  
Elizabeth Brandt, Mayor

Attest:

(Contractor)

\_\_\_\_\_  
Signature  
\_\_\_\_\_  
Printed Name and Title

\_\_\_\_\_  
Signature  
\_\_\_\_\_  
Printed Name and Title

## **SPECIFICATIONS – VILLAGE OF LINCOLNSHIRE**

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### **I. GENERAL INFORMATION**

#### **1. INTENT**

It is the intent of the Village of Lincolnshire to procure from reputable contractors custodial & support services for the municipal buildings as identified herein.

#### **2. SCOPE**

The Village has five facilities in four buildings which require custodial service cleaning. The current facilities included in this Contract are listed on the Base Bid Form and **Attachment A**.

The facilities offer municipal government services and various hours of operation from five (5) days a week, eight (8) hours a day to as much as seven days a week, twenty-four hours a day.

The pricing proposal shall include all items associated with and including providing staff supervision, labor, cleaning supplies, materials, tools and equipment necessary to complete the custodial and support services. All work shall be performed in a workmanlike and acceptable manner, meeting or exceeding the quality standards as indicated in the specifications. Village seeks optional pricing for consumable products. Proposers pricing submitted for consumable products shall be fixed/firm for one year.

The Village reserves the right to modify, increase or decrease the quantity of facilities requiring custodial services at any time, with a sixty day notice during the term of this agreement.

The Village staff shall be the sole determiner of acceptable and workmanlike manner.

#### **3. SECURITY AND ACCESS**

There are some Villages' locations that require access to areas which are secured and other areas which will be generally open to the public during reasonable hours for meetings and other uses. All secured areas shall be maintained in a secured condition and these areas shall be locked immediately upon completing the required work during hours of operation at each individual facility unless otherwise noted. Exterior building security shall be maintained at all times during non-hours of operation at each facility.

As outlined in these specifications or as directed by the Operations Superintendent or designee, public meeting areas of specified buildings will be secured by the Contractor upon completion of the public use. Schedules of all meetings and uses will be provided to the Contractor. Routine meeting schedules will be provided to the successful contractor.

Access cards or keys will be furnished to the Contractor by designated Village employees so as to allow access to the various areas to be maintained. The Contractor's representative will sign for each access card or key set received/returned and a log shall be maintained by the Village.

#### **4. ACCESS HOURS**

The Contractor shall schedule normal work hours for crews that take into account the hours of operations by Village's staff and the public for each of the facilities outlined herein. The Contractor shall provide to the Facilities Manager or his designee, for approval, a schedule of proposed regular working hours for all buildings prior to the start-up of the Contract. Any changes in these regularly scheduled hours shall require prior written notice and approval by the Operations Superintendent or designee. **The Contractor shall be required to schedule work so as to not interfere with Village meetings or special events.**

There will be times when the daily custodial services cannot be performed or completed until meetings or other activities have been completed. Due to meetings and other scheduled activities the Contractor may have to revise the normal working schedule to accommodate these activities at no additional charge. Cleaning will not be permitted at the Public Works Facility during regular working hours.

**5. HANDLING OF WASTE**

The Contractor shall ensure that their personnel shall properly dispose of waste, including recyclable goods, in accordance with the directives of the Village and in receptacles provided by the Village.

**6. QUARTERLY REVIEW**

The Village shall schedule and review contract performance with the Contractor typically on a quarterly (every 3 month) basis. The Contractors Supervisor(s), Manager and/or President shall attend. Performance issues will be submitted to the contractor in writing for resolution within a time period approved by the Village.

**II. CONTRACTUAL PERSONNEL**

**1. SUPERVISOR(S)**

The Contractor shall provide full time qualified and certified Supervisor(s) that holds an Institute of Inspection Cleaning and Restoration Certification (IICRC) that will supervise all custodial contract employees engaged in work under the Contract. The Contractor's Supervisor shall meet with the Village's Facilities representative regularly (to be determined by the Village) and shall attend the facilities representative meeting (held every quarter as needed).

The Supervisor shall be authorized to accept and act upon all directives issued by the Village. Failure of the Supervisor to act on said directives shall be sufficient cause for the Village to give notice that the Contractor is in default of the Contract unless such directives would create potential personal injury or safety hazards or such directives are contrary to the intent of these specifications.

The Supervisor shall be responsible for the instruction, safety and training of personnel in the proper work methods and procedures. The Supervisor will schedule and coordinate all services and functions as required by the Contract and as specified in the task schedules. The Contractor's Primary Supervisor shall be a non-working supervisor.

The Supervisor is required to check and verify contract compliance (Quality Control). The Supervisor shall inform the Village and any subsequent Supervisor of any item(s) which require additional follow-up to fully meet the contract requirements. The Contractor shall develop a weekly quality control plan including forms acceptable to the Village, based on

daily, weekly, and monthly responsibilities. The Contractor shall utilize these forms and submit completed copies with a status report to the Facilities Manager or designee to discuss during quarterly meetings.

The Contractor shall not substitute the proposed supervisor with other staff members once the Village has approved the proposed supervisor. In the event the Contractor substitutes the proposed supervisor or moves the supervisor to another account within one year of the implementation of the agreement, the Contractor shall pay the Village damages equal to three (3) month of service costs. In cases where a notice can be provided, the Contractor shall provide the Villages with a minimum sixty (60) day notice.

## **2. CUSTODIAL, DAY PORTER & LABORER PERSONNEL**

### **2.1 CUSTODIAL**

The Custodial Support shall staff the Village Hall building from approximately 3:00 p.m. to 10:00 p.m. (but no less than 7 hours) Monday through Friday, excluding the following Village Holidays:

New Year's Day  
Memorial Day  
Independence Day  
Labor Day  
Thanksgiving  
Day after Thanksgiving  
Christmas Day  
Christmas Eve

#### **Service to begin January 4, 2016**

The Contractor will be expected to supply a sufficient number of custodians to be able to complete all cleaning and workmanship standards as set forth in the specifications. All of the Contractor's personnel (including day porters and laborers) may be required to be fluent in both written and spoken conversational English. All of the Contractor's personnel shall be an employee of the Contractor's company. No subcontracting will be permitted for regular and nightly service. Subcontracting will only be permitted for specialty services and must be pre-approved by the Village.

All Contractor employees will display Village approved photo identification badges while working on Villages' premises. No employees will be allowed access to any area without displaying the required identification badge.

The Village reserves the right to perform background checks on all Contractor employees including its subcontractors.

Prior to commencing work, the Contractor shall submit to the Village, the names, home addresses, date of birth, social security numbers, immigration documents (if applicable), and driver's license numbers of all employees, including substitute workers, to be engaged in work specified herein or having access to the buildings in an inspecting or supervisory capacity and the Contractor shall cause to be completed fingerprint charts

and personal history statements of all employees. **No employees at any time shall commence work until the above listed information has been submitted to and written clearance received from the Owner.** The Contractor shall provide written authorization from prospective employees for the Village to perform the security clearances required. Employees of the Contractor shall be subject to the same standards of pre-employment examinations as regular full-time employees of the Village and shall be held to the same standards of conduct. The Contractor will provide and maintain a current list of employees working on the Village account to include locations and times at locations. Copies for the listing shall be issued to the Owner. Security clearance and background checks shall be updated on an annual basis at no additional cost to the Village.

The Village shall have and exercise full and complete control over granting, denying, withholding or terminating clearance for Contractor's employees. Employees whom the Village deems careless, discourteous or otherwise objectionable or who cannot meet standards required for security or other reasons will be prohibited from entering the buildings to perform work.

## 2.2 GENERAL STAFFING

### A. Daily Responsibilities

A list of daily custodial tasks to be performed by the building porter shall be provided by the Village (defined herein, see attachment A). The staff of the Contractor present on the premises on a day-to-day basis shall receive emergency work orders, room set-up instructions, or other work directives, from the Operations Superintendent of the Village of Lincolnshire or their designate. This work shall be accomplished by the Contractor as a priority function which supersedes any other custodial task.

The Contractor understands and agrees that the Village of Lincolnshire reserves the right to require certain emergency or non-emergency custodial tasks, e.g. snow removal, room set-up or broken glass clean-up, to be immediately performed by the Contractor without prior approval or notice to the Contractor's representative. The Village shall make every reasonable effort to inform the Contractor of these events or circumstances in advance.

- B. All changes of staffing must be approved in writing by the Operations Superintendent or their designee no less than forty-eight (48) hours in advance.
- C. The Contractor shall maintain the number of staff identified in their proposal including staffing reserves to insure optimal contract performance.
- D. Vacancies shall be addressed within a maximum of 2 hours. For each day beyond the initial 2 hours, the Contractor shall credit the Village with a day's service costs for the previous day.
- E. Multiple failures to adequately staff contract positions could result in termination of the agreement.

## 2.3 DAY PORTERS (NA)

## 2.4 LABOR ASSISTANCE (NA)

### **III. MATERIALS AND EQUIPMENT**

#### **1. VILLAGE TO FURNISH**

In support of this Contract, the Village will supply the following at no cost to the Contractor for application at the facilities subject to the Contract:

##### Consumable products for use of building occupants:

- Toilet tissue
- Paper towels – supply use – (not for contractor cleaning use)
- Paper towels – bathroom use
- Toilet seat covers
- Facial tissue
- Liquid hand cleaner
- Bar soap
- Feminine napkins
- Waste can liners
- Toilet bowl sanitation blocks
- Urinal blocks

**While the Village is providing the consumable products noted above, it is the Contractor's responsibility to ensure quantities of supplies are sufficient and available at all times for use by the Village building occupants.**

- Locations for limited storage of Contractor's equipment and supplies; the Contractor is to work with the Village to ensure the maintenance of a maximum inventory level of one (1) week of custodial supplies for emergency purposes at all locations specified by the Village. This supply level is to be maintained at all times. The Contractor shall keep the storage areas neat and clean on a daily basis at no additional cost to the Village.
- Adequate containers for refuse disposal, including recycling containers when applicable.
- Shovel, ice melt spreader, and ice melt material.

#### **2. CONTRACTOR TO FURNISH**

The Contractor shall provide, at their expense and at no additional cost to the Village,

equipment and janitorial supplies required to support the work activities as specified, with the exception of those items being provided by the Village as itemized above. The janitorial supplies to be provided by the Contractor, and included in the price to maintain each facility, shall include but not be limited to: general detergent, furniture polish, stainless steel cleaner, disinfectants, carpet and rug cleaners, floor finishes, treatments and wax, window cleaner, scouring cleanser, pails, mops, brooms, vacuums, floor scrubbers and sponges.

The Contractor shall make available to the Village samples of the janitorial supplies they propose to use to enable the Village to assess product quality. If for any reason the Village objects to the use of a given janitorial product, the Contractor shall discontinue use and find a substitute that is acceptable to the Village. Quality assessment shall be at the sole judgment of the Village, whose decision is final.

All products supplied shall meet all applicable federal, state and local standards for product safety. **Products and containers shall be properly labeled** to meet all applicable standards and regulations regarding safety, toxicity and other standards. Material Safety Data Sheets (MSDS) shall be supplied as required for all affected products at all sites and the Contractor is responsible to keep all MSDS sheets current.

### **3. WARRANTY**

All products supplied under this Contract shall carry the manufacturer's standard warranty.

## **IV. CLEANING STANDARDS AND WORKMANSHIP**

### **1. INTENT**

It is the intent of these specifications for the Contractor to provide a high level of service in custodial care and maintenance. The following statements indicate the general standards and workmanship to be furnished under this Contract. More detailed standards and specifications are provided elsewhere in this document.

### **2. FLOOR AND CARPETS**

A satisfactory and acceptable floor or carpet will not have dust, streaks, marks or dirt in corners, behind doors or under furniture. All paper clips, staples, etc., shall be picked up. The use of vacuuming equipment and/or treated dust mops will be used to keep the floors clean. Waxed floors will show a "wet look" gloss and shall not be yellowed or show signs of a wax buildup. Carpets shall be cleaned on a regular basis by a Village approved method. Heavy use carpet areas will be cleaned more frequently to maintain a dirt free appearance. "Wet Floor" signs shall be placed in areas cleaned during any occupied facility.

### **3. WET MOPPING**

Satisfactory and acceptable waxing and polishing will be accomplished through the use of thin coats of evenly layered wax. Floors will be bright and clean under furniture as well as in traveled areas. Wax or polish will not be allowed to dry on wall bases, furniture legs, equipment, etc. Wax shall not be applied over dirt or other loose material.

### **4. GLASS**

All glass, mirror or vitreous surfaces will be free from streaks, smears and spots.

### **5. DUSTING**

Satisfactory and acceptable dusting will present a surface free from all dust and other loose

material.

**6. CLEANING**

A satisfactory and acceptable clean surface shall be completely free of all loose and adhering dirt or other foreign material down to the original finish of the surface. A clean surface will appear both physically and visually clean, free from streaks or other residue.

**7. REFINISH**

(Hard or resilient floor) A satisfactory and acceptable refinished floor will be stripped of enough wax by buffing using an appropriate buffing machine, to reseal with a Village approved product. The floor will be recoated with a minimum of three (3) coats of an approved wax, each coat allowed to dry per manufacturer's specifications.

**8. RESURFACE**

(Hard or resilient floor) A satisfactory and acceptable resurfaced floor will be machine scrubbed to remove all surface marks, dirt and blemishes, re-waxed and speed buffed to a "wet look" gloss.

**9. KITCHEN AND LUNCH ROOMS**

Satisfactory kitchen, coffee service areas and lunch room area cleaning shall be of "restaurant" quality. All fixtures, appliances, chrome and metal work and glass shall be cleaned and polished to a shiny appearance free from streaks, dirt, grease and grime. Sinks shall be free from rings, stains and objectionable odors. Floor, walls, cabinets, tables, chairs and garbage receptacles shall be free from stains, dirt, grime, odors, grease and streaks. Appliances shall be cleaned and sanitized to remain free from objectionable odors. Ovens, microwaves, cook tops, and ranges shall be clean and free from "cooked on" food. Kitchens shall meet all applicable Health standards.

**10. VACUUMING**

A satisfactory and acceptable vacuumed surface will be free of all dust, dirt, and loose foreign material, including corners, crevices and other hard to reach areas.

**11. REST ROOMS**

A satisfactory and acceptable rest room cleaning shall be of "hospital" quality. All porcelain fixtures, chrome and metal work, and glass shall be cleaned and polished to a shiny appearance free from streaks, dirt or grime. Bowls, urinals, and sinks shall be free from water stains, rings and biological stains. Floors, walls and partitions shall be clean and free from stains, dirt, grime or streaks. Fixtures shall be sanitized with a Village approved disinfectant. Rest rooms shall be free of objectionable odors. Signs shall be placed for any occupied building when facilities are out of service or any hazardous condition is present.

**12. GENERAL**

The Contractor shall keep the janitor closet and material stocking area clean, report any damage or irregularities observed during the course of duties, turn off lights when exiting facilities (as directed) and check that exterior doors are locked and securely latched when exiting facilities.

**V. TASK SCHEDULES**

**1. INTENT**

This section describes the various tasks and approximate frequency of accomplishment. The described tasks indicate the estimated amount of work which has to be accomplished to maintain the premises in an acceptable condition. It may become necessary to accomplish some of the tasks on a more or less frequent basis to achieve the results outlined in **Section IV – Cleaning Standards and Workmanship**. The tasks and frequencies as listed are generalized in nature and are not intended to be all inclusive. This task schedule shall not limit the responsibility of the Contractor to maintain each facility to the high level of cleanliness and service as more fully defined in **Cleaning Standards and Workmanship**. The intent of this section is to provide the Contractor information on the general nature of the work to be accomplished and on the unique characteristics of each facility. The Contractor shall be responsible for establishing their own schedules, tasks and methods of work, and shall be judged by the results of that work. Wherever vacuuming is called for, it must be performed with equipment that features a HEPA filter.

Daily/Weekly/Monthly/Quarterly/Annual work tasks are outlined in **Attachment A** and are intended to be completed by the custodial work crew(s).

## **VI. SPECIFIC FACILITY NEEDS**

Each facility is dedicated to a unique function servicing Lincolnshire residents. The following restrictions and tasks are unique to each building because of those dedicated functions. These tasks and restrictions are in addition to the general task schedules outlined herein and are intended to be completed by the custodial work crew(s).

### **1. POLICE DEPARTMENT (Lower level of Village Hall)**

#### **1.1 FUNCTION**

The Police Department Building contains offices, detention area, evidence storage, armory, and garage for providing full service police operations. Some of the special functions performed at the Police Department building are:

- Committee Meetings
- Staff and civic group meetings
- Special Projects
- Special Operations

The Police portion of the Village Hall building operates 24 hours a day.

#### **1.2 RESTRICTIONS**

Access for cleaning and custodial service to certain areas, including armory, evidence storage and certain designated offices is restricted to certain hours as may be scheduled by the Police Department. In some cases access may only be granted in the presence of a Village employee. The Contractor is required to schedule cleaning services so as not to conflict with their scheduled meetings.

### **2. VILLAGE HALL**

## **2.1 FUNCTION**

The Village Hall's major functions are to administer all Village governmental and administrative services to the residents of Lincolnshire. It contains office areas, board room and small meeting rooms.

Some of the special functions performed in the Village Hall (**see Attachment B**) for typical schedules) are:

- Village Board meetings
- Committee meetings
- Staff and civic group meetings
- Special projects

The building may operate 24 hours a day in the event of an emergency.

## **2.2 RESTRICTIONS**

Building security for after-hour meetings shall be controlled by the Village. The Contractor is required to schedule cleaning services so as not to conflict with Village Board, committee and other scheduled meetings. Areas of restricted access shall be cleaned by prearranged schedule with the Village. Summer hours may vary from the established schedule.

## **3. PUBLIC WORKS**

### **3.1 FUNCTION**

The Public Works Building includes administrative offices for providing full service maintenance operations of the Village. Some of the special functions performed in the Public Works building are:

- Special projects
- Emergency Operations
- Staff meetings

### **3.2 RESTRICTIONS**

The Contractor shall be responsible for cleaning only office areas, halls, lunchrooms, rest rooms, computer room and locker rooms. Garage and storage areas are excluded (unless otherwise noted) from this Contract.

During the winter season (and from time to time throughout the year) the building is used twenty-four (24) hours for emergency, special events, and snow and ice removal operations. Consideration to these times must be considered during scheduling.

### **3.3 CONDITIONS UNIQUE TO THE PUBLIC WORKS BUILDING**

It is a high traffic building with a great deal of dust, dirt, mud, salt and asphalt. Extra effort must be made to maintain hard floors, carpets and dusting in and around work personal areas.

## **4. SPRING LAKE PARK PAVILLION**

### **4.1 FUNCTION**

This building provides washroom, drinking, and life guard facilities in connection with Spring Lake Park.

#### **4.2 RESTRICTIONS**

The hours of access for custodial service may not occur during the open hours of operation in the summer (May 1 to September 30, dates are weather dependent)

#### **4.3 CONDITIONS UNIQUE TO THE SPRING LAKE PARK PAVILLION**

The contractor shall make every effort to notify the Village of any damage, vandalism, clogged toilets, etc. that exist at the site at the earliest possible convenience. The contractor shall notify the police dispatch by phone at 847-883-9900. This facility is cleaned daily May – September, and weekly, October – April.

### **5. NORTH PARK PAVILION**

#### **5.1 FUNCTION**

This building provides washroom, drinking, and warming facilities for the North Park athletic facility.

#### **5.2 RESTRICTIONS**

The hours of access for custodial service may not occur during the open hours of operation in the summer April 1 to November 30, (dates are weather dependent)

#### **5.3 CONDITIONS UNIQUE TO THE NORTH PARK PAVILLION**

This facility is cleaned daily, seven (7) days a week, April – November, and weekly, December – March.

## **VII. MISCELLANEOUS**

### **1. FREQUENCY**

The frequency of custodial tasks outlined in the proposal request shall be considered the minimum. The Contractor shall be responsible to provide a safe, clean environment at all times in a most professional manner, as acceptable to the Village. All tasks which are needed to be performed at a higher frequency shall be considered as incidental to the contract.

### **2. WRITTEN NOTICES**

All notices required to be provided to the Village of Lincolnshire shall be delivered in person or sent first class via the U. S. Postal Service to:

Scott Pippen  
Operations Superintendent  
Village of Lincolnshire  
One Olde Half Day Road  
Lincolnshire, IL 60069

# I. **BASE BID – VILLAGE OF LINCOLNSHIRE - 2016**

Labor and materials as identified within the specifications

Facility	Monthly Hours	Quarterly Hours	Annual Hours	Total Hours	Costs per year
Village Hall/Police Department (Approximately 27,000 square feet)	154	462	1,848		\$ 18,216 <sup>00</sup>
Public Works Facility (Approximately 2,500 square feet)	44	132	524		\$ 4,912 <sup>00</sup>
Spring Lake Park Pavilion (Approximately 700 square feet)					\$ 943 <sup>00</sup>
North Park Pavilion (Approximately 950 square feet)					943 <sup>00</sup>
<b>TOTAL</b>					\$ 25,014 <sup>00</sup>
<b>Alternate Pricing:</b>					
<b>Pricing above should NOT include the items listed below as Alternates. Prices for items 2-4 below should reflect a per visit cost (Max. 4 visits/year).</b>					
					\$
1	Cleaning Crew (No porter service) – Village Hall/Police Only	110	330	1,320	\$ 12,875 <sup>00</sup>
2	Quarterly Carpet Cleaning (Per Visit)				\$ 415 <sup>00</sup>
3	Quarterly Window Cleaning (Per Visit)				\$ 415 <sup>00</sup>
4	Quarterly Floor Cleaning (Per Visit)				\$ 415 <sup>00</sup>
<b>GRAND TOTAL – The Village will determine the low bidder based on the base bid combined with the appropriate alternates determined by the Village.</b>					
					\$ 12,875 <sup>00</sup>

Note: (1) Bidder shall fill-in the estimated number of work crew man hours for each facility for the monthly, quarterly and annual tasks. Incomplete submittals will be rejected from consideration.

## II. BASE BID – VILLAGE OF LINCOLNSHIRE - 2017

Labor and materials as identified within the specifications

Facility	Monthly Hours	Quarterly Hours	Annual Hours	Total Hours	Costs per year
Village Hall/Police Department (Approximately 27,000 square feet)	154	462	1,848		\$ 18,762 <sup>00</sup>
Public Works Facility (Approximately 2,500 square feet)	44	132	524		\$ 5,060 <sup>00</sup>
Spring Lake Park Pavilion (Approximately 700 square feet)					\$ 971 <sup>30</sup>
North Park Pavilion (Approximately 950 square feet)					\$ 971 <sup>30</sup>
<b>TOTAL</b>					\$ 25,764 <sup>00</sup>
<b>Alternate Pricing:</b>					
<b>Pricing above should NOT include the items listed below as Alternates. Prices for items 2-4 below should reflect a per visit cost (Max. 4 visits/year).</b>					
1	Cleaning Crew (No porter service) – Village Hall/Police Only				\$ 13,261 <sup>00</sup>
2	Quarterly Carpet Cleaning (Per Visit)				\$ <del>5,211<sup>00</sup></del> 428 <sup>00</sup>
3	Quarterly Window Cleaning (Per Visit)				\$ 428 <sup>00</sup>
4	Quarterly Floor Cleaning (Per Visit)				\$ 428 <sup>00</sup>
<b>GRAND TOTAL – The Village will determine the low bidder based on the base bid combined with the appropriate alternates determined by the Village.</b>					
					\$ 14,117 <sup>00</sup>

Note: (1) Bidder shall fill-in the estimated number of work crew man hours for each facility for the monthly, quarterly and annual tasks. Incomplete submittals will be rejected from consideration.

### III. BASE BID – VILLAGE OF LINCOLNSHIRE - 2018

Labor and materials as identified within the specifications

Facility	Monthly Hours	Quarterly Hours	Annual Hours	Total Hours	Costs per year
Village Hall/Police Department (Approximately 27,000 square feet)	154	462	1,848		\$ 19,344 <sup>00</sup>
Public Works Facility (Approximately 2,500 square feet)					\$ 5212 <sup>00</sup>
Spring Lake Park Pavilion (Approximately 700 square feet)					\$ 1,001 <sup>00</sup>
North Park Pavilion (Approximately 950 square feet)					1,001 <sup>00</sup>
<b>TOTAL</b>					\$ 26,558 <sup>00</sup>
<b>Alternate Pricing:</b>					
<b>Pricing above should NOT include the items listed below as Alternates. Prices for items 2-4 below should reflect a per visit cost (Max. 4 visits/year).</b>					
1	Cleaning Crew (No porter service) – Village Hall/Police Only				\$ 13,658 <sup>00</sup>
2	Quarterly Carpet Cleaning (Per Visit)				\$ 441 <sup>00</sup>
3	Quarterly Window Cleaning (Per Visit)				\$ 441 <sup>00</sup>
4	Quarterly Floor Cleaning (Per Visit)				\$ 441 <sup>00</sup>
<b>GRAND TOTAL – The Village will determine the low bidder based on the base bid combined with the appropriate alternates determined by the Village.</b>					\$ 14,981 <sup>00</sup>

Note: (1) Bidder shall fill-in the estimated number of work crew man hours for each facility for the monthly, quarterly and annual tasks. Incomplete submittals will be rejected from consideration.

DAILY TASKS	FACILITY	Village Hall	Police Department (Located at the Village Hall)	Public Works Facility	North Park Pavilion (2)	Spring Lake Park Pavilion (1)
<b>General Housekeeping</b>						
Collect all waste and recyclable materials from interior containers and place in designated outdoor containers. Insert liners		X	X	X	X	X
Remove cigarette butts and trash from exterior ash trays		X	X	X		
Dust exposed areas of tables, counter tops, file cabinets, bookcases, shelves and desks/crochendas. Papers on these surfaces will not be disturbed		X	X	X		
Spot clean unobstructed working area surfaces of tables, file cabinets, shelves, etc.		X	X	X		
Clean, scour and sanitize drinking fountains			X	X	X	X
Spot clean all entrance (interior and exterior) door glass, both sides		X	X	X		
Spot clean interior door and partition glass, both sides		X	X			
Stock adequate supply of paper and consumable goods throughout facility		X	X	X	X	X
Remove spider webs in areas near the floor, windows and ceiling/wall edge.		X	X	X	X	X
Damp wipe lobby seats		X	X			
Clean and polish elevator doors, moldings, walls and control panel areas		X				
Empty clean dishes from dishwasher and load dirty dishes and run dishwasher		X		X		
<b>Rest Rooms, Kitchen/Lunchrooms</b>						
Clean, sanitize and polish all metal and vitreous surfaces, including toilet bowls, urinals, hand basins, sinks, microwaves, stove tops and cooking appliances.		X	X	X	X	X
Clean all chrome fittings		X	X	X	X	X
Clean and sanitize toilet seats (toilet seats), baby changing stations, and all counter areas		X	X	X	X	X
Clean mirrors		X	X	X	X	X
Empty all waste receptacles and insert liners. Sanitize interior		X	X	X	X	X
Damp clean exterior of waste containers		X	X	X	X	X
Clean and sanitize table tops		X	X	X		X
Dust tops and spot clean fronts of vending machines and refrigerators		X	X	X	X	X
Lunchroom chairs - remove crumbs, dnps, etc.		X		X		
Spot clean partitions and remove writing where possible		X	X	X	X	X
Dust window sills		X	X	X	X	X
Remove fingerprints from doors, moldings and from around light switch plates		X	X	X	X	X
Clean urinal screens, replace/refill urinal and toilet deodorizers as needed		X	X	X	X	X
Spot clean all walls		X	X	X	X	X

**REQUEST FOR BOARD ACTION  
Committee of The Whole  
September 28, 2015**

**Subject:** Consideration and Discussion of Park Board Recommendation to Approve the Lincolnshire Sports Association's (LSA) Request to Share LSA Summer Baseball Tournament Revenues with the Village of Lincolnshire (Lincolnshire Sports Association)

**Action Requested:** Consideration, Discussion and Placement on the October 13, 2015 Village Board Consent Agenda

**Originated By/Contact:** Scott Pippen, Operations Superintendent

**Referred To:** Village Board

**Summary / Background:** At the September 21, 2015 Park Board meeting, the Lincolnshire Sports Association (LSA) requested the Village share revenues with LSA from the LSA Summer baseball tournament. For the past two years, LSA has been donating all proceeds from the tournament to offset the Village incurred costs related to the event, and to fund LSA requested improvements to North Park. Beginning in 2016, LSA would like to use a portion of these funds to enhance their baseball programs.

In 2014, \$10,000.00 in funds raised from the tournament were used to offset the cost of field renovations. This year, LSA donated \$16,520.00r to be used for pitching mound renovations on 2 fields, bullpen mound repairs, specialized equipment for batting practice, and a scorer's table area with public address system on field #2. A representative from LSA will be in attendance to further discuss this item.

**Budget Impact:**

LSA has donated each year the receipts from the tournament. LSA donations have not been budgeted revenue or expense items. This is primarily a pass through expense to purchase LSA requested amenities for the park. LSA has expressed a desire to still fund items they might need with this revenue source in future years if necessary.

**Service Delivery Impact:** Since LSA will continue to offer funding for North Park amenities, there will be no change in the Village's service level.

**Recommendation:** At the September 21 Park Board meeting, the Park Board unanimously approved a recommendation to the Village Board for approval of sharing the revenues generated from the summer baseball tournament to cover the Village's expenditures for the event.

<b>Meeting History</b>	
<b>Park Board</b>	<b>September 21, 2015</b>
<b>Village Board (COW):</b>	<b>September 28, 2015</b>
<b>Regular Village Board Meeting:</b>	<b>October 13, 2015</b>