Village of Lincolnshire
One Olde Half Day Road, Lincolnshire, IL 60069
Ph: 847.883.8600 | Fax: 847.883.8608 | www.lincolnshireil.gov

AGENDA
COMMITTEE OF THE WHOLE MEETING
Village Hall – Board Room
Monday, September 12, 2016
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 August 22, 2016 Committee of the Whole Meeting Minutes

3.0 **ITEMS OF GENERAL BUSINESS**
- 3.1 <u>Planning, Zoning and Land Use</u>
- 3.2 <u>Finance and Administration</u>
  - 3.21 Receipt of Request from Citizens and Village Organizations Regarding Proposed Fiscal Year 2017 Budget (Village of Lincolnshire)
  - 3.22 Receipt and Consideration of Police Pension Fund Report (Village of Lincolnshire)
  - 3.23 Consideration and Discussion of Village of Lincolnshire Goals for Fiscal Year 2017 (Village of Lincolnshire)
- 3.3 <u>Public Works</u>
  - 3.31 Consideration of an Out of Village Water Service Request for 2045 Riverwoods Road
  - 3.32 Consideration of a Supplemental Appropriation to Expand the Contract for the 2016 Sanitary and Storm Sewer Lining Project with Hoerr Construction of Peoria, IL, in an Amount Not to Exceed $133,566.50 (Village of Lincolnshire)
  - 3.33 Discussion of a Comprehensive Pedestrian Plan (Village of Lincolnshire)
- 3.4 <u>Public Safety</u>
- 3.5 <u>Parks and Recreation</u>
- 3.6 <u>Judiciary and Personnel</u>

4.0 **UNFINISHED BUSINESS**
5.0 **NEW BUSINESS**
6.0 **EXECUTIVE SESSION**
7.0 **ADJOURNMENT**

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Village of Lincolnshire
One Olde Half Day Road
Lincolnshire, IL 60069
www.lincolnshireil.gov

2.1

MINUTES
COMMITTEE OF THE WHOLE MEETING
Monday, August 22, 2016

Present:

Mayor Brandt	Trustee Feldman
Trustee Grujanac	~~Trustee Hancock~~
Trustee McDonough	Trustee Servi
Trustee Leider	Village Clerk Mastandrea
~~Village Attorney Simon~~	Village Manager Burke
Finance Director/Treasurer Peterson	Public Works Director Woodbury
~~Chief of Police Leonas~~	Assistant Village Manager/Community & Economic Development Director Letendre

ROLL CALL
Mayor Brandt called the meeting to order at 7:33 p.m. and Village Clerk Mastandrea called the Roll.

2.0 APPROVAL OF MINUTES

2.1 Acceptance of the August 8, 2016 Committee of the Whole Meeting Minutes

The minutes of the August 8, 2016 Committee of the Whole Meeting were approved as submitted.

3.0 **ITEMS OF GENERAL BUSINESS**

3.1 Planning, Zoning and Land Use

3.11 Consideration of an Ordinance Approving a Preliminary Plat of Subdivision for a 15-Lot Manors of Whytegate Single-Family Residential Subdivision, 1700 Riverwoods Road (Arthur J. Greene Construction Co.)

Assistant Village Manager/Community & Economic Development (CED) Director Letendre provided a summary of a proposed ordinance approving a preliminary plat of subdivision for a 15-lot Manors of Whytegate single-family residential subdivision, 1700 Riverwoods Road.

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

3.2 Finance and Administration
3.3 Public Works
3.3 Public Safety
3.4 Parks and Recreation
3.5 Judiciary and Personnel

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4.0 UNFINISHED BUSINESS

4.1 Arts & Eats Festival

Mayor Brandt stated she received feedback regarding the Arts & Eats Festival, and noted a meeting to discuss the event and debrief will be scheduled in the near future.

Trustee Servi noted feedback he received was the desire for the band to be by the fountain as in previous years and possibly adjusting times so art vendors would remain open when the music is playing. Village Manager Burke requested feedback regarding the event is welcome and asked that any suggestions or input be communicated to him directly.

Trustee Feldman noted an Arts & Eats sign is still posted by Stevenson High School.

5.0 NEW BUSINESS

5.1 Half Day Road

Trustee Feldman stated she has seen furniture sitting on the side of Half Day Road for weeks and recommended this be cleaned up. Village Manager Burke noted code enforcement personnel will follow up on this item.

5.2 Sign on Riverwoods Road

Trustee Leider noted the sign on Riverwoods Road has made a big impact on slowing traffic down and mentioned this will make a big difference as the school season is starting up. Trustee Leider suggested keeping an eye on the traffic patterns by the schools. Village Manager Burke stated this would be discussed with the new Chief of Police.

5.3 Condell Hospital

Trustee McDonough noted tomorrow, August 23, 2016 Condell Hospital will be hosting an open house at Half Day for Board feedback and asked for the Board to let him know if they would be in attendance so he could report attendance to the hospital.

6.0 EXECUTIVE SESSION

Trustee Grujanac moved and Trustee Leider seconded the motion to go into Executive Session for the purpose of discussing current litigation. The roll call vote was as follows: AYES: Trustees McDonough, Feldman, Leider, Grujanac, and Servi. NAYS: None. ABSENT: Trustee Hancock. ABSTAIN: None. The Mayor declared the motion carried and the Board went into Executive Session at 7:40 p.m. and came out of Executive Session at 7:49 p.m.

7.0 ADJOURNMENT

Trustee McDonough moved and Trustee Feldman seconded the motion to adjourn. Upon a voice vote, the motion was approved unanimously and Mayor Brandt declared the meeting adjourned at 7:50 p.m.

Respectfully submitted,

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VILLAGE OF LINCOLNSHIRE

Barbara Mastandrea
Village Clerk

Village of Lincolnshire

COW
3.21

REQUEST FOR BOARD ACTION
COMMITTEE OF THE WHOLE MEETING
September 12, 2016

Subject:	Requests from Citizens and Village Organizations Regarding Proposed Fiscal Year 2017 Budget
Action Requested:	Receipt of Requests from Citizen and Village Organizations Regarding Proposed Fiscal Year 2017 Budget
Originated By/Contact:	Village Organizations
Referred To:	Village Board

Summary / Background:
The annual budget process invites community organizations and residents to provide comments and recommendations regarding items the Village should address in the coming fiscal year. In early August, letters were sent to more than 30 community groups and organizations including: non-profit groups, area taxing bodies and homeowner's associations. The letter encouraged representatives to attend the September 12, 2016 Village Board meeting to make recommendations or suggestions for the coming fiscal year. A copy of the letter and list of community organizations receiving the letter is attached.

Organizations the Village contributes to in terms of organization/membership fees (Lake County Partners, Northwest Municipal Conference, and Metropolitan Mayor's Caucus) have not historically been asked to make a similar presentation to the Village Board in prior years. Requests received are incorporated into the draft budget for Fiscal Year 2017 for consideration and discussion by the Village Board during the upcoming workshops on the proposed budget.

Visit Lake County
In the past, staff formally invited representatives from Visit Lake County to attend this meeting to present a report on their organization and present their request to the Village Board as the timing of the request provided an opportunity for Visit Lake County to share information on their work over the past year. Attached is information submitted by Visit Lake County pertaining to their request for Fiscal Year 2017 as well as their annual report. For 2017, Visit Lake County is seeking a contribution of $18,750, which represents an increase of $3,750 over the current year. The table below lists the historical contributions to Visit Lake County:

Year	Contribution Amount
2006	$10,000
2007	$10,000
2008	$10,000
2009	$10,000
2010	$5,000
2011	$2,500
2012	$7,500
2013	$10,000
2014	$15,000
2015	$15,000
2016	$15,000

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Village of Lincolnshire

COW
3.21

Lincolnshire Sports Association
Village staff has worked with Lincolnshire Sports Association (LSA) leadership to better understand requests they may have for park/field maintenance to support their sports activities. A copy of a memorandum from Scott Pippen, Operations Superintendent, summarizing discussions with LSA to date is also attached. The draft budget being prepared contemplates including those items LSA has requested to be funded in Fiscal Year 2017. Discussion regarding these contributions is expected to be part of the budget workshops expected to take place in late October.

Lincolnshire Special Events
Historically, the Village would budget an annual contribution to the Lincolnshire Community Association (LCA) to fund various Village community events such as 4th of July, Holiday Tree Lighting, Boo Bash. No formal request from LCA has been received for Fiscal Year 2017. Village staff plans to include funding for various special events in the budget. The budgeted amounts for these event/activities can be discussed as part of the upcoming budget workshops.

Budget Impact: Budget impact for Fiscal Year 2017 to be determined during upcoming budget workshops.

Service Delivery Impact: None.

Recommendation: Receipt of requests. Staff will incorporate requests into the proposed Fiscal Year 2016 Budget for consideration by the Village Board at upcoming budget workshops.

Reports and Documents Attached:
- August 5, 2016 Letter to Community Groups Regarding Fiscal Year 2016 Budget
- List of Recipients
- September 7, 2016 Letter from President of Visit Lake County Maureen Riedy detailing their support of Travel and Tourism in Lincolnshire and FY2017 Request
- Visit Lake County 2016 Annual Report
- Memorandum from Operations Superintendent Scott Pippen regarding Lincolnshire

Meeting History	
Initial Referral to Village Board (COW):	09/12/2016

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August 5, 2015

Alice Lee-Osborne
Learning Fund Foundation - School District No. 103
1370 N. Riverwoods Road
Lincolnshire, IL 60069

Dear Alice Lee-Osborne,

During the month of August each year, the Village of Lincolnshire kicks off its annual budget process. The purpose of this letter is to provide an outline of the budget development process for Lincolnshire's Fiscal Year 2017 Budget. This letter also provides information about dates representative(s) of your organization are invited to address the Village Board regarding items the Village should consider for the coming year:

Date/Time	Event	Purpose
September 12, 2016, 7:00 p.m.	Committee of the Whole Meeting	Mayor and Village Board receive comments from community organization representatives and residents regarding items the Village should address in 2017.
October 13, 2016	Draft of the 2017 Budget available for review	This is an opportunity for your organization to review the proposed budget. The draft budget is available at Lincolnshire Village Hall, on the Village website www.lincolnshireil.gov and also placed on file at the Vernon Area Public Library.
October 17 – October 24, 2016	Special Committee of the Whole Meetings	These meetings, dates to be announced, are designed for the Village Board to discuss the Budget and make any changes. Meetings are open to the public.
November 14, 2016	Committee of the Whole Meeting	The Village Board receives comments from the community regarding the budget.

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Last two Weeks of November 2016	Final Draft of the 2017 Budget Available for Review	This is an opportunity to study the proposed budget document prepared for approval by the Village Board. The draft budget will be available at Lincolnshire Village Hall, on the Village's website www.lincolnshireil.gov, and on file at the Vernon Area Public Library.
December 12, 2016	Budget Approval	Before the Budget is formally considered by the Village Board, there is an opportunity for citizens to speak. **This is the final opportunity for public input into the budget prior to approval.**

I hope you find information on the Fiscal Year 2017 Budget Schedule and how you or your organization can participate useful. If you have a question or suggestion, I encourage you to take advantage of the time available at the September 12, 2016 meeting to make your concerns known. It is much easier to address budget concerns or incorporate changes early in the budget process for the coming year rather than after it has been approved.

Please do not hesitate to contact me at 847.913.2335 or bburke@lincolnshireil.gov if you have any questions or concerns about the budget process.

Sincerely,

VILLAGE OF LINCOLNSHIRE

Bradly J. Burke

Bradly J. Burke
Village Manager

BB:lu

cc: Mayor and Board of Trustees

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First Name	Last Name	Title	Organization	Address	City/State/Zip
Alice	Lee-Osborne		Learning Fund Foundation - School District No. 103	1370 N. Riverwoods Road	Lincolnshire, IL 60069
Amy	Morrissey	Director	Lincolnshire Community Nursery School	48 Fox Trail	Lincolnshire, IL 60069
Bernice	Bloom	President	Rivershire Condominium Association II	207 Rivershire Place, Unit 203	Lincolnshire, IL 60069
Beth Ann	Fell	President	The Village Club	2 Kensington Drive	Lincolnshire, IL 60069
Debbie	Burke	Treasurer	Lincolnshire Community Association	30 Regent Lane	Lincolnshire, IL 60069
Bruce	Lubin	President	Board of Education School District No. 125	5217 RFD Briarcrest Lane	Long Grove, IL 60047
Caitlin	Merel		Girl Scouts of Greater Chicago & Northwest Indiana	650 North Lakeview Parkway	Vernon Hills, IL 60061
Chris	Poteet	President	YMCA Adventure Guides	33 Essex Lane	Lincolnshire, IL 60069
Cindy	Fuerst	Director	Vernon Area Public Library	300 Olde Half Day Road	Lincolnshire, IL 60069
Gary	Gordon	President	Board of Education School District No. 103	29 Brunswick Lane	Lincolnshire, IL 60069
Howard	Feather	President	Indian Creek Homeowners Association	10 Trafalgar Square, Unit 304	Lincolnshire, IL 60069
Howard	Lipschultz	President	Rivershire Bath & Tennis Association	211 Rivershire Lane, Unit 604	Lincolnshire, IL 60069
Ilene	Abrahams		League of Women Voters in the Deerfield Area	205 River Road	Deerfield, IL 60015
Jan	Stefans	President	Lincolnshire Garden Club	president@lincolnshiregarden	Lincolnshire, IL 60069
Peggy	Gaier	President	Riverside Foundation Women's Board	304 Whitmore Lane	Lake Forest, IL 60045
Kay	Hoogland	President	Stevenson High School District No. 125	4465 Kettering Drive	Long Grove, IL 60047-5204
Larry	Barnhart	President	Wood Creek Courts Homeowners Association	4 Court of Connecticut River Valley	Lincolnshire, IL 60069
Larry	Storck	President	Village Green Condominium Association	425 Village Green, Unit 203	Lincolnshire, IL 60069
Roger	Sosa		Buffalo Grove/Lincolnshire Chamber of Commerce	P.O. Box 7124	Buffalo Grove, IL 60089
Craig	Carlson	President	Rivershire Condominium Association I	108 Rivershire Lane	Lincolnshire, IL 60069
Maureen	Meyer	Secretary	PTO - School District 103	9 Kensington Drive	Lincolnshire, IL 60069
Maureen	Riedy	President	Visit Lake County	5465 W. Grand Ave., Suite 100	Gurnee, IL 60031
Michael	Snipes	President	Beaconsfield Condo Association	28 Beaconsfield Court	Lincolnshire, IL 60069
Michael	Stevens	President & CEO	Lake County Partners	100 Tri-State International Dr., Suite 122	Lincolnshire, IL 60069
Morry	Gable	President	Heritage Creek Homeowners Association	20 Ashford Court	Lincolnshire, IL 60069
Rich	Goodell	President	Rivershire Community Property Association	207 Rivershire Place, Unit 204	Lincolnshire, IL 60069
Robert	Weinberg	President	Sutton Place Homeowners Association	10 Sommerset Lane	Lincolnshire, IL 60069
Scott	Harper	President	Lincolnshire Sports Association	3075 Sanders Road, Suite G2B	Northbrook, IL 60062
Sheryl	Pratt	President	Westgate of Lincolnshire Homeowners Association	5 Exeter Court	Lincolnshire, IL 60069
Sophie	Twitchell	Executive Director	Friends of Ryerson Woods	21850 N. Riverwoods Road	Deerfield, IL 60015
Brad	Burke	President	Lincolnshire Morningstar Rotary Club	One Olde Half Day Road	Lincolnshire, IL 60069
Lorrie	Hardy		Boy Scout Troop 78	47 Cumberland Dr.	Lincolnshire, IL 60069
Michael	Zidman	Director	Hidden Lakes Homeowners Association	20 Trafalgar Square	Lincolnshire, IL 60069
Harold	Firfer	President	Lakes of Lincolnshire Condominium Association	209 Rivershire Lane, unit 203B	Lincolnshire, IL 60069

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September 7, 2016

Honorable Mayor Elizabeth Brandt & Trustees
Village of Lincolnshire
One Olde Half Day Road
Lincolnshire, IL 60069-3035

Dear Mayor Brandt and Village Trustees,
Thank you for your continued investment with Visit Lake County as part of your economic development strategy. Our goal is to attract visitors who help sustain a strong local economy and boost sales tax receipts. Below are the highlights of the return-on-investment you received from your sales and marketing partnership with our organization in the past 12 months.

Social Media & Public Relations Support

- Promoted Lincolnshire events through social and traditional media including our website calendar of events, Facebook, Twitter, and our weekly column in the Daily Herald (see samples below).
- We have grown our Facebook fans to over 42,000 and have 6,300 Twitter followers.
- Lincolnshire events & venues mentioned in **72 blogs**. (See samples below).
- 554,231 unique visits to our website, www.visitlakecounty.org - up 9%.
- **50 events in Lincolnshire** listed on our website Calendar of Events.
- **35,520 views of Lincolnshire hotel packages** on our website.
- 825 copies of your Shop & Dine Guide distributed at our Lake Forest Oasis tourism kiosk.
- Lincolnshire profiled in our visitors guide: http://www.visitlakecounty.org/yudu_new/

Arts & Eats Lincolnshire Support

- Listed as a top event in our Daily Herald Weekend Watch Column.
- Highlighted in a Blog we posted (see sample above) and on Twitter & Facebook.
- Featured the event on our WXLC radio segment.

Lake County Restaurant Week - To showcase the distinct dining options in Lake County and draw new diners, we introduced the first-ever Lake County Restaurant Week June 10-19, 2016.

- The managers from Sullivan's and Eddie Merlot's spearheaded the subcommittee and were integral in the launch and success of the first year's event.

- 44 participants including 4 Lincolnshire Restaurants - Eddie Merlot's, Half Day Brewing, Starfish Sushi and Sullivan's Steakhouse.
- VLC funded the event and media campaign which included Chicago Tribune ads, 100 Metra train cards listing all the participants, ads on 4 radio stations and Pandora, and a targeted social media campaign. We arranged for Eddie Merlot's and Sullivan's to do live segments on WXLC Radio.

Attracting Group Business to Lincolnshire -in the past 12 months our sales team secured **71 groups** for Lincolnshire. These were corporate meetings, tour groups and sports groups including the basketball, soccer, hockey and the LPGA UL International held at the Merit Club in July. This business generated:

- **6,330 hotel rooms**– many during hotel "soft" times.
- **$2.2 million in visitor spending** from lodging, dining, shopping and entertainment.
- We also helped influence a corporate group to select the resort - using 5,000 room nights.
- Issued **131 leads/referrals for future group business** in Lincolnshire worth 19,207 room nights and $5.9 million in potential economic impact.

Partnership/Funding
Your investment is leveraged with other Lake County communities, industry partners and our state tourism grant award which must be matched by local sources. Our partnership investment levels have remained fixed for over 10 years although Lincolnshire's investment has varied annually. Based on our established formula for partnerships, Lincolnshire should be at Level 2. The VLC Board of Directors approved an increase in partnership investment levels for FY '17 as outlined below:

Level 1 Over 1 million visitors annually, major tourism attractions, 1,200+ hotel rooms.
Partners: Gurnee, Lake County
FY '17 Investment: Percentage of hotel tax. Gurnee – 22.5% (except for KeyLime Cove due to village tax sharing agreement). Estimated at $175,000 for FY '17. Lake County – 100% collected in unincorporated areas. Estimated at $90,000 for FY '17.

Level 2 1,000 or more hotel rooms, plus attractions, retail and restaurants benefitting from tourism.
Partners: Deerfield, Waukegan, Lincolnshire
FY '17 Investment: $28,750. Note: Lincolnshire's FY '16 Investment was $15,000.

Level 3 650 or under hotel rooms, central business districts, close proximity to tourism attractions.
Partners: Antioch, Grayslake, Lake Zurich, Libertyville, Mundelein, Vernon Hills, Zion.
FY '17 Investment: $11,500 - $12,500 (Vernon Hills contributed $12,500).

We appreciate your past financial support. Ideally Lincolnshire's investment would be commensurate with other Level 2 Partners who will increase their commitment by $3,750 in FY '17. We respectfully request the same incremental increase for Lincolnshire - which would bring your investment to $18,750 for FY '17. We know that hotel taxes are an important source of revenue for you. Our marketing programs show a solid return-on-investment for the Village, and help fortify your tax base and boost hotel occupancies. Lincolnshire hotel guests also provide a significant source of local restaurant business, particularly on weekdays.

We are pleased that Brad Burke and Eric Bates, General Manager of the Lincolnshire Marriott Resort, sit on our Board of Directors. Their leadership supports us in establishing the strategic direction for our organization. Eric Bates and I look forward to answering questions at your meeting on September 12h.

Sincerely,

Maureen Riedy

Maureen Riedy
President

September 2016

Dear Partners,

Let's Celebrate, Let's Collaborate, Let's Go!

We are proud to celebrate another successful year. Despite operating without state grant funds for over half the year, we were able to set new records in website visits, social media reach, and group sales productivity, and our *Let's Go Next Weekend* advertising campaign was viewed by millions this summer. Lake County Hotel RevPAR also reached a new high in 2015.

Topping off the year, in June we launched our inaugural Lake County Restaurant Week. We were thrilled with the terrific response from restaurant participants and diners. I am delighted to share the highlights of Restaurant Week and other sales and marketing initiatives in this annual report.

As we embark on FY '17, we continue to explore innovative strategies to tell the compelling story of Lake County's abundant visitor experiences and exceptional venues.

Collaboration is the key to our success. We are grateful for our strong network of community investors and industry partners who appreciate the economic benefits of our robust marketing programs. On that note, we are delighted to welcome the Village of Mundelein to our tourism family.

Thank you for your enthusiastic support this past year. We look forward to continuing our partnership with you in the year to come.

Let's Go…

Maureen Riedy

Maureen Riedy
President

Visit Lake County is the official destination marketing organization and champion of tourism for Lake County, Illinois. Our alliance is comprised of 200 industry and community partners who recognize the powerful economic impact and number of tourism related jobs visitor spending generates for the county.

COMMUNITY PARTNERS:

Antioch Deerfield Grayslake Gurnee Lake County
Lake Zurich Libertyville Lincolnshire Long Grove
Mundelein Vernon Hills Waukegan Zion

FY '17 Board of Directors

Chair
Cheryl Ross, Village of Gurnee

Vice Chair
David Motley, City of Waukegan

Treasurer
John Kalmar, Village of Vernon Hills

Secretary
Randy Ebertowski, Gurnee Mills

President
Maureen Riedy

Directors
Eric Bates, Marriott Lincolnshire Resort
Sonolito Bronson, City of Zion
Brad Burke, Village of Lincolnshire
Jim Keim, Village of Antioch
Sam Kelly, Marriott Suites Deerfield/Village of Deerfield
Greg Koeppen, Lake County Farm Bureau/Village of Grayslake
Connie Kowal, Libertyville Sports Complex/Village of Libertyville
John Krajnak, Six Flags Great America
Dale McFarland, KeyLime Cove Indoor Waterpark Resort
Nick Sauer, Lake County Board, District 17

Bureau Staff *(Pictured clockwise from top left)*

Peggy Altman, Visitor & Partner Services Coordinator
Teresa Lewis, Account Executive
Maureen Riedy, President
Jonathan Jones, Marketing Communications Coordinator
Kimberly Ghys, Senior Account Executive
Jayne Nordstrom, Partnership & Group Tour Manager
Sara Rolsma, Marketing Manager

DMAI Accreditation

Visit Lake County is accredited by Destination Marketing Association International (DMAI), which requires compliance with standards of excellence in operational and financial procedures, governance, customer service, and sales and marketing.

LAKE COUNTY ILLINOIS

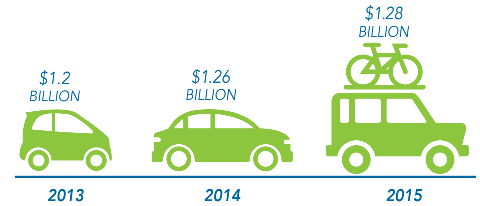
ILLINOIS ARE YOU UP FOR AMAZING?

5465 West Grand Avenue, Suite 100, Gurnee, IL 60031
1-800-LAKE-NOW • VisitLakeCounty.org

300 9/16

Growth and impact is the name of the game.

ANNUAL VISITOR SPENDING IN LAKE COUNTY



Study prepared for the Illinois Office of Tourism by the US Travel Association.

ECONOMIC IMPACT OF TOURISM IN LAKE COUNTY

$1.28 BILLION
VISITOR SPENDING

10,530
JOBS

$28 MILLION
LOCAL TAX RECEIPTS

$72.4 MILLION
STATE TAX RECEIPTS

Lake County ranks third in Illinois travel expenditur behind Cook and DuPage Counties.

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Our leisure marketing efforts saw a healthy lift.

2016 Lake County Fair

FY '16 Highlights

- Increased our web traffic by 9% with 554,231 unique visitors.
- Conducted a full-scale social media campaign and grew our social media marketing engagement & impressions to 2,392,983—up 19%.
- Increased our Facebook fans to 42,000. Our Twitter following grew to 6,300.
- Authored 150 blogs, generating 233,800 user sessions—up 52%—and 260,646 page views.
- Redesigned our mobile site to improve user experience.
- Continued our bi-weekly radio appearances on WXLC and a weekly Daily Herald column—both highlighting upcoming festivals and events in Lake County.
- Conducted summer co-op advertising campaigns including broadcast TV and radio commercials, Pandora ads, online banner ads, outdoor digital billboards, Metra train ads, and movie theatre commercials. Six Flags, KeyLime Cove & Lake County Fair participated in the summer campaign.
- Received 42,034 views on BoatingLakeCounty.com. Created downloadable maps of the Chain O'Lakes highlighting public boat ramps.
- Launched the first annual Lake County Restaurant Week

Lake County 2015 Hotel Performance

63.7% Occupancy

$99.70 ADR

$63.52 RevPAR

359 GROUPS CONFIRMED

$8.6 MILLION ECONOMIC IMPACT

We introduced Lake County Restaurant Week!

44 PARTICIPATING RESTAURANTS

2,558,684 PAID MEDIA IMPRESSIONS

"We were extremely pleased with Restaurant Week. It was a great way for us to generate new business and definitely worthwhile! The promotion strategy was very effective at reaching our target audience. You did a great job! Please put us on the list for next year!"

–Jani Feiereisel,
Partner, 545 North, Libertyville

28,633 LANDING PAGE VISITS

24% INCREASE IN WEB TRAFFIC*

20% INCREASE IN USER ACTIVITY*

*Compared to the same time period in 2015

Our summer advertising exposure continues to grow.

SUMMER CAMPAIGN WAS VIEWED **32.5** MILLION TIMES*

TARGET: **ADULTS 25-54** IN THE CHICAGO MARKET

CBS 2 cbschicago.com · NBC 5 Chicago · ABC 7 Chicago · WGN 9 CW · WLS 890 AM · 93XRT · WBBM Newsradio 105.9FM · PANDORA

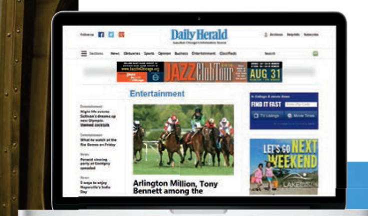
Commercial also aired during Cubs broadcasts

OUR SEASONAL CAMPAIGN PARTNERS:

Six Flags Great America
KeyLime Cove Indoor Waterpark Resort
Lake County Fair

20,000 Visitors Guides distributed in the Chicago Tribune

Summer Metra Car Card



Summer Online Banner Ad

Summer Outdoor

* Campaign advertising exposures reaching adults age 25-54 in the Chicago market.

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Social media activity maintains best-in-class status.

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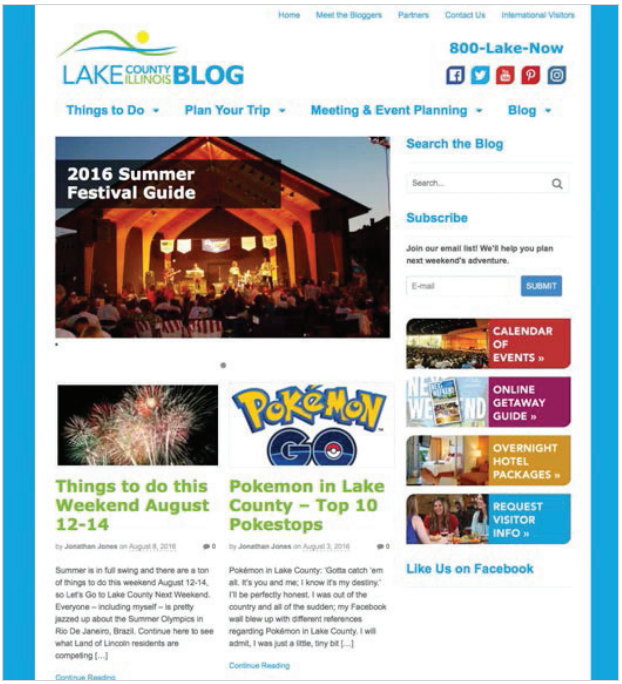
2,392,983
TOTAL SOCIAL MEDIA IMPRESSIONS AND ENGAGEMENT
A **19%** INCREASE



150+ BLOG POSTS AUTHORED

233,800
BLOG USER SESSIONS
A **52%** INCREASE

260,646
BLOG PAGE VIEWS

6,300
TWITTER FOLLOWERS

1,080
INSTAGRAM FOLLOWERS

42,000
FACEBOOK FANS

Instagram

MOST LIKED IMAGES

Independence Grove Forest Preserve
Photo by @razdood

Michael's Red Hots, Highland Park
Photo by @nealcohen

Photo by Wildberry Pancakes and Cafe, Libertyville

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Our group sales team rises to the occasion.

INTERNATIONAL CROWN

Worked closely with the LPGA to ensure the success of the UL International Crown at the Merit Club in Gurnee, resulting in 2,500 room nights booked.

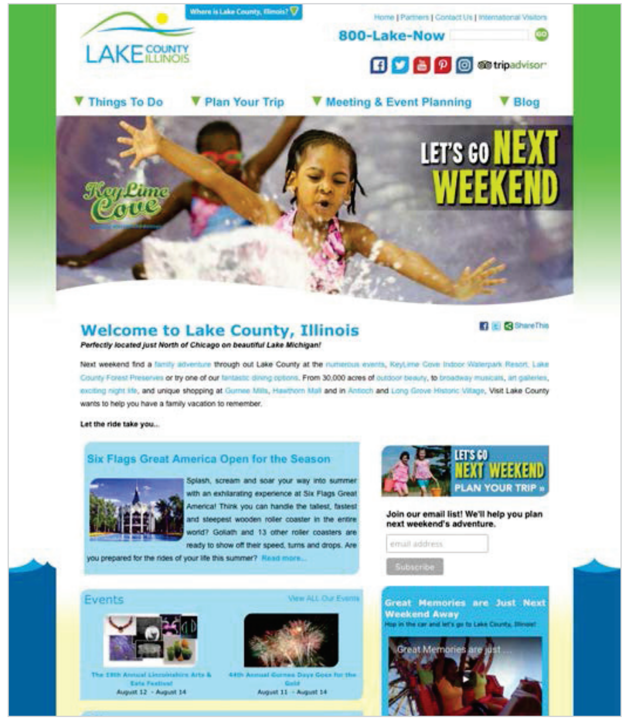
Generated new web content for VisitLakeCounty.org highlighting groups, sports and reunions.

FY '16 Group Sales Highlights

- The sales team confirmed 359 groups for Lake County hotels and venues—attracting 44,838 attendees, producing 26,097 room nights, and generating $8.6 million in economic impact.
- Issued 483 sales leads for future group business. 48% selected Lake County and 26% still have site decisions pending, while 62% of our FY '15 leads turned definite.
- Conducted 17 customer site inspections of Lake County hotels and other venues.
- Attended 13 industry tradeshows and met with over 350 prospective clients.
- Completed a highly targeted, successful social media campaign to promote the newly revised wedding section of our website.
- Created new itineraries to attract tour groups.

Fresh content boosts online engagement.

VisitLakeCounty.org



554,231
UNIQUE WEB VISITORS
*A **9%** INCREASE*

BoatingLakeCounty.com

42,034
PAGE VIEWS

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Agenda Item

REQUEST FOR BOARD ACTION
SEPTEMBER 12, 2016 COMMITTEE OF THE WHOLE MEETING

Subject:	Consideration, and Discussion of Lincolnshire Sports Association Requests of Additions to the 2017-2026 Parks and Paths Capital Budget (Lincolnshire Sports Association)
Action Requested:	N/A
Originated By/Contact:	D. Scott Pippen, Operations Superintendent
Referred To:	Village Board

Summary / Background:
Staff has met with representatives from the Lincolnshire Sports Association (LSA) to discuss LSA's donations from the baseball tournament and soccer programs, and LSA's request for additional amenities at North Park. LSA has donated $8,000.00 to the Village from the proceeds of the Summer Slam baseball tournament, and agreed to donate $2,000.00 towards the recent renovation work to the soccer fields.

LSA requests the Village Board consider the following projects at North Park to be included in upcoming budgets:

- Infield Renovations – The baseball infields have developed grading and drainage issues. This project will be phased and includes completely stripping out the existing infields, re-grading the sub-surfaces, and rebuilding the infields.
- Baseball Backstop Screening – This project is the installation of windscreens behind the home plate areas on all 5 backstops. This will discourage attendees from gathering in this area and distracting players and umpires.
- 2 Scorer's / Announcer's Tables & PA System – Installation of covered scorer's / announcer's tables behind the backstops on fields #1 and #3. This would allow for the announcing of starting line-ups, playing of the National Anthem prior to games, and general park announcements. LSA is currently working with Eagle Scout candidates as a possible Eagle Scout project to accomplish this request.
- Skate Night Fireworks – LSA is requesting the Village cover the cost of the fireworks for the 2017 skate night program. LSA has identified three possible dates for the event as January 21, 28, or February 4th and envisions the event to be the same as the 2016 Skate Night.
- Athletic Field Lighting Expansion – This is the addition of athletic field lighting on baseball diamonds #3 and #4, and the soccer fields on the northeast side of the park near the detention basin. LSA's programs are expanding and they need the field space at night this project would provide. LSA would like to partner with the Village to assist with the cost through fundraising efforts.

Budget Impact:

The following table displays the cost and year for each of the projects LSA is requesting for budgetary consideration:

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YEAR	PROJECT	COST
2017	Infield Renovations Fields #1 and #2	$20,000
2018	Infield Renovations Fields #3,#4,and #5	$30,000
2017	Baseball Backstop Screening All Fields	$1,000
2017	2 Scorer's / Announcer's Tables & PAs	$10,000
2017	Skate Night Fireworks	$5,000
2018-2019	Athletic Field Lighting Expansion	$350,000-$380,000
TOTAL		**$416,000-$446,000**

Recommendation:
Staff has no recommendation on these projects.

Reports and Documents Attached:
Supporting documentation will be provided to the Village Board on specific projects as part of the budget documents submitted to the Board for consideration.

Meeting History	
Village Board (COW):	**September 12, 2016**
Final Village Board Approval	**November 2016**

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Village of Lincolnshire	COW 3.22

REQUEST FOR BOARD ACTION
COMMITTEE OF THE WHOLE MEETING
September 12, 2016

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 Heidi Andorfer, Foster & Foster Actuaries, will be in attendance at the September 12, 2016 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 2017.

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 80.8% funded ratio as of December 31, 2015.

The Village's total pension unfunded liability as of December 31, 2015 is $8.4 million ($3.6m Illinois Municipal Retirement Fund IMRF & $4.8m Police Pension Fund PPF). Independent actuary valuations, using a few "like" assumptions, calculated funding levels for 2015 to be 80.8% PPF and 81.5% IMRF.

It is important to note, even in light of the change in funded ratio for the current year as a result of new accounting/reporting regulations, the Village's funding status is in the top tier of most downstate police pension plans; ranking 4 out of 352 in the most recent 2015 Downstate Police Pension Funds Analysis of Financial Condition- Rate of Funding.

Budget Impact: Budget impact for Fiscal Year 2017 to be determined.

Service Delivery Impact: None.

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

Reports and Documents Attached:
- Lincolnshire Police Pension 2016 Request for Contributions to be paid 2017
- Lincolnshire Police Pension's Municipal Compliance Report
- Lincolnshire Police Pension's Investment Policy
- January 1, 2016 Lincolnshire Police Pension Fund Actuarial Valuation
- December 31, 2015 GRS Report of Lincolnshire's IMRF account.

Meeting History	
Initial Referral to Village Board (COW):	09/12/2016

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

Village of Lincolnshire

August 27, 2016

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

Re: 2016 Pension Contribution Request

Dear Mayor Brandt and Village Trustees,

On August 23, 2016, 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 $803,666 for the plan year ending December 31, 2016 (to be contributed in 2017).

Attached to this request, for your review, are the Actuarial Valuation Report, the Municipal Compliance Report and a copy of the current Investment Policy. Pension Board President Steven Lee would welcome any comments at the upcoming September 12th Village Board Meeting.

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

Respectfully Submitted,

Adam Hyde
Secretary

On behalf of:
Steven Lee, President
Patrick Quillinan, Vice-President
Mickey Herst, Trustee
Jamie Watson, Assistant Secretary

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VILLAGE OF LINCOLNSHIRE, ILLINOIS
POLICE PENSION FUND

Municipal Compliance Report
For the Year Ended December 31, 2015

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, 2015
Cash and Demand Deposits	$ 11,806
Money Market Mutual Funds	337,359
Certificates of Deposit	102,883
State and Local Obligations	302.975
U.S. Government and Agency Obligations	3,347,781
Corporate Bonds	2,725,048
Insurance Company Contracts	0
Common and Preferred Stocks	680,993
Mutual Funds	11,472,306
Accrued Interest	42,581
Prepaid Expenses	6,127
Net Liabilities	(10,179)
Total	$ 19,019,680

As of June 30, 2016, the current market value of the assets is $19,461,449.

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

Police Officer Contributions	$206,000
Property Taxes	$834,000
Additional Village Contributions	$0

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	$1,033,000
(b) Annual funding requirement	$436,920

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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, 2015	Year Ending December 31, 2014
Net income received from Investment of Assets	$(270,338)	$469,096
Assumed Investment Return	6.5%	6.5%
Actual Investment Return	-1.4%	2.5%

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

Number of active members	23

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, 2015	
	Number	Amount
(i) Regular Retirement Pensions	11	$836,954
(ii) Disability Pensions	3	$88,451
(iii) Survivors and Childs Benefits	1	$17,628

7) The funded ratio of the fund:

	Year Ending December 31, 2015	Year Ending December 31, 2014
Funded Ratio	80.8%	80.0%

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

	Year Ending December 31, 2015
Unfunded Liability	$4,797,235

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, 2015.

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 [signature] Date 8/23/16

Secretary [signature] Date 8/23/16

Trustee [signature] Date 8/23/16

Trustee Patrick Quillen Date 23 AUG 16

Trustee [signature] Date 8-23-16

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Lincolnshire Police Pension Plan

Investment Policy Statement

May 2015

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Lincolnshire Police Pension Plan
INVESTMENT POLICY STATEMENT

Dated: May 2015

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 Statues that govern Police Pension Plans), but it is anticipated that such changes will be infrequent.

8) The Multi Class category should represent approximately 15% 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:

Asset Class	Minimum	Preferred	Maximum
Large Cap Growth	6.00%	11.00%	16.00%
Large Cap Value	6.00%	11.00%	16.00%
Small/Mid Cap Growth	4.50%	6.50%	8.50%
Small/Mid Cap Value	4.50%	6.50%	8.50%
International Growth	5.00%	7.50%	10.00%
International Value	5.00%	7.50%	10.00%
Multi-Class	10.00%	15.00%	20.00%
Fixed Income and Cash	35.00%	35.00%	45.00%
Equity	40.00%	50.00%	55.00%
Multi-Class	10.00%	15.00%	20.00%
Fixed Income and Cash	35.00%	35.00%	45.00%

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.

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- 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

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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
- May 12, 2015 – Changed Model Asset Allocation

VILLAGE OF LINCOLNSHIRE
POLICE PENSION FUND

ACTUARIAL VALUATION
AS OF JANUARY 1, 2016

CONTRIBUTIONS APPLICABLE TO THE
PLAN/FISCAL YEAR ENDED DECEMBER 31, 2016

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April 29, 2016

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. Please note that this valuation may not be applicable for any other purposes.

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. Future actuarial measurements may differ significantly from the current measurements presented in this report for a variety of reasons including: changes in applicable laws, changes in plan provisions, changes in assumptions, or plan experience differing from expectations.

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.

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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

Jason L. Franken
Enrolled Actuary #14-6888

JLF/aw
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, 2016, 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, 2016.

The contribution requirements, compared with those set forth in the January 1, 2015 actuarial report are as follows:

Valuation Date	1/1/2016 12/31/2016	1/1/2015 12/31/2015
Total Required Contribution	$1,016,125	$990,003
% of Total Annual Payroll	47.4%	47.5%
Member Contributions (Est.)	212,459	206,396
% of Total Annual Payroll	9.91%	9.91%
Village Required Contribution	803,666	783,607
% of Total Annual Payroll	37.5%	37.6%

As you can see, the Total Required Contribution, when expressed as a percentage of annual payroll, is basically level when compared to the results determined in the January 1, 2015 actuarial valuation report. This was the result of fairly neutral experience realized by the plan during the year, relative to the plan's actuarial assumptions.

Sources of favorable experience realized by the plan during the year included salary increases that were lower than expected, as well as no retirements or disablements. The favorable experience was mostly offset by sources of unfavorable experience, such as a 4.73% rate of investment return (Actuarial basis) which fell short of the 6.50% assumption, and unfavorable turnover experience.

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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

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Plan Changes Since Prior Valuation

No plan changes have occurred since the prior valuation.

Actuarial Assumption/Method Changes Since Prior Valuation

No changes were made to the methods since the prior valuation.

The assumption for the administration expenses was updated from $35,000 to assuming expenses would remain the same as the prior year.

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COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS

	1/1/2016	1/1/2015
A. Participant Data		
Number Included		
Actives	23	23
Service Retirees	11	11
Beneficiaries	1	1
Disability Retirees	3	3
Terminated Vested	2	2
Total	40	40
Total Annual Payroll	$2,143,889	$2,082,705
Payroll Under Assumed Ret. Age	2,143,889	2,082,705
Annual Rate of Payments to:		
Service Retirees	838,081	813,671
Beneficiaries	17,628	17,628
Disability Retirees	88,451	87,537
Terminated Vested	0	0
B. Assets		
Actuarial Value	20,159,871	19,408,176
Market Value	19,019,678	19,452,281
C. Liabilities		
Present Value of Benefits		
Actives		
Retirement Benefits	12,758,601	11,446,209
Disability Benefits	1,326,128	1,269,890
Death Benefits	244,240	270,701
Vested Benefits	1,426,761	1,333,771
Service Retirees	12,922,843	13,421,299
Beneficiaries	166,962	170,862
Disability Retirees	1,070,200	1,238,115
Terminated Vested	56,641	56,641
Total	29,972,376	29,207,488

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C. Liabilities - (Continued)	1/1/2016	1/1/2015
Present Value of Future Salaries	21,239,307	21,318,210
Present Value of Future Member Contributions	2,104,815	2,112,635
Normal Cost (Retirement)	383,770	360,959
Normal Cost (Disability)	87,831	83,696
Normal Cost (Death)	11,132	12,573
Normal Cost (Vesting)	73,239	70,842
Total Normal Cost	555,972	528,070
Present Value of Future Normal Costs	5,015,270	4,962,161
Accrued Liability (Retirement)	9,214,971	7,964,940
Accrued Liability (Disability)	542,339	487,046
Accrued Liability (Death)	153,459	165,688
Accrued Liability (Vesting)	829,691	740,736
Accrued Liability (Inactives)	14,216,646	14,886,917
Total Actuarial Accrued Liability	24,957,106	24,245,327
Unfunded Actuarial Accrued Liability (UAAL)	4,797,235	4,837,151
Funded Ratio (AVA / AL)	80.78%	80.05%

D. Actuarial Present Value of Accrued Benefits

	1/1/2016	1/1/2015
Vested Accrued Benefits		
Inactives	14,216,646	14,886,917
Actives	2,908,432	2,167,971
Member Contributions	2,004,713	1,813,755
Total	19,129,791	18,868,643
Non-vested Accrued Benefits	754,324	751,884
Total Present Value Accrued Benefits	19,884,115	19,620,527
Funded Ratio (MVA / PVAB)	95.70%	99.10%

Increase (Decrease) in Present Value of Accrued Benefits Attributable to:	
Plan Amendments	0
Assumption Changes	0
New Accrued Benefits	(20,190)
Benefits Paid	(960,345)
Interest	1,244,123
Other	0
Total	263,588

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Valuation Date	1/1/2016	1/1/2015
Applicable to Fiscal Year Ending	12/31/2016	12/31/2015
E. Pension Cost		
Normal Cost (with interest)	$592,110	$562,395
% of Total Annual Payroll [1]	27.6	27.0
Administrative Expenses (with interest)	30,731	37,275
% of Total Annual Payroll [1]	1.4	1.8
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 25 years (as of 1/1/2016, with interest)	393,284	390,333
% of Total Annual Payroll [1]	18.3	18.7
Total Required Contribution	1,016,125	990,003
% of Total Annual Payroll [1]	47.4	47.5
Expected Member Contributions	212,459	206,396
% of Total Annual Payroll [1]	9.91	9.91
Expected Village Contribution	803,666	783,607
% of Total Annual Payroll [1]	37.5	37.6

F. Past Contributions

Plan Years Ending:	12/31/2015
Total Required Contribution	991,877
Village Requirement	783,607
Actual Contributions Made:	
Members (excluding buyback)	208,270
Village	618,665
Total	826,935

G. Net Actuarial (Gain)/Loss (94,279)

[1] Contributions developed as of 1/1/2016 are expressed as a percentage of total annual payroll at 1/1/2016 of $2,143,889.

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

Year	Projected Unfunded Accrued Liability
2016	4,797,235
2017	4,715,771
2018	4,629,012
2024	3,976,334
2030	3,023,983
2035	1,903,901
2041	0

I. (i) 3 Year Comparison of Actual and Assumed Salary Increases

		Actual	Assumed
Year Ended	12/31/2015	3.33%	4.42%
Year Ended	12/31/2014	4.38%	4.29%
Year Ended	12/31/2013	N/A	N/A

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

		Actual	Assumed
Year Ended	12/31/2015	4.73%	6.50%
Year Ended	12/31/2014	6.56%	6.50%
Year Ended	12/31/2013	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.

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

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DEVELOPMENT OF JANUARY 1, 2016 AMORTIZATION PAYMENT

(1)	Unfunded Actuarial Accrued Liability as of January 1, 2015	$4,837,151
(2)	Sponsor Normal Cost developed as of January 1, 2015	321,674
(3)	Expected administrative expenses for the year ended December 31, 2015	35,000
(4)	Expected interest on (1), (2) and (3)	336,461
(5)	Sponsor contributions to the System during the year ended December 31, 2015	618,665
(6)	Expected interest on (5)	20,107
(7)	Expected Unfunded Actuarial Accrued Liability as of December 31, 2015, (1)+(2)+(3)+(4)-(5)-(6)	4,891,514
(8)	Change to UAAL due to Assumption Change	0
(9)	Change to UAAL due to Actuarial (Gain)/Loss	(94,279)
(10)	Unfunded Accrued Liability as of January 1, 2016	4,797,235

Date Established	Years Remaining	1/1/2016 Amount	Amortization Amount
1/1/2016	25	4,797,235	369,281

PROJECTION OF BENEFIT PAYMENTS

Year	Payments for Current Actives	Payments for Current Inactives	Total Payments
2016	41,243	991,337	1,032,580
2017	71,561	955,585	1,027,146
2018	111,937	975,350	1,087,287
2019	167,729	993,854	1,161,583
2020	243,645	1,010,937	1,254,582
2021	302,120	1,026,446	1,328,566
2022	365,094	1,040,333	1,405,427
2023	427,703	1,052,555	1,480,258
2024	503,691	1,063,077	1,566,768
2025	579,940	1,071,893	1,651,833
2026	643,951	1,078,977	1,722,928
2027	716,905	1,084,293	1,801,198
2028	829,531	1,087,869	1,917,400
2029	945,808	1,089,648	2,035,456
2030	1,056,874	1,098,261	2,155,135
2031	1,161,842	1,096,230	2,258,072
2032	1,263,505	1,091,594	2,355,099
2033	1,391,443	1,083,974	2,475,417
2034	1,522,573	1,073,024	2,595,597
2035	1,640,814	1,058,358	2,699,172
2036	1,745,238	1,039,601	2,784,839
2037	1,843,046	1,016,451	2,859,497
2038	1,947,836	988,626	2,936,462
2039	2,039,193	955,864	2,995,057
2040	2,138,728	918,124	3,056,852
2041	2,207,853	875,396	3,083,249
2042	2,269,786	827,891	3,097,677
2043	2,354,692	776,114	3,130,806
2044	2,448,337	720,707	3,169,044
2045	2,549,927	662,508	3,212,435
2046	2,636,003	602,546	3,238,549
2047	2,693,558	541,812	3,235,370
2048	2,741,511	481,454	3,222,965
2049	2,780,401	422,875	3,203,276
2050	2,810,807	367,216	3,178,023
2051	2,833,542	315,397	3,148,939
2052	2,847,613	268,125	3,115,738
2053	2,852,315	225,715	3,078,030
2054	2,847,650	188,349	3,035,999
2055	2,833,154	156,036	2,989,190

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ACTUARIAL ASSUMPTIONS AND METHODS

Mortality Rate	RP-2000 Combined Healthy Mortality with a blue collar adjustment, projected to valuation date using Scale BB.
Disabled Mortality Rate	RP-2000 Disabled Retiree Mortality, projected to valuation date using Scale BB. Based on studies of public safety pension plans, we believe this assumption sufficiently accommodates expected future mortality improvements.
Interest Rate	6.50% per year compounded annually, net of investment related expenses. This is supported by the target asset class allocation of the trust and the expected long-term return by asset class.
Retirement Age	See table below. This is based on an experience study performed in 2012.
Disability Rate	See table below. 70% of the disabilities are assumed to be in the line of duty. This is based on an experience study performed in 2012.
Termination Rate	See table below. This is based on an experience study performed in 2012.
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%

This assumption is consistent with assumed increase rates for other municipal Police plans.

Payroll Growth	None assumed. Level dollar amortization.
Inflation	2.50% per year.

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Cost-of-Living Adjustment	Tier 1: 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: 1.25% per year after the later of attainment of age 60 or first anniversary of retirement.
Administrative Expenses	Expenses paid out of the fund other than investment-related expenses are assumed to equal those paid in the prior year.
Marital Status	85% of Members are assumed to be married.
Spouse's Age	Males are assumed to be three years older than females.

% Terminating During the Year

Age	Rate
15 - 24	10.00%
25	7.50%
26 - 27	6.25%
28 - 31	5.00%
32 - 34	4.00%
35 - 37	3.00%
38 - 49	2.00%
>=50	3.50%

% Becoming Disabled During the Year

Age	Rate
20	0.05%
25	0.05%
30	0.22%
35	0.26%
40	0.40%
45	0.65%
50	0.95%
55	1.30%
60	1.65%
65	2.00%

% Retiring During the Year

Age	Rate
<=49	0%
50 - 54	20%
55 - 59	25%
60 - 62	33%
63 - 69	50%
>=70	100%

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.

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ACTUARIAL ASSET VALUATION

December 31, 2015

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.

Gains/(Losses) Not Yet Recognized

Plan Year Ending	Gain/(Loss)	Amounts Not Yet Recognized by Valuation Year 2016	2017	2018	2019	2020
12/31/2012	251,547	50,309	0	0	0	0
12/31/2013	1,238,559	495,424	247,712	0	0	0
12/31/2014	(770,594)	(462,356)	(308,238)	(154,119)	0	0
12/31/2015	(1,529,463)	(1,223,570)	(917,678)	(611,785)	(305,893)	0
Total		(1,140,193)	(978,204)	(765,904)	(305,893)	0

Development of Investment Gain/Loss

Market Value of Assets, 12/31/2014	19,452,281
Contributions Less Benefit Payments & Administrative Expenses	(162,265)
Expected Investment Earnings [1]	1,259,125
Actual Net Investment Earnings	(270,338)
2016 Actuarial Investment Gain/(Loss)	(1,529,463)

[1] Expected Investment Earnings = 6.50% x (19,452,281 + 0.5 x -162,265)

Development of Actuarial Value of Assets

Market Value of Assets, 12/31/2015	19,019,678
(Gains)/Losses Not Yet Recognized	1,140,193
Actuarial Value of Assets, 12/31/2015	20,159,871
(A) 12/31/2014 Actuarial Assets:	19,408,176
(I) Net Investment Income:	
1. Interest and Dividends	555,945
2. Realized Gains (Losses)	(142,558)
3. Change in Actuarial Value	561,342
4. Investment Expenses	(60,769)
Total	913,960
(B) 12/31/2015 Actuarial Assets:	20,159,871
Actuarial Asset Rate of Return = (2 x I) / (A + B - I):	4.73%
Market Value of Assets Rate of Return:	-1.40%
1/1/2016 Limited Actuarial Assets:	20,159,871
Actuarial Gain/(Loss) due to Investment Return (Actuarial Asset Basis)	(342,298)

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CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2015
Actuarial Asset Basis

INCOME		
Contributions:		
Member	208,270	
Village	618,665	
Total Contributions		826,935
Earnings from Investments		
Interest & Dividends	555,945	
Miscellaneous Income	14	
Net Realized Gain (Loss)	(142,572)	
Change in Actuarial Value	561,342	
Total Earnings and Investment Gains		974,729
EXPENSES		
Administrative Expenses:		
Investment Related [1]	60,769	
Other	28,855	
Total Administrative Expenses		89,624
Distributions to Members:		
Benefit Payments	943,034	
Refund of Contributions/Transfers	17,311	
Total Distributions		960,345
Change in Net Assets for the Year		751,695
Net Assets Beginning of the Year		19,408,176
Net Assets End of the Year [2]		20,159,871

[1] Investment Related expenses include investment advisory, custodial and performance monitoring fees.
[2] Net Assets may be limited for actuarial consideration.

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STATISTICAL DATA [1]

	1/1/2013	1/1/2014	1/1/2015	1/1/2016
Actives - Tier 1				
Number	N/A	N/A	19	19
Average Current Age	N/A	N/A	41.0	42.0
Average Age at Employment	N/A	N/A	27.5	27.5
Average Past Service	N/A	N/A	13.5	14.5
Average Annual Salary	N/A	N/A	$95,644	$98,379
Actives - Tier 2				
Number	N/A	N/A	4	4
Average Current Age	N/A	N/A	26.2	26.6
Average Age at Employment	N/A	N/A	24.9	25.3
Average Past Service	N/A	N/A	1.3	1.3
Average Annual Salary	N/A	N/A	$66,365	$68,673
Service Retirees				
Number	N/A	10	11	11
Average Current Age	N/A	N/A	64.1	65.1
Average Annual Benefit	N/A	$69,691	$73,970	$76,189
Beneficiaries				
Number	N/A	1	1	1
Average Current Age	N/A	N/A	70.0	71.0
Average Annual Benefit	N/A	$17,628	$17,628	$17,628
Disability Retirees				
Number	N/A	3	3	3
Average Current Age	N/A	N/A	64.4	65.4
Average Annual Benefit	N/A	$28,872	$29,179	$29,484
Terminated Vested				
Number	N/A	2	2	2
Average Current Age	N/A	N/A	32.7	33.7
Average Annual Benefit	N/A	N/A	$0 [2]	$0 [2]

[1] Foster & Foster does not have enough historical data to include complete data prior to 1/1/2015. We will add historical data going forward.

[2] The terminated vested participants shown are awaiting a refund of employee contributions. Therefore, they are not entitled to a future annual benefit from the plan.

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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	0	0	0	0	0	0	0	0	0	0	0	0
25 - 29	1	2	0	1	0	0	0	0	0	0	0	4
30 - 34	0	0	0	0	0	2	1	0	0	0	0	3
35 - 39	0	0	0	0	0	1	3	2	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	1	1	1	0	4
50 - 54	0	0	0	0	0	0	0	0	1	1	0	2
55 - 59	0	0	0	0	1	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	1	2	0	1	1	3	7	4	2	2	0	23

VALUATION PARTICIPANT RECONCILIATION

1. Active lives

a. Number in prior valuation 1/1/2015	23
b. Terminations	
i. Vested (partial or full) with deferred benefits	0
ii. Non-vested or full lump sum distribution received	(1)
iii. Transferred service to other fund	0
c. Deaths	
i. Beneficiary receiving benefits	0
ii. No future benefits payable	0
d. Disabled	0
e. Retired	0
f. Continuing participants	22
g. New entrants	1
h. Total active life participants in valuation	23

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

	Service Retirees, Vested Receiving Benefits	Receiving Death Benefits	Receiving Disability Benefits	Vested Deferred	Total
a. Number prior valuation	11	1	3	2	17
Retired	0	0	0	0	0
Vested Deferred	0	0	0	0	0
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	0	0	0	0
Rehires	0	0	0	0	0
Expired Annuities	0	0	0	0	0
Data Corrections	0	0	0	0	0
Hired/Termed in Same Year	0	0	0	0	
b. Number current valuation	11	1	3	2	17

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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.

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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.
<u>Pre-Retirement Death Benefit</u>	
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.
<u>Contributions</u>	
Employee	9.91% of Salary.
Village	Remaining amount necessary for payment of Normal (current year's) Cost and 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).
<u>Vesting (Termination)</u>	
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.
<u>Board of Trustees</u>	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.

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STATEMENT OF FIDUCIARY NET POSITION
December 31, 2015

	MARKET VALUE
<u>ASSETS</u>	
Cash and Cash Equivalents:	
Checking Account	11,806
Certificates of Deposit	102,883
Money Market	337,359
Total Cash and Equivalents	452,048
Receivables:	
Accrued Past Due Interest	42,581
Total Receivable	42,581
Investments:	
State and Local Obligations	354,789
U.S. Gov't and Agency Obligations	3,347,781
Stocks	680,993
Corporate Bonds	2,673,234
Mutual Funds	11,472,306
Total Investments	18,529,103
Other Assets	6,125
Total Assets	19,029,857
<u>LIABILITIES</u>	
Liabilities:	
Expenses	10,179
Total Liabilities	10,179
Net Assets:	
Active and Retired Members' Equity	19,019,678
NET POSITION RESTRICTED FOR PENSIONS	19,019,678
TOTAL LIABILITIES AND NET ASSETS	19,029,857

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED December 31, 2015
Market Value Basis

ADDITIONS		
Contributions:		
Member	208,270	
Village	618,665	
Total Contributions		826,935
Investment Income:		
Miscellaneous Income	14	
Net Realized Gain (Loss)	(142,572)	
Unrealized Gain (Loss)	(622,956)	
Net Increase in Fair Value of Investments		(765,514)
Interest & Dividends		555,945
Less Investment Expense [1]		(60,769)
Net Investment Income		(270,338)
Total Additions		556,597
DEDUCTIONS		
Distributions to Members:		
Benefit Payments	943,034	
Refund of Contributions/Transfers	17,311	
Total Distributions		960,345
Administrative Expenses		28,855
Total Deductions		989,200
Net Increase in Net Position		(432,603)
NET POSITION RESTRICTED FOR PENSIONS		
Beginning of the Year		19,452,281
End of the Year		19,019,678

[1] Investment Related expenses include investment advisory, custodial and performance monitoring fees.

NOTES TO THE FINANCIAL STATEMENTS
(For the Year Ended December 31, 2015)

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, 2016:

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

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: 2.50% 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 6.00% 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 - 3.00% per year upon attaining age 55. For retirements prior to age 55, 1/12 of 3.00% per month benefit commences prior to reaching age 55. Disabled Retirees - annual increase of 3.00% of the original benefit amount upon attaining age 60. For disablements prior to age 60, 3.00% of original benefit per year benefit commenced prior to age 60. Tier 2: An annual increase equal to the lesser of 3.00% 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 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).

Investments

Investment Policy:

The following was the Board's adopted asset allocation policy as of December 31, 2015:

Asset Class	Target Allocation
Large Cap U.S. Equities	22.00%
Mid Cap U.S. Equities	6.50%
Small Cap U.S. Equities	6.50%
International U.S. Equities	15.00%
Multi-Class	15.00%
Intermediate Term Fixed Income	32.00%
Cash	3.00%
Total	100.00%

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, 2015, the annual money-weighted rate of return on Pension Plan investments, net of pension plan investment expense, was -1.35 percent.

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

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NET PENSION LIABILITY OF THE SPONSOR

The components of the net pension liability of the sponsor on December 31, 2015 were as follows:

Total Pension Liability	$	24,653,199
Plan Fiduciary Net Position	$	(19,019,678)
Sponsor's Net Pension Liability	$	5,633,521
Plan Fiduciary Net Position as a percentage of Total Pension Liability		77.15%

Actuarial Assumptions:
The total pension liability was determined by an actuarial valuation as of January 1, 2016 using the following actuarial assumptions applied to all measurement periods.

Inflation	2.50%
Salary Increases	Graded by age from 7.6933% at 24 years old to 3.6220% at 55 years old
Investment Rate of Return	6.50%

RP-2000 Combined Healthy Mortality with a blue collar adjustment, projected to valuation date using Scale BB.

The demographic assumptions used in the January 1, 2016 valuation were based on the results of an actuarial experience study performed by the State of Illinois Department of Insurance in 2012.

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, 2015 are summarized in the following table:

Asset Class	Long Term Expected Real Rate of Return
Large Cap U.S. Equities	6.50%
Mid Cap U.S. Equities	7.50%
Small Cap U.S. Equities	8.25%
International U.S. Equities	6.50%
Multi-Class	3.70%
Intermediate Term Fixed Income	0.25%
Cash	0.00%

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 5.50%	Current Discount Rate 6.50%	1% Increase 7.50%
Sponsor's Net Pension Liability	$ 9,465,788	$ 5,633,521	$ 2,530,956

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

	12/31/2015	12/31/2014
Total Pension Liability		
Service Cost	535,944	543,025
Interest	1,561,977	1,466,549
Changes of Benefit Terms	-	-
Differences Between Expected and Actual Experience	(459,019)	434,345
Changes of Assumptions	-	-
Contributions - Buy Back	-	-
Benefit Payments, Including Refunds of Employee Contributions	(960,345)	(977,078)
Net Change in Total Pension Liability	678,557	1,466,841
Total Pension Liability - Beginning	23,974,642	22,507,801
Total Pension Liability - Ending (a)	$ 24,653,199	$ 23,974,642
Plan Fiduciary Net Position		
Contributions - Employer	618,665	589,303
Contributions - Employee	208,270	232,179
Contributions - Buy Back	-	-
Net Investment Income	(270,338)	469,087
Benefit Payments, Including Refunds of Employee Contributions	(960,345)	(977,078)
Administrative Expense	(28,855)	(22,328)
Other	-	10
Net Change in Plan Fiduciary Net Position	(432,603)	291,173
Plan Fiduciary Net Position - Beginning	19,452,281	19,161,108
Plan Fiduciary Net Position - Ending (b)	$ 19,019,678	$ 19,452,281
Net Pension Liability - Ending (a) - (b)	$ 5,633,521	$ 4,522,361
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	77.15%	81.14%
Covered Employee Payroll	$ 2,101,615	$ 2,082,705
Net Pension Liability as a Percentage of covered Employee Payroll	268.06%	217.14%

SCHEDULE OF CONTRIBUTIONS

Last 10 Fiscal Years

	12/31/2015	12/31/2014
Actuarially Determined Contribution	783,607	692,133
Contributions in Relation to the Actuarially Determined Contributions	618,665	589,303
Contribution Deficiency (Excess)	$ 164,942	$ 102,830
Covered Employee Payroll	$ 2,101,615	$ 2,082,705
Contributions as a Percentage of Covered Employee Payroll	29.44%	28.30%

Notes to Schedule

Valuation Date: 01/01/2015 01/01/2014

Actuarially determined contribution is calculated as of January 1 of the prior 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:	26 Years (as of 1/1/2015).
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 7.6933% at 24 years old to 3.6220% at 55 years old.
Payroll Growth:	None. Level Dollar Amortization.
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 70% of Disability Retirements and 5% of Pre-Retirement Deaths are service-related.
Mortality:	RP-2000 Combined Healthy Mortality with a blue collar adjustment, projected to valuation date using Scale BB.

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Other Information: Termination and Disability Rate Table.

Age	% Terminating During the Year	% Becoming Disabled During the Year
20	10.00%	0.05%
30	5.00%	0.22%
40	2.00%	0.40%
50	3.50%	0.95%

Retirement Rate Table.

Age	% Retiring During the Year
50-54	20%
55-59	25%
60-62	33%
63-69	50%
70	100%

SCHEDULE OF INVESTMENT RETURNS
Last 10 Fiscal Years

	12/31/2015	12/31/2014
Annual Money-Weighted Rate of Return Net of Investment Expense	-1.35%	2.53%

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NOTES TO THE FINANCIAL STATEMENTS
(For the Year Ended December 31, 2015)

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, 2016:

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

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: 2.50% 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 6.00% 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 - 3.00% per year upon attaining age 55. For retirements prior to age 55, 1/12 of 3.00% per month benefit commences prior to reaching age 55. Disabled Retirees - annual increase of 3.00% of the original benefit amount upon attaining age 60. For disablements prior to age 60, 3.00% of original benefit per year benefit commenced prior to age 60.

Tier 2: An annual increase equal to the lesser of 3.00% 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 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).

Net Pension Liability

The Sponsor's net pension liability was measured as of December 31, 2015.
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, 2016 using the following actuarial assumptions applied to all measurement periods.

Inflation	2.50%
Salary Increases	Graded by age from 7.6933% at 24 years old to 3.6220% at 55 years old.
Investment Rate of Return	6.50%

RP-2000 Combined Healthy Mortality with a blue collar adjustment, projected to valuation date using Scale BB.

The demographic assumptions used in the January 1, 2016 valuation were based on the results of an actuarial experience study performed by the State of Illinois Department of Insurance in 2012.

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 2015 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Large Cap U.S. Equities	22.00%	6.50%
Mid Cap U.S. Equities	6.50%	7.50%
Small Cap U.S. Equities	6.50%	8.25%
International U.S. Equities	15.00%	6.50%
Multi-Class	15.00%	3.70%
Intermediate Term Fixed Income	32.00%	0.25%
Cash	3.00%	0.00%
Total	100.00%	

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 (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at December 31, 2014	$ 23,974,642	$ 19,452,281	$ 4,522,361
Changes for a Year:			
Service Cost	535,944		535,944
Interest	1,561,977		1,561,977
Differences Between Expected and Actual Experience	(459,019)		(459,019)
Changes of Assumptions	-		-
Changes of Benefit Terms	-		-
Contributions - Employer		618,665	(618,665)
Contributions - Employee		208,270	(208,270)
Contributions - Buy Back	-	-	-
Net Investment Income		(270,338)	270,338
Benefit Payments, Including Refunds of Employee Contributions	(960,345)	(960,345)	-
Administrative Expense		(28,855)	28,855
Other Changes	-	-	-
New Changes	678,557	(432,603)	1,111,160
Balances at December 31, 2015	$ 24,653,199	$ 19,019,678	$ 5,633,521

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

	1% Decrease 5.50%	Current Discount Rate 6.50%	1% Increase 7.50%
Sponsor's Net Pension Liability	$ 9,465,788	$ 5,633,521	$ 2,530,956

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 $899,697. 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	-	393,444
Changes of Assumptions	-	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,223,572	-
Total	$ 1,223,572	$ 393,444

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	$ 240,319
2017	$ 240,319
2018	$ 240,319
2019	$ 240,319
2020	$ (65,574)
Thereafter	$ (65,574)

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Last 10 Fiscal Years

		12/31/2015
Total Pension Liability		
Service Cost		535,944
Interest		1,561,977
Changes of Benefit Terms		-
Differences Between Expected and Actual Experience		(459,019)
Changes of Assumptions		-
Contributions - Buy Back		-
Benefit Payments, Including Refunds of Employee Contributions		(960,345)
Net Change in Total Pension Liability		678,557
Total Pension Liability - Beginning		23,974,642
Total Pension Liability - Ending (a)	$	24,653,199
Plan Fiduciary Net Position		
Contributions - Employer		618,665
Contributions - Employee		208,270
Contributions - Buy Back		-
Net Investment Income		(270,338)
Benefit Payments, Including Refunds of Employee Contributions		(960,345)
Administrative Expense		(28,855)
Other		-
Net Change in Plan Fiduciary Net Position		(432,603)
Plan Fiduciary Net Position - Beginning		19,452,281
Plan Fiduciary Net Position - Ending (b)	$	19,019,678
Net Pension Liability - Ending (a) - (b)	$	5,633,521
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		77.15%
Covered Employee Payroll	$	2,101,615
Net Pension Liability as a Percentage of covered Employee Payroll		268.06%

SCHEDULE OF CONTRIBUTIONS

Last 10 Fiscal Years

		12/31/2015
Actuarially Determined Contribution		783,607
Contributions in Relation to the Actuarially Determined Contributions		618,665
Contribution Deficiency (Excess)	$	164,942
Covered Employee Payroll	$	2,101,615
Contributions as a Percentage of Covered Employee Payroll		29.44%

Notes to Schedule

Valuation Date: 01/01/2014

Actuarially determined contribution is calculated as of January 1 of the prior 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:	26 Years (as of 1/1/2015).
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 7.6933% at 24 years old to 3.6220% at 55 years old.
Payroll Growth:	None. Level Dollar Amortization.
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 70% of Disability Retirements and 5% of Pre-Retirement Deaths are service-related.
Mortality:	RP-2000 Combined Healthy Mortality with a blue collar adjustment, projected to valuation date using Scale BB.

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Other Information:

Termination and Disability Rate Table.

Age	% Terminating During the Year	% Becoming Disabled During the Year
20	10.00%	0.05%
30	5.00%	0.22%
40	2.00%	0.40%
50	3.50%	0.95%

Retirement Rate Table.

Age	% Retiring During the Year
50-54	20%
55-59	25%
60-62	33%
63-69	50%
70	100%

COMPONENTS OF PENSION EXPENSE
FISCAL YEAR DECEMBER 31, 2015

	Net Pension Liability	Deferred Inflows	Deferred Outflows	Pension Expense
Beginning Balance	$ 4,522,361	$ -	$ -	$ -
Total Pension Liability Factors:				
Service Cost	535,944			535,944
Interest	1,561,977			1,561,977
Changes in Benefit Terms	-			-
Contributions - Buy Back	-			-
Differences Between Expected and Actual Experience With Regard to Economic or Demographic Assumptions	(459,019)	459,019	-	
Current Year Amortization		(65,575)	-	(65,575)
Changes in Assumptions About Future Economic or Demographic Factors or Other Inputs	-	-	-	
Current Year Amortization		-	-	-
Benefit Payments	(960,345)			(960,345)
Net Change	678,557	393,444	-	1,072,001
Plan Fiduciary Net Position:				
Contributions - Employer	618,665			
Contributions - Employee	208,270			(208,270)
Contributions - Buy Back	-			-
Net Investment Income	1,259,125			(1,259,125)
Difference Between Projected and Actual Earnings on Pension Plan Investments	(1,529,463)	-	1,529,463	
Current Year Amortization		-	(305,891)	305,891
Benefit Payments	(960,345)			960,345
Administrative Expenses	(28,855)			28,855
Other	-			-
Net Change	(432,603)	-	1,223,572	(172,304)
Ending Balance	$ 5,633,521	$ 393,444	$ 1,223,572	$ 899,697

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Gabriel Roeder Smith & Company
Consultants & Actuaries

VILLAGE OF LINCOLNSHIRE REGULAR

GASB STATEMENT NO. 68 EMPLOYER REPORTING
ACCOUNTING SCHEDULES
DECEMBER 31, 2015

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April 15, 2016

Village of Lincolnshire
Illinois Municipal Retirement System

Ladies and Gentlemen:

The accounting schedules submitted in this report are required under the Governmental Accounting Standards Board (GASB) Statement No. 68 "Accounting and Financial Reporting for Pensions."

Our calculations for this report were prepared for the purpose of complying with the requirements of GASB Statement No. 68. These calculations have been made on a basis that is consistent with our understanding of these accounting standards. These results are subject to review by the system's auditor and may be revised.

Our calculation of the liability associated with the benefits described in this report was performed for the purpose of satisfying the requirements of GASB Statement No. 68. The Net Pension Liability is not an appropriate measure for measuring the sufficiency of plan assets to cover the estimated cost of settling the employer's benefit obligation. The Net Pension Liability is not an appropriate measure for assessing the need for or amount of future employer contributions. A calculation of the plan's liability for purposes other than satisfying the requirements of GASB Statement Nos. 67 and 68 may produce significantly different results. This report may be provided to parties other than the Village of Lincolnshire only in its entirety and only with the permission of Village of Lincolnshire.

This report is based upon information, furnished to us by IMRF, concerning retirement and ancillary benefits, active members, deferred vested members, retirees and beneficiaries, and financial data. If your understanding of this information is different than ours, please let us know and do not use or distribute this report until those differences have been resolved to your satisfaction. This information was checked for internal consistency, but it was not otherwise audited.

Please see the actuarial valuation report for the Illinois Municipal Retirement Fund as of December 31, 2015 for additional discussions of the nature of actuarial calculations and more information related to participant data, economic and demographic assumptions, and benefit provisions.

To the best of our knowledge, the information contained in this report is accurate, and fairly represents the GASB 68 information relates to Village of Lincolnshire. All calculations have been made in conformity with generally accepted actuarial principles and practices as well as with the Actuarial Standards of Practice issued by the Actuarial Standards Board. Mark Buis and Francois Pieterse are Members of the American Academy of Actuaries (MAAA) and meet the Qualification Standards of the Academy of Actuaries to render the actuarial opinions herein. The signing actuaries are independent of the plan sponsor.

Respectfully submitted,

By Mark Buis
Mark Buis
FSA, EA, MAAA

By Pieterse
Francois Pieterse
ASA, MAAA

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SECTION A

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY
AS OF DECEMBER 31, 2015

Actuarial Valuation Date		December 31, 2015
Measurement Date of the Net Pension Liability		December 31, 2015
Fiscal Year End		December 31, 2016
Membership		
Number of		
- Retirees and Beneficiaries		34
- Inactive, Non-Retired Members		33
- Active Members		38
- Total		105
Covered Valuation Payroll	$	2,892,964
Net Pension Liability		
Total Pension Liability/(Asset)	$	19,757,626
Plan Fiduciary Net Position		16,114,418
Net Pension Liability/(Asset)	$	3,643,208
Plan Fiduciary Net Position as a Percentage of Total Pension Liability		81.56%
Net Pension Liability as a Percentage of Covered Valuation Payroll		125.93%
Development of the Single Discount Rate as of December 31, 2015		
Long-Term Expected Rate of Investment Return		7.50%
Long-Term Municipal Bond Rate*		3.57%
Last year ending December 31 in the 2016 to 2115 projection period for which projected benefit payments are fully funded		2084
Resulting Single Discount Rate based on the above development		7.47%
Single Discount Rate calculated using December 31, 2014 Measurement Date		7.47%
Total Pension Expense/(Income)	$	502,320

Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expenses

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 0	$ 204,279
Changes in assumptions	295,294	0
Net difference between projected and actual earnings on pension plan investments	1,015,852	0
Total	$ 1,311,146	$ 204,279

**Source: "State & local bonds" rate from Federal Reserve statistical release (H.15) as of December 31, 2015. The statistical release describes this rate as "Bond Buyer Index, general obligation, 20 years to maturity, mixed quality." In describing this index, the Bond Buyer notes that the bonds' average credit quality is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA.*

DISCUSSION

Accounting Standard

For state and local government employers (as well as certain non-employers) that contribute to a Defined Benefit (DB) pension plan administered through a trust or equivalent arrangement, Governmental Accounting Standards Board (GASB) Statement No. 68 establishes standards for pension accounting and financial reporting. Under GASB Statement No. 68, the employer must account for and disclose the net pension liability, pension expense, and other information associated with providing retirement benefits to their employees (and former employees) on their basic financial statements.

The following discussion provides a summary of the information that is required to be disclosed under these accounting standards. A number of these disclosure items are provided in this report. However, certain information is not included in this report if it is not actuarial in nature, such as the notes to the financial statements regarding accounting policies and investments. As a result, the retirement system and/or plan sponsor is responsible for preparing and disclosing the non-actuarial information needed to comply with these accounting standards.

Financial Statements

GASB Statement No. 68 requires state and local government employers that contribute to DB pension plans to recognize the net pension liability and the pension expense on their financial statements, along with the related deferred outflows of resources and deferred inflows of resources. The net pension liability is the difference between the total pension liability and the plan's fiduciary net position. In traditional actuarial terms, this is analogous to the accrued liability less the market value of assets (not the smoothed actuarial value of assets that is often encountered in actuarial valuations performed to determine the employer's contribution requirement).

Paragraph 57 of GASB Statement No. 68 says, "Contributions to the pension plan from the employer subsequent to the measurement date of the collective net pension liability and before the end of the employer's reporting period should be reported as a deferred outflow of resources related to pensions." The information contained in this report does not incorporate any contributions made to IMRF subsequent to the measurement date of December 31, 2015.

The pension expense recognized each fiscal year is equal to the change in the net pension liability from the beginning of the year to the end of the year, adjusted for deferred recognition of the certain changes in the liability and investment experience.

Notes to Financial Statements

GASB Statement No. 68 requires the notes of the employer's financial statements to disclose the total pension expense, the pension plan's liabilities and assets, and deferred outflows of resources and inflows of resources related to pensions.

In addition, GASB Statement No. 68 requires the notes of the financial statements for the employers to include certain additional information, including (page numbers refer to page numbers from this report unless specified otherwise):

- a description of the types of benefits provided by the plan, as well as automatic or ad hoc COLAs (please see pages B-1 - B-5 of the December 31, 2015 Annual Actuarial Valuation report dated April 1, 2016);
- the number and classes of employees covered by the benefit terms (page 1);
- for the current year, sources of changes in the net pension liability (page 10);
- significant assumptions and methods used to calculate the total pension liability (page 15);
- inputs to the single discount rate (page 16);
- certain information about mortality assumptions and the dates of experience studies (page 13 and page 15);
- the date of the valuation used to determine the total pension liability (page 1);
- information about changes of assumptions or other inputs and benefit terms (pages 13 and 15);
- the basis for determining contributions to the plan, including a description of the plan's funding policy, as well as member and employer contribution requirements (please see page A-3, B-5 and Section D of the December 31, 2015 Annual Actuarial Valuation report dated April 1, 2016, as well as page 13);
- the total pension liability, fiduciary net position, net pension liability, and the pension plan's fiduciary net position as a percentage of the total pension liability (page 10);
- the net pension liability using a discount rate that is 1% higher and 1% lower than used to calculate the total pension liability and net pension liability for financial reporting purposes (page 10); and
- a description of the system that administers the pension plan (to be provided by IMRF).

Required Supplementary Information

The financial statements of employers also include required supplementary information showing the 10-year fiscal history of:

- sources of changes in the net pension liability (page 11);
- information about the components of the net pension liability and related ratios, including the pension plan's fiduciary net position as a percentage of the total pension liability, and the net pension liability as a percent of covered-employee payroll (page 11); and
- comparison of actual employer contributions to the actuarially determined contributions based on the plan's funding policy (page 12).

These tables may be built prospectively as the information becomes available.

Timing of the Valuation

An actuarial valuation to determine the total pension liability is required to be performed at least every two years. For the employer's financial reporting purposes, the net pension liability and pension expense should be measured as of the employer's "measurement date" which may not be earlier than the employer's prior fiscal year-end date. If the actuarial valuation used to determine the total pension liability is not calculated as of the measurement date, the total pension liability is required to be rolled forward from the actuarial valuation date to the measurement date.

The total pension liability shown in this report is based on an actuarial valuation performed as of December 31, 2015 and a measurement date of December 31, 2015.

Single Discount Rate

Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects: (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.50%; the municipal bond rate is 3.57% (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting single discount rate is 7.47%.

OTHER OBSERVATIONS

General Implications of Contribution Allocation Procedure or Funding Policy on Future Expected Plan Contributions and Funded Status

Given the plan's contribution allocation procedure, if all actuarial assumptions are met (including the assumption of the plan earning 7.50% on the actuarial value of assets), it is expected that:

(1) The employer normal cost as a percentage of pay will decrease to the level of Tier 2 normal cost as time passes as the majority of the active population will consist of Tier 2 members.
(2) The unfunded liability will increase in dollar amount for several years before it begins to decrease.
(3) The funded status of the plan will increase gradually towards a 100% funded ratio.

This funding policy results in a crossover date in 2084 and a discount rate of 7.47%. The projections in this report are strictly for the purposes of determining the GASB discount rate and are different from a funding projection for the ongoing plan.

Limitations of Assets as a Percent of Total Pension Liability Measurements

This report includes a measure of the plan fiduciary net position as a percent of total pension liability. Unless otherwise indicated, with regard to any such measurements presented in this report:

(1) The measurement is inappropriate for assessing the sufficiency of plan assets to cover the estimated cost of settling the plan's benefit obligations.
(2) The measurement is inappropriate for assessing the need for or amount of future employer contributions.

Limitations of Funded Status Measurements

Unless otherwise indicated, a funded ratio measurement presented in this report is based upon the actuarial accrued liability and the market value of assets. Unless otherwise indicated, with regard to any funded status measurements presented in this report:

(1) The measurement is inappropriate for assessing the sufficiency of plan assets to cover the estimated cost of settling the plan's benefit obligations, in other words of transferring the obligations to a unrelated third party in an arm's length market value type transaction.
(2) The measurement is dependent upon the actuarial cost method which, in combination with the plan's amortization policy, affects the timing and amounts of future contributions. The amount of future contributions will most certainly differ from those assumed in this report due to future actual experience differing from assumed experience based upon actuarial assumptions. A funded ratio measurement in this report of 100% is not synonymous with no required future contributions. If the funded ratio were 100%, the plan would still require future normal cost contributions (i.e., contributions to cover the cost of the active membership accruing an additional year of service credit).

Limitation of Project Scope

Actuarial standards do not require the actuary to evaluate the ability of the plan sponsor or other contributing entity to make required contributions to the plan when due. Such an evaluation was not within the scope of this project and is not within the actuary's domain of expertise. Consequently, the actuary performed no such evaluation.

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SECTION B

FINANCIAL STATEMENTS

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PENSION EXPENSE/(INCOME) UNDER GASB STATEMENT NO. 68
CALENDAR YEAR ENDED DECEMBER 31, 2015

A. Expense/(Income)		
1. Service Cost	$	313,571
2. Interest on the Total Pension Liability		1,397,410
3. Current-Period Benefit Changes		0
4. Employee Contributions (made negative for addition here)		(137,799)
5. Projected Earnings on Plan Investments (made negative for addition here)		(1,193,417)
6. Other Changes in Plan Fiduciary Net Position		(198,897)
7. Recognition of Outflow (Inflow) of Resources due to Liabilities		57,125
8. Recognition of Outflow (Inflow) of Resources due to Assets		264,327
9. Total Pension Expense/(Income)	**$**	**502,320**

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STATEMENT OF OUTFLOWS AND INFLOWS ARISING FROM CURRENT REPORTING PERIOD

CALENDAR YEAR ENDED DECEMBER 31, 2015

A. Outflows (Inflows) of Resources due to Liabilities		
1. Difference between expected and actual experience of the Total Pension Liability (gains) or losses	$	(159,981)
2. Assumption Changes (gains) or losses	$	0
3. Recognition period for Liabilities: Average of the expected remaining service lives of all employees {in years}		4.0715
4. Outflow (Inflow) of Resources to be recognized in the current pension expense for the Difference between expected and actual experience of the Total Pension Liability	$	(39,293)
5. Outflow (Inflow) of Resources to be recognized in the current pension expense for Assumption Changes	$	0
6. Outflow (Inflow) of Resources to be recognized in the current pension expense due to Liabilities	$	(39,293)
7. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses for the Difference between expected and actual experience of the Total Pension Liability	$	(120,688)
8. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses for Assumption Changes	$	0
9. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses due to Liabilities	$	(120,688)
B. Outflows (Inflows) of Resources due to Assets		
1. Net difference between projected and actual earnings on pension plan investments (gains) or losses	$	1,114,353
2. Recognition period for Assets {in years}		5.0000
3. Outflow (Inflow) of Resources to be recognized in the current pension expense due to Assets	$	222,871
4. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses due to Assets	$	891,482

* *Please note that employer contributions made after the measurement date have not been reported as deferred outflows of resources. These employer contributions must be separately accounted for by the employer.*

Statement of Outflows and Inflows arising from Current and Prior Reporting Periods

Calendar Year Ended December 31, 2015

A. Outflows and Inflows of Resources due to Liabilities and Assets to be recognized in Current Pension Expense

	Outflows of Resources	Inflows of Resources	Net Outflows of Resources
1. Due to Liabilities	$ 134,488	$ 77,363	$ 57,125
2. Due to Assets	264,327	0	264,327
3. Total	$ 398,815	$ 77,363	$ 321,452

B. Outflows and Inflows of Resources by Source to be recognized in Current Pension Expense

	Outflows of Resources	Inflows of Resources	Net Outflows of Resources
1. Differences between expected and actual experience	$ 0	$ 77,363	$ (77,363)
2. Assumption changes	134,488	0	134,488
3. Net difference between projected and actual earnings on pension plan investments	264,327	0	264,327
4. Total	$ 398,815	$ 77,363	$ 321,452

C. Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expenses

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows of Resources
1. Differences between expected and actual experience	$ 0	$ 204,279	$ (204,279)
2. Assumption changes	295,294	0	295,294
3. Net difference between projected and actual earnings on pension plan investments	1,015,852	0	1,015,852
4. Total	$ 1,311,146	$ 204,279	$ 1,106,867

D. Deferred Outflows and Deferred Inflows of Resources by Year to be recognized in Future Pension Expenses

Year Ending December 31	Net Deferred Outflows of Resources
2016	$ 321,452
2017	321,452
2018	243,903
2019	220,060
2020	0
Thereafter	0
Total	$ 1,106,867

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SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS CURRENT PERIOD

CALENDAR YEAR ENDED DECEMBER 31, 2015

A. Total pension liability		
1. Service Cost	$	313,571
2. Interest on the Total Pension Liability		1,397,410
3. Changes of benefit terms		0
4. Difference between expected and actual experience of the Total Pension Liability		(159,981)
5. Changes of assumptions		0
6. Benefit payments, including refunds of employee contributions		(687,105)
7. Net change in total pension liability	$	863,895
8. Total pension liability – beginning		18,893,731
9. Total pension liability – ending	**$**	**19,757,626**
B. Plan fiduciary net position		
1. Contributions – employer	$	596,673
2. Contributions – employee		137,799
3. Net investment income		79,064
4. Benefit payments, including refunds of employee contributions		(687,105)
5. Other (Net Transfer)		198,897
6. Net change in plan fiduciary net position	$	325,328
7. Plan fiduciary net position – beginning		15,789,090
8. Plan fiduciary net position – ending	**$**	**16,114,418**
C. Net pension liability/(asset)	**$**	**3,643,208**
D. Plan fiduciary net position as a percentage of the total pension liability		**81.56%**
E. Covered Valuation payroll	**$**	**2,892,964**
F. Net pension liability as a percentage of covered valuation payroll		**125.93%**

SENSITIVITY OF NET PENSION LIABILITY/(ASSET) TO THE SINGLE DISCOUNT RATE ASSUMPTION

	1% Decrease 6.47%		**Current Single Discount Rate Assumption 7.47%**		**1% Increase 8.47%**	
Total Pension Liability	$	22,454,130	$	19,757,626	$	17,545,803
Plan Fiduciary Net Position		16,114,418		16,114,418		16,114,418
Net Pension Liability/(Asset)	$	6,339,712	$	3,643,208	$	1,431,385

Schedules of Required Supplementary Information
Multiyear Schedule of Changes in Net Pension Liability and Related Ratios

Last 10 Calendar Years

(schedule to be built prospectively from 2014)

Calendar year ending December 31,	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Total Pension Liability										
Service Cost	$ 313,571	$ 341,442								
Interest on the Total Pension Liability	1,397,410	1,300,553								
Benefit Changes	0	0								
Difference between Expected and Actual Experience	(159,981)	(159,731)								
Assumption Changes	0	564,270								
Benefit Payments and Refunds	(687,105)	(691,886)								
Net Change in Total Pension Liability	863,895	1,354,648								
Total Pension Liability - Beginning	18,893,731	17,539,083								
Total Pension Liability - Ending (a)	$ 19,757,626	$ 18,893,731								
Plan Fiduciary Net Position										
Employer Contributions	$ 596,673	$ 614,250								
Employee Contributions	137,799	145,229								
Pension Plan Net Investment Income	79,064	907,263								
Benefit Payments and Refunds	(687,105)	(691,886)								
Other	198,897	(25,139)								
Net Change in Plan Fiduciary Net Position	325,328	949,717								
Plan Fiduciary Net Position - Beginning	15,789,090	14,839,373								
Plan Fiduciary Net Position - Ending (b)	$ 16,114,418	$ 15,789,090								
Net Pension Liability/(Asset) - Ending (a) - (b)	3,643,208	3,104,641								
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	81.56%	83.57 %								
Covered Valuation Payroll	$ 2,892,964	$ 2,841,986								
Net Pension Liability as a Percentage of Covered Valuation Payroll	125.93%	109.24 %								

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MULTIYEAR SCHEDULE OF CONTRIBUTIONS

Last 10 Calendar Years

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2014	$ 403,562	$ 614,250	$ (210,688)	$ 2,841,986	21.61%
2015	446,674 *	596,673	(149,999)	2,892,964	20.62%

* *Estimated based on contribution rate of 15.44% and covered valuation payroll of $2,892,964. This number should be verified by the auditor.*

NOTES TO SCHEDULE OF CONTRIBUTIONS

SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2015 CONTRIBUTION RATE*

Valuation Date:

Notes	Actuarially determined contribution rates are calculated as of December 31 each year, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine 2015 Contribution Rates:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP and ECO groups): 28-year closed period until remaining period reaches 15 years (then 15-year rolling period). Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 23 years for most employers (two employers were financed over 32 years).
Asset Valuation Method	5-Year smoothed market; 20% corridor
Wage growth	4.00%
Price Inflation	3.0% -- approximate; No explicit price inflation assumption is used in this valuation.
Salary Increases	4.40% to 16.00% including inflation
Investment Rate of Return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2011 valuation pursuant to an experience study of the period 2008 - 2010.
Mortality	RP-2000 Combined Healthy Mortality Table, adjusted for mortality improvements to 2020 using projection scale AA. For men 120% of the table rates were used. For women 92% of the table rates were used. For disabled lives, the mortality rates are the rates applicable to non-disabled lives set forward 10 years.

Other Information:

Notes	There were no benefit changes during the year.

* *Based on Valuation Assumptions used in the December 31, 2013 actuarial valuation*

DEVELOPMENT OF MARKET VALUE OF ASSETS

Market Value of Assets as of December 31, 2015

1. Employee Contribution Reserve (MDF Assets from IMRF)	$	3,522,843
2. Employer Contribution Reserve (EAF assets from IMRF)		3,704,701
3. Annuitant Reserve		8,884,238
4. Miscellaneous Adjustment*		2,636
5. Net Market Value	$	16,114,418

* *Includes an adjustment factor of* .000163582 on *Items 1 through 4 to ensure that Market Value of Assets for all employers balances to the total Market Value of IMRF. Miscellaneous adjustments are due to various items such as suspended annuity reserve, disability benefit reserve, death benefit reserve, supplemental benefit reserve, employers with no assets, etc.*

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Summary of Actuarial Methods and Assumptions Used in the Calculation of the Total Pension Liability

Methods and Assumptions Used to Determine Total Pension Liability:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Price Inflation	2.75%
Salary Increases	3.75% to 14.50%
Investment Rate of Return	7.47%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information:

Notes	There were no benefit changes during the year.

A detailed description of the actuarial assumptions and methods can be found in the December 31, 2015 Illinois Municipal Retirement Fund annual actuarial valuation report.

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SECTION C

CALCULATION OF THE SINGLE DISCOUNT RATE

CALCULATION OF THE SINGLE DISCOUNT RATE

GASB Statement No. 68 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension Liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a “risk-free” rate is required, as described in the following paragraph.

The *Single Discount Rate* (SDR) is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods. The SDR reflects (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.50%; the municipal bond rate is 3.57%; and the resulting single discount rate is 7.47%.

The tables in this section provide background for the development of the single discount rate.

The **Projection of Contributions** table shows the development of expected contributions in future years. Normal Cost contributions for future hires are not included (nor are their liabilities).

Expected Contributions are developed based on the following:

- Member Contributions for current members
- Normal Cost contributions for current members
- Unfunded Liability contributions for current and future members.

The **Projection of Plan Fiduciary Net Position** table shows the development of expected asset levels in future years.

The **Present Values of Projected Benefit Payments** table shows the development of the Single Discount Rate (SDR). It breaks down the benefit payments into present values for funded and unfunded portions and shows the equivalent total at the SDR.

SINGLE DISCOUNT RATE DEVELOPMENT
PROJECTION OF CONTRIBUTIONS

Year	Payroll for Current Employees	Contributions from Current Employees	Normal Cost Contributions	UAL Contributions	Total Contributions
0	$ 2,892,964				
1	2,837,833	$ 127,702	$ 203,841	$ 230,043	$ 561,587
2	2,733,136	122,991	193,599	193,672	510,262
3	2,620,829	117,937	183,816	203,751	505,504
4	2,513,454	113,105	176,285	214,519	503,910
5	2,406,711	108,302	168,799	226,041	503,142
6	2,294,242	103,241	160,682	238,391	502,314
7	2,197,590	98,892	153,475	246,735	499,101
8	2,116,129	95,226	147,364	255,370	497,961
9	2,046,695	92,101	142,121	264,308	498,531
10	1,970,403	88,668	136,431	273,559	498,659
11	1,888,482	84,982	130,195	283,134	498,310
12	1,799,996	81,000	123,736	293,043	497,779
13	1,696,324	76,335	116,271	303,300	495,906
14	1,597,532	71,889	109,022	298,080	478,991
15	1,520,039	68,402	103,280	292,950	464,631
16	1,454,065	65,433	98,363	287,908	451,704
17	1,378,997	62,055	92,873	282,953	437,880
18	1,286,832	57,907	86,281	278,083	422,271
19	1,173,807	52,821	78,235	273,297	404,353
20	1,059,187	47,663	69,857	268,593	386,114
21	963,025	43,336	62,843	263,971	370,150
22	875,867	39,414	56,545	259,428	355,387
23	784,375	35,297	50,092	254,963	340,351
24	694,782	31,265	43,747	250,575	325,587
25	616,549	27,745	38,207	246,262	312,214
26	543,631	24,463	33,039	242,024	299,526
27	480,821	21,637	28,551	237,858	288,046
28	428,454	19,280	24,844	233,764	277,889
29	382,240	17,201	21,670	229,741	268,612
30	345,154	15,532	19,120	225,787	260,439
31	318,655	14,339	17,176	221,901	253,417
32	298,820	13,447	15,720	218,082	247,249
33	281,802	12,681	14,516	214,329	241,526
34	268,241	12,071	13,550	210,640	236,261
35	235,784	10,610	11,676	207,015	229,301
36	156,424	7,039	7,668	203,452	218,159
37	86,872	3,909	4,319	199,950	208,179
38	65,846	2,963	3,418	196,509	202,890
39	58,328	2,625	3,045	193,127	198,797
40	53,980	2,429	2,786	189,803	195,018
41	34,912	1,571	1,764	186,537	189,871
42	11,738	528	600	183,326	184,454
43	4,272	192	241	180,171	180,604
44	1,616	73	99	177,070	177,242
45	904	41	58	174,023	174,122
46	677	30	46	171,027	171,104
47	308	14	21	168,084	168,119
48	2	0	0	165,191	165,191
49	0	0	0	162,348	162,348
50	0	0	0	159,554	159,554

SINGLE DISCOUNT RATE DEVELOPMENT
PROJECTION OF CONTRIBUTIONS (CONCLUDED)

Year	Payroll for Current Employees	Contributions from Current Employees	Normal Cost Contributions	UAL Contributions	Total Contributions
51	$ 0	$ 0	$ 0	$ 156,808	$ 156,808
52	0	0	0	154,109	154,109
53	0	0	0	151,457	151,457
54	0	0	0	148,850	148,850
55	0	0	0	146,288	146,288
56	0	0	0	143,770	143,770
57	0	0	0	141,296	141,296
58	0	0	0	138,864	138,864
59	0	0	0	136,474	136,474
60	0	0	0	134,126	134,126
61	0	0	0	131,817	131,817
62	0	0	0	129,548	129,548
63	0	0	0	127,319	127,319
64	0	0	0	125,128	125,128
65	0	0	0	122,974	122,974
66	0	0	0	120,857	120,857
67	0	0	0	118,777	118,777
68	0	0	0	116,733	116,733
69	0	0	0	114,724	114,724
70	0	0	0	112,750	112,750
71	0	0	0	110,809	110,809
72	0	0	0	108,902	108,902
73	0	0	0	107,028	107,028
74	0	0	0	105,186	105,186
75	0	0	0	103,375	103,375
76	0	0	0	101,596	101,596
77	0	0	0	99,848	99,848
78	0	0	0	98,129	98,129
79	0	0	0	96,440	96,440
80	0	0	0	94,780	94,780
81	0	0	0	93,149	93,149
82	0	0	0	91,546	91,546
83	0	0	0	89,970	89,970
84	0	0	0	88,422	88,422
85	0	0	0	86,900	86,900
86	0	0	0	85,404	85,404
87	0	0	0	83,935	83,935
88	0	0	0	82,490	82,490
89	0	0	0	81,070	81,070
90	0	0	0	79,675	79,675
91	0	0	0	78,304	78,304
92	0	0	0	76,956	76,956
93	0	0	0	75,632	75,632
94	0	0	0	74,330	74,330
95	0	0	0	73,051	73,051
96	0	0	0	71,793	71,793
97	0	0	0	70,558	70,558
98	0	0	0	69,344	69,344
99	0	0	0	68,150	68,150
100	0	0	0	66,977	66,977

SINGLE DISCOUNT RATE DEVELOPMENT
PROJECTION OF PLAN FIDUCIARY NET POSITION

Year	Projected Beginning Plan Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Investment Earnings at 7.50%	Projected Ending Plan Net Position
	(a)	(b)	(c)	(d)	(e)=(a)+(b)-(c)+(d)
1	$ 16,114,418	$ 561,587	$ 744,873	$ 1,201,832	$ 17,132,964
2	17,132,964	510,262	810,991	1,273,899	18,106,134
3	18,106,134	505,504	893,263	1,343,682	19,062,057
4	19,062,057	503,910	969,239	1,412,520	20,009,248
5	20,009,248	503,142	1,022,546	1,481,568	20,971,412
6	20,971,412	502,314	1,108,407	1,550,538	21,915,858
7	21,915,858	499,101	1,197,176	1,617,985	22,835,768
8	22,835,768	497,961	1,299,870	1,683,155	23,717,013
9	23,717,013	498,531	1,417,537	1,744,936	24,542,944
10	24,542,944	498,659	1,509,197	1,803,511	25,335,916
11	25,335,916	498,310	1,598,535	1,859,681	26,095,373
12	26,095,373	497,779	1,697,227	1,912,987	26,808,912
13	26,808,912	495,906	1,817,131	1,962,018	27,449,706
14	27,449,706	478,991	1,904,631	2,006,233	28,030,299
15	28,030,299	464,631	2,005,603	2,045,531	28,534,858
16	28,534,858	451,704	2,088,311	2,079,851	28,978,102
17	28,978,102	437,880	2,173,152	2,109,461	29,352,292
18	29,352,292	422,271	2,265,825	2,133,538	29,642,277
19	29,642,277	404,353	2,377,047	2,150,532	29,820,115
20	29,820,115	386,114	2,485,004	2,159,223	29,880,448
21	29,880,448	370,150	2,557,780	2,160,481	29,853,299
22	29,853,299	355,387	2,630,294	2,155,231	29,733,622
23	29,733,622	340,351	2,699,550	2,143,151	29,517,575
24	29,517,575	325,587	2,753,932	2,124,401	29,213,631
25	29,213,631	312,214	2,796,986	2,099,528	28,828,387
26	28,828,387	299,526	2,831,818	2,068,885	28,364,979
27	28,364,979	288,046	2,853,190	2,032,920	27,832,755
28	27,832,755	277,889	2,863,058	1,992,265	27,239,851
29	27,239,851	268,612	2,861,220	1,947,524	26,594,767
30	26,594,767	260,439	2,848,162	1,899,322	25,906,366
31	25,906,366	253,417	2,822,453	1,848,380	25,185,711
32	25,185,711	247,249	2,785,040	1,795,482	24,443,402
33	24,443,402	241,526	2,738,370	1,741,316	23,687,874
34	23,687,874	236,261	2,684,603	1,686,438	22,925,970
35	22,925,970	229,301	2,653,210	1,630,194	22,132,255
36	22,132,255	218,159	2,685,514	1,569,066	21,233,967
37	21,233,967	208,179	2,676,328	1,501,665	20,267,483
38	20,267,483	202,890	2,606,050	1,431,572	19,295,896
39	19,295,896	198,797	2,524,839	1,361,543	18,331,396
40	18,331,396	195,018	2,439,289	1,292,216	17,379,342
41	17,379,342	189,871	2,380,880	1,222,773	16,411,106
42	16,411,106	184,454	2,315,183	1,152,375	15,432,752
43	15,432,752	180,604	2,227,242	1,082,095	14,468,210
44	14,468,210	177,242	2,135,320	1,013,015	13,523,146
45	13,523,146	174,122	2,041,128	945,489	12,601,629
46	12,601,629	171,104	1,946,936	879,732	11,705,530
47	11,705,530	168,119	1,853,721	815,847	10,835,775
48	10,835,775	165,191	1,760,423	753,943	9,994,487
49	9,994,487	162,348	1,667,726	694,155	9,183,264
50	9,183,264	159,554	1,576,069	636,586	8,403,335

SINGLE DISCOUNT RATE DEVELOPMENT
PROJECTION OF PLAN FIDUCIARY NET POSITION (CONCLUDED)

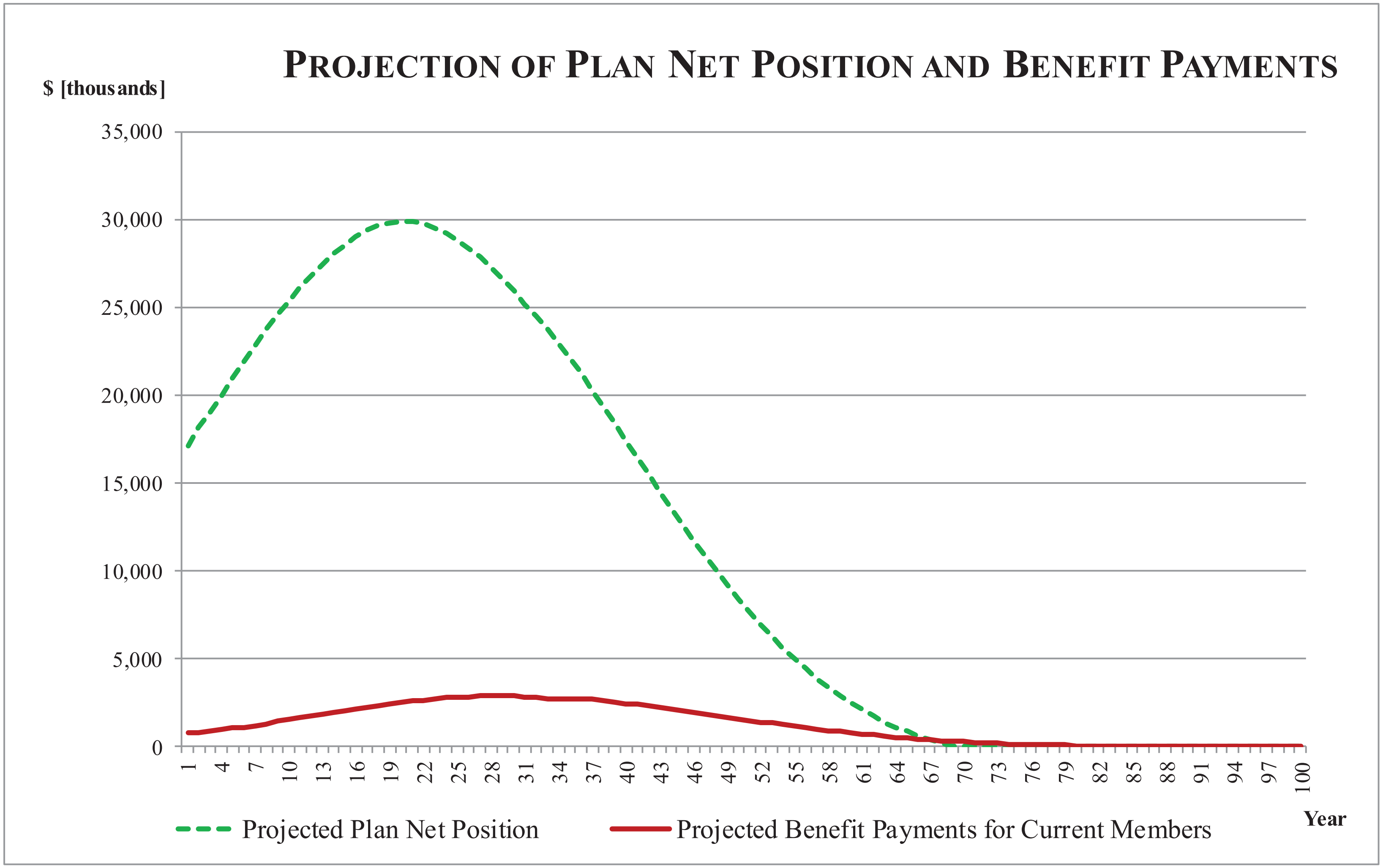
Year	Projected Beginning Plan Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Investment Earnings at 7.50%	Projected Ending Plan Net Position
	(a)	(b)	(c)	(d)	(e)=(a)+(b)-(c)+(d)
51	$ 8,403,335	$ 156,808	$ 1,485,658	$ 581,319	$ 7,655,804
52	7,655,804	154,109	1,396,711	528,430	6,941,632
53	6,941,632	151,457	1,309,458	477,982	6,261,614
54	6,261,614	148,850	1,224,103	430,028	5,616,388
55	5,616,388	146,288	1,140,860	384,607	5,006,424
56	5,006,424	143,770	1,059,943	341,746	4,431,998
57	4,431,998	141,296	981,536	301,460	3,893,219
58	3,893,219	138,864	905,806	263,751	3,390,028
59	3,390,028	136,474	832,897	228,608	2,922,214
60	2,922,214	134,126	762,910	196,013	2,489,443
61	2,489,443	131,817	695,980	165,935	2,091,214
62	2,091,214	129,548	632,305	138,329	1,726,786
63	1,726,786	127,319	572,050	113,133	1,395,188
64	1,395,188	125,128	515,326	90,271	1,095,261
65	1,095,261	122,974	462,225	69,653	825,662
66	825,662	120,857	412,848	51,173	584,845
67	584,845	118,777	367,280	34,713	371,055
68	371,055	116,733	325,537	20,141	182,392
69	182,392	114,724	287,519	7,317	16,914
70	16,914	112,750	253,056	0	0
71	0	110,809	221,931	0	0
72	0	108,902	193,898	0	0
73	0	107,028	168,679	0	0
74	0	105,186	146,007	0	0
75	0	103,375	125,636	0	0
76	0	101,596	107,324	0	0
77	0	99,848	90,896	0	0
78	0	98,129	76,236	0	0
79	0	96,440	63,239	0	0
80	0	94,780	51,804	0	0
81	0	93,149	41,846	0	0
82	0	91,546	33,292	0	0
83	0	89,970	26,054	0	0
84	0	88,422	20,026	0	0
85	0	86,900	15,098	0	0
86	0	85,404	11,157	0	0
87	0	83,935	8,071	0	0
88	0	82,490	5,708	0	0
89	0	81,070	3,937	0	0
90	0	79,675	2,644	0	0
91	0	78,304	1,727	0	0
92	0	76,956	1,099	0	0
93	0	75,632	679	0	0
94	0	74,330	405	0	0
95	0	73,051	233	0	0
96	0	71,793	128	0	0
97	0	70,558	66	0	0
98	0	69,344	32	0	0
99	0	68,150	16	0	0
100	0	66,977	8	0	0

SINGLE DISCOUNT RATE DEVELOPMENT
PRESENT VALUES OF PROJECTED BENEFITS

Year	Projected Beginning Plan Net Position	Projected Benefit Payments	Funded Portion of Benefit Payments	Unfunded Portion of Benefit Payments	Present Value of Funded Benefit Payments using Expected Return Rate (v)	Present Value of Unfunded Benefit Payments using Municipal Bond Rate (vf)	Present Value of Benefit Payments using Single Discount Rate (sdr)
(a)	(b)	(c)	(d)	(e)	(f)=(d)*v^((a)-.5)	(g)=(e)*vf^((a)-.5)	(h)=((c)/(1+sdr)^(a-.5)
1	$ 16,114,418	$ 744,873	$ 744,873	$ 0	$ 718,419	$ 0	$ 718,529
2	17,132,964	810,991	810,991	0	727,618	0	727,952
3	18,106,134	893,263	893,263	0	745,518	0	746,089
4	19,062,057	969,239	969,239	0	752,491	0	753,297
5	20,009,248	1,022,546	1,022,546	0	738,490	0	739,507
6	20,971,412	1,108,407	1,108,407	0	744,651	0	745,905
7	21,915,858	1,197,176	1,197,176	0	748,175	0	749,664
8	22,835,768	1,299,870	1,299,870	0	755,677	0	757,413
9	23,717,013	1,417,537	1,417,537	0	766,589	0	768,585
10	24,542,944	1,509,197	1,509,197	0	759,216	0	761,426
11	25,335,916	1,598,535	1,598,535	0	748,054	0	750,461
12	26,095,373	1,697,227	1,697,227	0	738,827	0	741,431
13	26,808,912	1,817,131	1,817,131	0	735,835	0	738,654
14	27,449,706	1,904,631	1,904,631	0	717,458	0	720,427
15	28,030,299	2,005,603	2,005,603	0	702,785	0	705,909
16	28,534,858	2,088,311	2,088,311	0	680,713	0	683,948
17	28,978,102	2,173,152	2,173,152	0	658,947	0	662,282
18	29,352,292	2,265,825	2,265,825	0	639,114	0	642,545
19	29,642,277	2,377,047	2,377,047	0	623,708	0	627,248
20	29,820,115	2,485,004	2,485,004	0	606,544	0	610,173
21	29,880,448	2,557,780	2,557,780	0	580,751	0	584,404
22	29,853,299	2,630,294	2,630,294	0	555,549	0	559,215
23	29,733,622	2,699,550	2,699,550	0	530,397	0	534,060
24	29,517,575	2,753,932	2,753,932	0	503,332	0	506,963
25	29,213,631	2,796,986	2,796,986	0	475,536	0	479,113
26	28,828,387	2,831,818	2,831,818	0	447,867	0	451,375
27	28,364,979	2,853,190	2,853,190	0	419,765	0	423,182
28	27,832,755	2,863,058	2,863,058	0	391,830	0	395,140
29	27,239,851	2,861,220	2,861,220	0	364,259	0	367,449
30	26,594,767	2,848,162	2,848,162	0	337,299	0	340,357
31	25,906,366	2,822,453	2,822,453	0	310,934	0	313,849
32	25,185,711	2,785,040	2,785,040	0	285,407	0	288,171
33	24,443,402	2,738,370	2,738,370	0	261,046	0	263,655
34	23,687,874	2,684,603	2,684,603	0	238,066	0	240,518
35	22,925,970	2,653,210	2,653,210	0	218,867	0	221,189
36	22,132,255	2,685,514	2,685,514	0	206,076	0	208,326
37	21,233,967	2,676,328	2,676,328	0	191,043	0	193,188
38	20,267,483	2,606,050	2,606,050	0	173,047	0	175,044
39	19,295,896	2,524,839	2,524,839	0	155,958	0	157,806
40	18,331,396	2,439,289	2,439,289	0	140,162	0	141,866
41	17,379,342	2,380,880	2,380,880	0	127,261	0	128,847
42	16,411,106	2,315,183	2,315,183	0	115,116	0	116,586
43	15,432,752	2,227,242	2,227,242	0	103,017	0	104,365
44	14,468,210	2,135,320	2,135,320	0	91,874	0	93,105
45	13,523,146	2,041,128	2,041,128	0	81,695	0	82,814
46	12,601,629	1,946,936	1,946,936	0	72,488	0	73,504
47	11,705,530	1,853,721	1,853,721	0	64,202	0	65,122
48	10,835,775	1,760,423	1,760,423	0	56,717	0	57,547
49	9,994,487	1,667,726	1,667,726	0	49,982	0	50,729
50	9,183,264	1,576,069	1,576,069	0	43,940	0	44,610

SINGLE DISCOUNT RATE DEVELOPMENT
PRESENT VALUES OF PROJECTED BENEFITS (CONCLUDED)

Year	Projected Beginning Plan Net Position	Projected Benefit Payments	Funded Portion of Benefit Payments	Unfunded Portion of Benefit Payments	Present Value of Funded Benefit Payments using Expected Return Rate (v)	Present Value of Unfunded Benefit Payments using Municipal Bond Rate (vf)	Present Value of Benefit Payments using Single Discount Rate (sdr)
(a)	(b)	(c)	(d)	(e)	(f)=(d)*v^((a)-.5)	(g)=(e)*vf ^((a)-.5)	(h)=((c)/(1+sdr)^(a-.5)
51	$ 8,403,335	$ 1,485,658	$ 1,485,658	$ 0	$ 38,529	$ 0	$ 39,129
52	7,655,804	1,396,711	1,396,711	0	33,695	0	34,230
53	6,941,632	1,309,458	1,309,458	0	29,386	0	29,862
54	6,261,614	1,224,103	1,224,103	0	25,554	0	25,976
55	5,616,388	1,140,860	1,140,860	0	22,155	0	22,527
56	5,006,424	1,059,943	1,059,943	0	19,148	0	19,475
57	4,431,998	981,536	981,536	0	16,494	0	16,782
58	3,893,219	905,806	905,806	0	14,160	0	14,411
59	3,390,028	832,897	832,897	0	12,111	0	12,330
60	2,922,214	762,910	762,910	0	10,320	0	10,509
61	2,489,443	695,980	695,980	0	8,758	0	8,921
62	2,091,214	632,305	632,305	0	7,401	0	7,542
63	1,726,786	572,050	572,050	0	6,229	0	6,349
64	1,395,188	515,326	515,326	0	5,220	0	5,322
65	1,095,261	462,225	462,225	0	4,355	0	4,442
66	825,662	412,848	412,848	0	3,619	0	3,692
67	584,845	367,280	367,280	0	2,995	0	3,056
68	371,055	325,537	325,537	0	2,469	0	2,521
69	182,392	287,519	287,519	0	2,029	0	2,072
70	16,914	253,056	17,537	235,519	115	20,571	1,697
71	0	221,931	0	221,931	0	18,716	1,384
72	0	193,898	0	193,898	0	15,789	1,126
73	0	168,679	0	168,679	0	13,262	911
74	0	146,007	0	146,007	0	11,083	734
75	0	125,636	0	125,636	0	9,208	588
76	0	107,324	0	107,324	0	7,595	467
77	0	90,896	0	90,896	0	6,211	368
78	0	76,236	0	76,236	0	5,030	287
79	0	63,239	0	63,239	0	4,028	222
80	0	51,804	0	51,804	0	3,186	169
81	0	41,846	0	41,846	0	2,485	127
82	0	33,292	0	33,292	0	1,909	94
83	0	26,054	0	26,054	0	1,442	68
84	0	20,026	0	20,026	0	1,070	49
85	0	15,098	0	15,098	0	779	34
86	0	11,157	0	11,157	0	556	24
87	0	8,071	0	8,071	0	388	16
88	0	5,708	0	5,708	0	265	10
89	0	3,937	0	3,937	0	177	7
90	0	2,644	0	2,644	0	114	4
91	0	1,727	0	1,727	0	72	3
92	0	1,099	0	1,099	0	44	2
93	0	679	0	679	0	26	1
94	0	405	0	405	0	15	0
95	0	233	0	233	0	8	0
96	0	128	0	128	0	4	0
97	0	66	0	66	0	2	0
98	0	32	0	32	0	1	0
99	0	16	0	16	0	1	0
100	0	8	0	8	0	0	0
				Totals	$ 22,167,049	$ 124,041	$ 22,291,090



Return to Agenda

SECTION D

GLOSSARY OF TERMS

Return to Agenda

GLOSSARY OF TERMS

Actuarial Accrued Liability (AAL)	The AAL is the difference between the actuarial present value of all benefits and the actuarial value of future normal costs. The definition comes from the fundamental equation of funding which states that the present value of all benefits is the sum of the Actuarial Accrued Liability and the present value of future normal costs. The AAL may also be referred to as "accrued liability" or "actuarial liability."
Actuarial Assumptions	These assumptions are estimates of future experience with respect to rates of mortality, disability, turnover, retirement, rate or rates of investment income and compensation increases. Actuarial assumptions are generally based on past experience, often modified for projected changes in conditions. Economic assumptions (compensation increases, payroll growth, inflation and investment return) consist of an underlying real rate of return plus an assumption for a long-term average rate of inflation.
Accrued Service	Service credited under the system which was rendered before the date of the actuarial valuation.
Actuarial Equivalent	A single amount or series of amounts of equal actuarial value to another single amount or series of amounts, computed on the basis of appropriate actuarial assumptions.
Actuarial Cost Method	A mathematical budgeting procedure for allocating the dollar amount of the actuarial present value of the pension trust benefits between future normal cost and actuarial accrued liability. The actuarial cost method may also be referred to as the actuarial funding method.
Actuarial Gain (Loss)	The difference in liabilities between actual experience and expected experience during the period between two actuarial valuations is the gain (loss) on the accrued liabilities.
Actuarial Present Value (APV)	The amount of funds currently required to provide a payment or series of payments in the future. The present value is determined by discounting future payments at predetermined rates of interest and probabilities of payment.
Actuarial Valuation	The actuarial valuation report determines, as of the actuarial valuation date, the service cost, total pension liability, and related actuarial present value of projected benefit payments for pensions.
Actuarial Valuation Date	The date as of which an actuarial valuation is performed.
Actuarially Determined Contribution (ADC) or Annual Required Contribution (ARC)	A calculated contribution into a defined benefit pension plan for the reporting period, most often determined based on the funding policy of the plan. Typically the Actuarially Determined Contribution has a normal cost payment and an amortization payment.

GLOSSARY OF TERMS (CONTINUED)

Amortization Payment The amortization payment is the periodic payment required to pay off an interest-discounted amount with payments of interest and principal.

Amortization Method The method used to determine the periodic amortization payment may be a level dollar amount, or a level percent of pay amount. The period will typically be expressed in years, and the method will either be "open" (meaning, reset each year) or "closed" (the number of years remaining will decline each year.

Cost-of-Living Adjustments Postemployment benefit changes intended to adjust benefit payments for the effects of inflation.

Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (cost-sharing pension plan) A multiple-employer defined benefit pension plan in which the pension obligations to the employees of more than one employer are pooled and pension plan assets can be used to pay the benefits of the employees of any employer that provides pensions through the pension plan.

Covered Valuation Payroll The earnings of covered employees for the year ended on the valuation date, which is typically only the pensionable pay and does not include pay above any pay cap. It is not necessarily the same as payroll actually paid because it excludes all pay for people who exited during the year.

Deferred Inflows and Outflows The deferred inflows and outflows of pension resources are amounts used under GASB Statement No. 68 in developing the annual pension expense. Deferred inflows and outflows arise with differences between expected and actual experiences; changes of assumptions. The portion of these amounts not included in pension expense should be included in the deferred inflows or outflows of resources.

Discount Rate For GASB purposes, the discount rate is the single rate of return that results in the present value of all projected benefit payments to be equal to the sum of the funded and unfunded projected benefit payments, specifically:

1. The benefit payments to be made while the pension plans' fiduciary net position is projected to be greater than the benefit payments that are projected to be made in the period; and
2. The present value of the benefit payments not in (1) above, discounted using the municipal bond rate.

Entry Age Actuarial Cost Method (EAN) The EAN is a funding method for allocating the costs of the plan between the normal cost and the accrued liability. The actuarial present value of the projected benefits of each individual included in an actuarial valuation is allocated on a level basis (either level dollar or level percent of pay) over the earnings or service of the individual between entry age and assumed exit ages(s). The portion of the actuarial present value allocated to a valuation year is the normal cost. The portion of this actuarial present value not provided for at a valuation date by the actuarial present value of future normal costs is the actuarial accrued liability. The sum of the accrued liability plus the present value of all future normal costs is the present value of all benefits.

GLOSSARY OF TERMS (CONTINUED)

GASB The Governmental Accounting Standards Board is an organization that exists in order to promulgate accounting standards for governmental entities.

Fiduciary Net Position The fiduciary net position is the value of the assets of the trust.

Long-Term Expected Rate of Return The long-term rate of return is the expected return to be earned over the entire trust portfolio based on the asset allocation of the portfolio.

Money-Weighted Rate of Return The money-weighted rate of return is a method of calculating the returns that adjusts for the changing amounts actually invested. For purposes of GASB Statement No. 68, money-weighted rate of return is calculated as the internal rate of return on pension plan investments, net of pension plan investment expense.

Multiple-Employer Defined Benefit Pension Plan A multiple-employer plan is a defined benefit pension plan that is used to provide pensions to the employees of more than one employer.

Municipal Bond Rate The Municipal Bond Rate is the discount rate to be used for those benefit payments that occur after the assets of the trust have been depleted.

Net Pension Liability (NPL) The NPL is the liability of employers and non-employer contribution entities to plan members for benefits provided through a defined benefit pension plan.

Non-Employer Contribution Entities Non-employer contribution entities are entities that make contributions to a pension plan that is used to provide pensions to the employees of other entities. For purposes of the GASB Accounting statement plan members are not considered non-employer contribution entities.

Normal Cost The actuarial present value of the pension trust benefits allocated to the current year by the actuarial cost method.

Other Postemployment Benefits (OPEB) All postemployment benefits other than retirement income (such as death benefits, life insurance, disability, and long-term care) that are provided separately from a pension plan, as well as postemployment healthcare benefits regardless of the manner in which they are provided. Other post-employment benefits do not include termination benefits.

Real Rate of Return The real rate of return is the rate of return on an investment after adjustment to eliminate inflation.

Service Cost The service cost is the portion of the actuarial present value of projected benefit payments that is attributed to a valuation year.

GLOSSARY OF TERMS (CONCLUDED)

Total Pension Expense

The total pension expense is the sum of the following items that are recognized at the end of the employer's fiscal year:

1. Service Cost;
2. Interest on the Total Pension Liability;
3. Current-Period Benefit Changes;
4. Employee Contributions (made negative for addition here);
5. Projected Earnings on Plan Investments (made negative for addition here);
6. Pension Plan Administrative Expense;
7. Other Changes in Plan Fiduciary Net Position;
8. Recognition of Outflow (Inflow) of Resources due to Liabilities; and
9. Recognition of Outflow (Inflow) of Resources due to Assets.

Total Pension Liability (TPL)

The TPL is the portion of the actuarial present value of projected benefit payments that is attributed to past periods of member service.

Unfunded Actuarial Accrued Liability (UAAL)

The UAAL is the difference between actuarial accrued liability and valuation assets.

Valuation Assets

The valuation assets are the assets used in determining the unfunded liability of the plan. For purposes of the GASB Statement No. 68, the valuation asset is equal to the market value of assets.

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Village of Lincolnshire

AGENDA ITEM
3.23 COW

REQUEST FOR BOARD ACTION
COMMITTEE OF THE WHOLE MEETING
SEPTEMBER 12, 2016

Subject:	Proposed Fiscal Year 2017 Village of Lincolnshire Goals
Action Requested:	Consideration and Discussion of Proposed Goals for FY2017
Originated By/Contact:	Village Manager/Department Managers
Referred To:	Village Board

Summary / Background: Annually, as part of the budget process, staff develops proposed goals for the coming fiscal year. Following are the goals and objectives for Fiscal Year 2017 identified by each Village Department. The first section outlines goals for FY2017 applicable to all Village departments; followed by department specific goals. Village Board consideration and feedback of the proposed goals is requested.

PROPOSED - FISCAL YEAR 2017 GOALS

<u>All Village Departments</u>

- **Coordinate Final Phase of Downtown Development & Pocket Park Construction:** Continue work with selected developer on design approvals for transfer of Village-owned land. Work also includes improving pedestrian connectivity, directional signage, and pocket park design and construction.

- **Continue Work on Update to Village Brand Identify:** Pending Village Board approval of new brand identity, update print and electronic media as appropriate as part of initial roll out of new brand and marketing initiative.

- **Finalize Technology Strategic Plan:** Work with Village's information technology provider and GovITC to finalize development of a long-term technology plan for entire organization and incorporate information technology consortium shared initiatives.

- **Milwaukee Avenue - Central Area Plan:** Prepare a multi-faceted Master Plan for the Village's primary commercial artery; Milwaukee Avenue and immediate environs. Incorporate Sub Area plans for the Downtown/Civic Core and Aptakisic Commercial Core. Plan to include Design, Economic, Cultural/Educational, Open Space and Infrastructure components. Business Community, Village Board and Advisory Boards, and Community Leaders participation will be a key element of plan preparation.

- **Pursue Opportunities for Municipal Partnering:** Continue to investigate and implement opportunities to partner with other governmental entities for the procurement of goods and services where appropriate.

- **Evaluate Annexation of Desirable Properties:** Continue the evaluation of properties identified by the Mayor and Board of Trustees as desirable for annexation. Work with property owners and developers to meet Village vision for growth and development.

- **Emergency Planning:** Conduct staff training on Village of Lincolnshire Emergency Operations Plan.

Administration

- **Draft Village of Lincolnshire Strategic Plan:** Work with residents, Village staff and elected officials on creation of Lincolnshire strategic plan. Planning process to explore community strengths, weaknesses, opportunities, and threats and build an action plan to address long-term Village needs. (Continued from 2016 due to staff changes in current year.)

- **Continue to Explore Options for Implementation of High-Deductible Health Insurance Plan While Meeting Regulations of Affordable Care Act (ACA):** Continue to monitor rule-making related to ACA and explore possibility of implementing optional high-deductible health insurance plan via Village's health insurance pool where practicable.

- **Increase Use of Video:** Implement formal video initiative to promote Village meetings, programs, and services online to meet ever increasing expectation for video access.

- **Document Management:** Research, recommend and implement formal document management system to integrate with new enterprise software system if cost effective.

Community & Economic Development

CED Goals:

- **Implement Community-Wide Economic Development/Marketing Plan:** While the re-branding initiative continues, staff will work to increase our marketing outreach by increasing Village presence at Economic Development organizations locally and regionally. Staff will also continue landlord/tenant/broker meetings; prepare updates for the commercial websites and e-news, and review and update economic development promotional materials. A New Business Welcome Packet will be created.

- **Economic Development Strategic Plan:** Begin Review and Update of the 2013-2017 Economic Development Strategic Plan to create an updated plan for 2018 and beyond. Staff will focus on the needs of businesses in town that Lincolnshire can provide that are unique.

- **Long Range Pedestrian Improvement Plan:** Update and/or create a Comprehensive Pedestrian Plan consisting of the following: investigate needs, identify capital improvements and incorporate into plan, incorporate way-finding signage, lighting, seating and landscaping elements to encourage pedestrian flow along Milwaukee Avenue and leading to Commercial Downtown area. (Joint Project with Public Works and Community & Economic Development Departments)

- **Find your Place:** Staff will review opportunities to promote the ability of businesses to find their "Place" in Lincolnshire, including creating a business improvement district or SSA to improve business park noticeability and desirability.

- **Review Zoning Regulations and Research Design-Oriented Regulations to insure Residential Character/Integrity of the Village is Preserved:** Review bulk regulations of all Residential Zoning Districts to insure Village vision is met and analyze the necessity of varying degrees of design-standards/review to support preservation of residential character.

Building Goals:

- **Research and Evaluate Village Impact Fees:** Research the methodology and applicability of existing utility connection fees, and annexation impact fees to determine if current fees satisfy current needs and recommend fee revisions where necessary.

- **Review and Update Village Codes Related to Development:** Continue the comprehensive review of Village Codes. The 2017 focus will include a review of personal and small-scale wireless utility infrastructure and subdivision code.

- **Cooperative Initiatives:** Investigate opportunities to manage Building Permitting and property maintenance for surrounding smaller communities/unincorporated areas.

Finance Department Goals

- **Bill Payment Via Automatic Withdrawal:** Finance will research the benefits of authorizing our vendors to withdraw funds -- also known as electronic funds transfers to pay critical operating bills (ie: fuel and utilities).

- **E-Bill Solution:** Deploy E-Bill solution.

- **GASB Statement 72 Reporting - Fair Value Measurement and Application:** Address accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. Statement No. 72 is applicable for the fiscal year ending December 31, 2016.

- **GASB Statement 77 Reporting:** Tax Abatement Disclosures, requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and reduce the reporting government's tax revenues. The requirements of this statement are effective for financial statements for the fiscal year ending December 31, 2016.

- **Lockbox Services:** Review quality of existing contract services and costs. If necessary, terminate existing contract and enter into agreement with new provider.

- **Financial Reporting:** Given the critical role financial statements play, Finance will examine ways to improve the necessity and quality of reports provided to users (i.e.: Board, Management, Staff, and Public)

- **Transparency/ FOIA:** Review Lincolnshire's online reports and add items as appropriate to improve public transparency and reduce FOIA requests. For example: Add monthly, BS&A Smart Procure export.

Police Department

- **Strategic Planning:** Formulate a planning committee to create a successor strategic plan for the Police Department consisting of projects and initiatives to be accomplished over the next five year period (2017-2021).

- **Succession Planning / Deputy Chief:** Plan for the mid-year departure of Deputy Chief of Police. Identify and develop police personnel with the potential to fill key leadership positions within the department. Prepare and conduct promotional processes which assess the competencies and motivational profile required to undertake those leadership roles.

- **Officer-in-Charge:** Explore creation of an "*Officer- in-Charge"* program to serve as a career development opportunity and provide supervisory relief on Patrol Shifts.

- **Enhance Business Community Relationships:** Develop individuals to serve as business community liaisons. Identified officers will collaborate with business officials to conduct safety presentations and trainings, explore opportunities to partner in the area of community relations, and provide building security assessments.

- **Enhance service levels to residents of our community:** Explore implementation of communication platform for enhanced connection/communication with residents and businesses. Utilize public safety e-bulletin to notify residents of immediate safety concerns. Provide specialized training to officers such as Crisis Intervention Training, Elderly Service Officer, etc.

Public Work Department Goals

- **Succession Planning and Employee Development Initiatives:** Continue to provide career path and succession planning for the Public Works Department. Adjust job descriptions and duties as needed. Provide information on redevelopment of Public Works office area in conjunction with succession plan.

- **Increase Use of GIS/Mobile Technology:** Work with GIS representatives to identify and implement ways to utilize GIS technology within Public Works Department with a goal of increasing efficiency. Conduct multiple GIS related training sessions throughout the year.

- **Comprehensive Pavement Preservation Plan:** Develop a pavement preservation plan for residential streets and streets within the corporate center based off of information gathered during the 2017 pavement analysis project. This plan will establish the expectations for how long pavements should last and different treatments that can be utilized (such as crack sealing, micro surfacing, patching, etc.) to maintain the pavement conditions in a satisfactory condition until they can be rehabilitated as part of a capital improvement project.

- **Long Range Pedestrian Improvement Plan:** Update and/or create a Comprehensive Pedestrian Plan consisting of the following: investigate needs, identify capital improvements and incorporate into plan, incorporate way-finding signage, lighting, seating and landscaping elements to encourage pedestrian flow along Milwaukee Avenue and leading to Commercial Downtown area. (Joint Project with Public Works and Community & Economic Development Departments).

- **Implement Sanitary Sewer Rehabilitation Program:** Rehabilitate 2,000 feet of Sanitary Sewer main for 2017.

- **Village Sign Replacement Initiatives:** Research all streets and/or parks signs, posts, lights and make recommendations on replacement and/or update as a result of the Village branding initiative. Include recommendation for Parks entrance signs within 10-Year Capital Improvement Program. Initiate first year of replacement program.

- **Public Works Permitting Process Improvements:** Improve the permit process for common permits that are applied for such as water and sewer repairs and driveway/parking lot paving projects. This can be done with updated forms and instructions with standard drawings that residents can easily reference as part of the application process.

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Village of Lincolnshire

Agenda Item
3.31 COW

REQUEST FOR BOARD ACTION
COMMITTEE OF THE WHOLE
September 12, 2016

Subject:	Consideration of an Out of Village Water Service Request for 2045 Riverwoods Road
Action Requested:	Consideration, Discussion, and placement on the September 26, 2016 Consent Agenda for Approval
Originated By/Contact:	Wally Dittrich, P.E., Assistant Public Works Director/Village Engineer
Referred To:	Village Board

Summary/Background:
The Village received a request from Wieslaw Dumin to connect to the Village's water system for their new home currently being constructed at 2045 Riverwoods Road located in Riverwoods, Illinois. The attached map highlights the location of the property.

Wieslaw Dumin submitted a signed "Agreement to Provide Water Supply" and the $150.00 filing fee. Per the Villages previously approved Intergovernmental Agreement with the Village of Riverwoods, the property owner is not required to seek annexation to the Village of Lincolnshire as a condition of their request for water service. All fees will be paid to the Village of Riverwoods who will then in turn pay the required fees to the Village of Lincolnshire.

The Public Works department has no objections to honoring the request for connection.

Budget Impact:
N/A

Service Delivery Impact:
The Village will accept responsibility for maintenance of the line from the b-box to the water main following the refund of the one (1) year security deposit. This is consistent with all properties receiving water service.

Recommendation:
Staff recommends the agreement be placed on the September 26, 2016 Consent Agenda for approval.

Reports and Documents Attached:
- Agreement to Provide Water Supply
- Location Map

Meeting History	
Committee of the Whole Meeting	September 12, 2016
Regular Village Board Meeting:	September 26, 2016

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AGREEMENT TO PROVIDE

WATER SUPPLY SERVICE

THIS AGREEMENT (sometimes hereinafter referred to as "the AGREEMENT") dated the 1st day of August, 2016, and approved by the Village Board on the _______ day of ___________, 20___ by and between: The Village of Lincolnshire, a municipal corporation of the County of Lake, State of Illinois (sometimes hereinafter referred to as "the VILLAGE" and ________________, (sometimes hereinafter referred to as "the OWNER"):

WITNESSETH:

WHEREAS, the VILLAGE currently operates and maintains a water main (sometimes hereinafter referred to as "the MAIN") located in the right-of-way or easement of (road) Riverwoods and

WHEREAS, OWNER is the legal title holder of certain real estate legally described on EXHIBIT 'A' attached hereto and made a part hereof as if fully set forth herein, (sometimes hereinafter referred to as "the REAL ESTATE") which real estate is located at (address) 2045 Riverwoods Rd is adjacent to the LINE and MAIN, is not contiguous to the Village, and is not within the corporate limits of any other City or Village; and

WHEREAS, the REAL ESTATE is presently a SFR; and

WHEREAS, the (water service) to be constructed on the Real Estate is to be constructed

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according to certain plans and specifications entitled ______________________________

and dated 05-31-16 ____________, which plans and specifications are attached as EXHIBIT B, and which plans and specifications have been inspected and approved by the Village; and

WHEREAS, the OWNER desires that the VILLAGE provide (water supply) to the REAL ESTATE to such capacity and in such amounts as will adequately service the existing needs thereof for a single family house

WHEREAS, the VILLAGE and OWNER determine it to be to their mutual advantage and to the public interest that the REAL ESTATE be annexed to the VILLAGE; if in the sole discretion of the VILLAGE, the VILLAGE elects to do so; and

WHEREAS, the VILLAGE, prior to providing (water supply service) to the REAL ESTATE, desires to enter contractual agreements with the OWNER as to the terms and conditions under which such service and supply will be commenced and maintained;

NOW, THEREFORE, in consideration of the foregoing premises and in further consideration of the mutual covenants, agreements and conditions herein contained, and other good and valid consideration the parties hereto agree as follows;

1. Upon payment by the OWNER to the VILLAGE of the tap-in or connection charges in existence at the time of the actual connection under the applicable provisions of the ordinances of the VILLAGE, the VILLAGE will allow such tap-ins or connections to the LINE and MAIN as are necessary to provide (water service) to the REAL ESTATE in accordance with the attached EXHIBIT B.

2. Subsequent to such tap-ins or connections, the VILLAGE, subject to all rules, regulations and ordinances of the VILLAGE, will provide (water supply service) to the REAL ESTATE to such

capacity and in such amounts as will adequately service the REAL ESTATE under its aforesaid intended usage, provided however;

(A) That the improvements to be constructed pursuant to the aforesaid plans and specifications are in no way to be changed, altered, varied or modified from the provisions of said plans and specifications without the express written approval from the Mayor and Board of Trustees.

(B) OWNER will pay all rates, fees and charges for such service and supply in effect for similar service and supply at the time of such tap-ins or connections or which may thereafter from time to time imposed therefore by the VILLAGE in accordance with normal Village procedures.

_(C) OWNER acknowledges and agrees that: (i) the VILLAGE shall be constructing a new principal water main to provide water to the entire Village and that the Real Estate shall be benefited by such water main in the same proportion as if the Real Estate were within the Village; (ii) the VILLAGE may assess recapture fees or surcharges on the rates, fees and charges for water service as is required and to the extent necessary to offset the cost to construct the new principal water main; (iii) payment of such recapture fees or surcharges shall be a condition of continued service; (iv) the recapture fees or surcharges levied against the Real Estate, so long as it remains outside the boundaries of the Village, may be different from the recapture fees or surcharges levied on property within the Village, provided that such difference has a rational relationship to the sources of funding for the new water main; and (v) the OWNER, for him or herself and all persons claiming by or through the OWNER, forever waives and releases the VILLAGE from any challenge, objection or appeal of the "out-of Village" recapture fees or surcharges assessed by the VILLAGE.

(D) Immediately upon receipt of a written request from the VILLAGE, signed by the Village Mayor, the OWNER will execute and file with the VILLAGE, a petition requesting annexation to the VILLAGE of the REAL ESTATE or any part thereof as may be so requested by the VILLAGE.

OWNER will execute such petition as the legal title holder of the REAL ESTATE and as elector residing thereon, if such is the case.

In the event there are other electors residing upon the REAL ESTATE who are not parties to this agreement, the OWNER will obtain the signatures of such electors upon the petition, if requested to do so by the VILLAGE.

In the event, at the time such request is made by the VILLAGE, it is necessary to obtain the signatures of persons other that the OWNER of the REAL ESTATE and the electors residing thereon upon such petition, the OWNER will obtain such signatures if requested to do so by the VILLAGE.

Such petition for annexation will be provided by the VILLAGE and will be in the form required under the applicable laws of the State of Illinois.

Subject to the applicable laws of the State of Illinois, the VILLAGE will at its option annex the REAL ESTATE within a reasonable time after the filing of the petition for annexation.

The OWNER will not annex the REAL ESTATE to any other municipality without the approval in writing of the VILLAGE. Should such REAL ESTATE be annexed into another municipality, the VILLAGE may, at its sole discretion, cause the (water supply service) to be disconnected.

(E) OWNER shall reimburse VILLAGE for, or directly and promptly pay, all expenses and costs incurred by the VILLAGE in the preparation of this Agreement and in preparation of, or adoption, recording and filing of any ordinances, petitions or notices required hereunder including but not limited to: (1) Attorneys fees and expenses, (2) Surveyors fees and expenses, (3) Recording fees, (4) Publication costs, (5) Engineering fees and expenses and (6) Planning fees and expenses.

3. The use of the REAL ESTATE shall not change without the expressed written approval of the VILLAGE as long as (water service service) is hence provided by the VILLAGE. If the use changes without this expressed written consent, the VILLAGE may, at its sole discretion, cause the (water supply service) to be disconnected.

4. This AGREEMENT and each and all of the covenants, obligations and conditions hereof, shall inure to the benefit of and be binding upon the heirs, personal representatives, successors and assigns of the OWNER and the successors in the office of the officers of the VILLAGE, and any successor municipal corporation of the VILLAGE.

5. All notices given under this AGREEMENT shall be given in writing by depositing the same in the United States Mail, registered or certified, postage prepaid, enclosed in an envelope addressed to the party to be notified, as follows:

If to OWNER, to: WIESLAW DUMIN
(name)

1980 ROSE TER
(address)

RIVERWOODS IL 60015

If to VILLAGE, to: Village Manager, Village Hall

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One Olde Half Day Road
Lincolnshire, IL 60069

Or to any other address that any of the respective parties may, in writing, indicate for such party.

6. Failure of any party to the AGREEMENT to insist upon the strict and prompt performance to the terms, covenants, agreements and conditions herein contained, or any of them, upon any other party imposed, shall not constitute or be construed as a waiver or relinquishment of any party's right thereafter to enforce any such term, covenant, agreement or condition, but the same shall continue in full force and effect.

7. This AGREEMENT sets forth all promises, inducements, agreements, condition or understandings either oral or written, expressed or implied between them, other than are herein set forth. No subsequent alteration, amendment, change or addition to the AGREEMENT shall be binding upon the parties hereto unless reduced in writing and signed by them.

8. The submission of the AGREEMENT for examination does not constitute an offer to enter into the AGREEMENT and this AGREEMENT becomes effective only upon execution thereof by the parties hereto.

9. This AGREEMENT, upon signing by all parties hereto, shall be recorded by the VILLAGE in the office of the Recorder of Deeds in Lake County, Illinois.

10. Annexation and Terms of Village Code Sections 8-2-3-1 and 8-2A-1

10.1 This Agreement shall not be valid unless the Owner has done the following:

(1) If the Property is contiguous to the Village, filed with the Village a fully executed and unconditional Petition to Annex the property to the Village, as approved by the Village Attorney.

(2) If the Property is not contiguous to the Village, executed an Annexation Agreement, approved by the Village, which shall contain, among other matters, an agreement to file an unconditional Petition to Annex the property to the Village as soon as the property becomes contiguous to the Village.

10.2 Village Code Sections 8-2-3-1 and 8-2A-1 are made a part of this Agreement as though fully set forth in this Agreement.

11. Application for Connect.

The Owner's Application for Connection is attached to and made a part of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this AGREEMENT to be executed the day and year first above written.

VILLAGE OF LINCOLNSHIRE

LAKE COUNTY, ILLINOIS

By: ______________________________

Mayor

ATTEST:

____

Clerk

OWNER(S)

WIESLAW DUMIN
____

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STATE OF ILLINOIS)

) SS.

COUNTY OF LAKE)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, do hereby certify, that WIESLAW DUMIN, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such Owner, he signed and delivered the said instrument as Owner of said 2045 RIVERWOODS RD.

Given under my hand and seal this 1st day of August, 2016.

Candyce L. Normandy

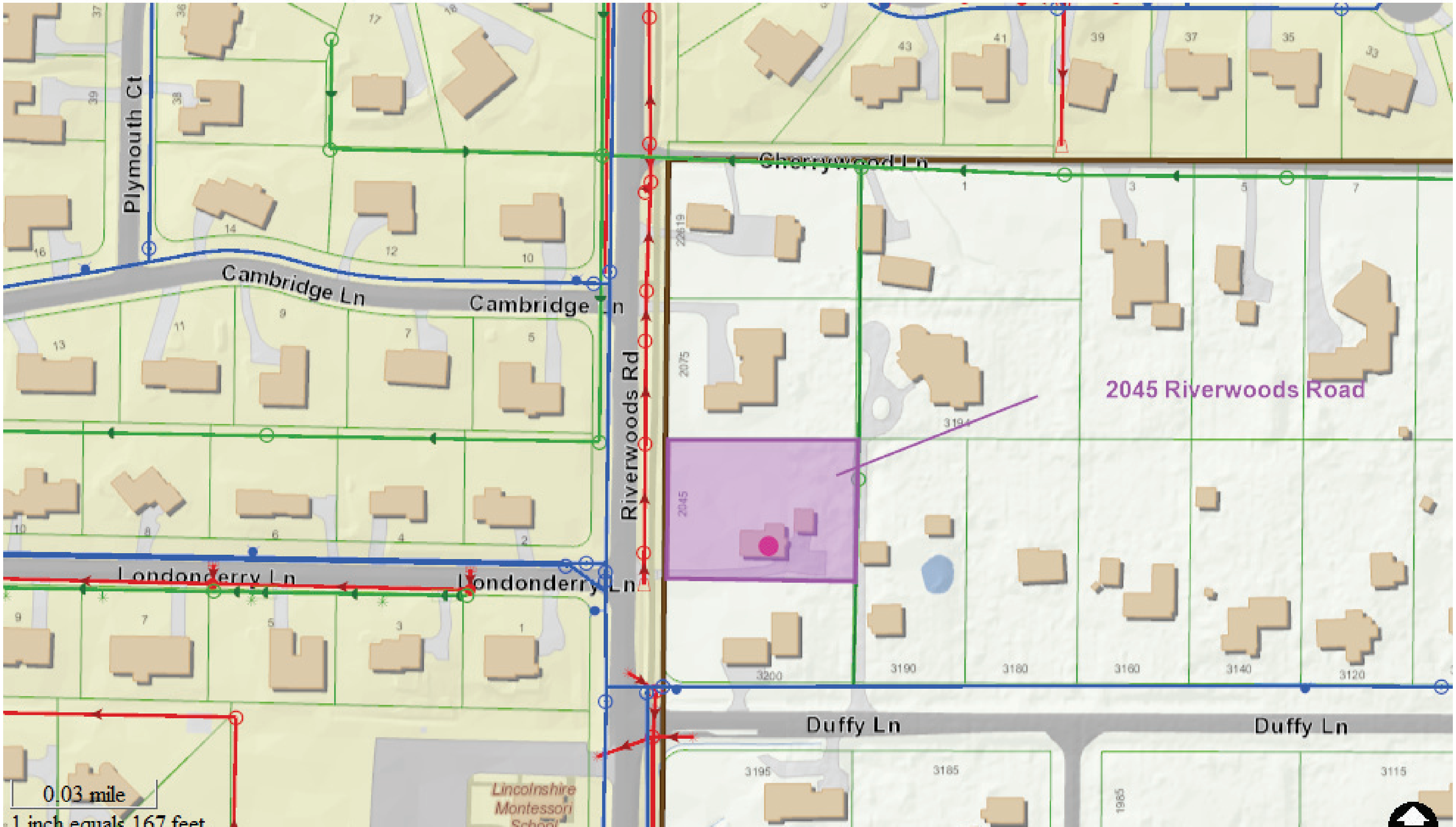
Notary Public

Wieslaw Dumin

Owner Signature (s)

"OFFICIAL SEAL"
CANDYCE L. NORMANDY
NOTARY PUBLIC, STATE OF ILLINOIS
My Commission Expires 11/29/2018

GIS consortium MapOffice™



Map created on September 1, 2016.

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Agenda Item
3.32 COW

REQUEST FOR BOARD ACTION
Committee of the Whole
September 12, 2016

Subject:	2016 Pipe Lining for Sanitary and Storm Sewers Project – Supplemental Appropriation
Action Requested:	Consideration of a Supplemental Appropriation to Expand the Contract for the 2016 Sanitary and Storm Sewer Lining Project with Hoerr Construction of Peoria, Il, in an Amount Not to Exceed $133,566.50 (Village of Lincolnshire)
Originated By/Contact:	Walter Dittrich, P.E., Assistant Public Works Director/Village Engineer
Referred To:	Mayor and Board of Trustees

Summary / Background:
In April of 2016, the Village Board approved a contract for sanitary and storm sewer slip lining with Hoerr Construction in the amount of $89,580.10. Since the time the contract was awarded, staff has identified additional critical locations in need of slip lining. After a Staff review of sanitary and storm sewer televising, Staff recommends an additional 908 linear feet of lining in order to prevent future maintenance issues. The additional sanitary and storm sewers are located on Oxford Lane and Indian Creek Road near Port Clinton Road. The revised not to exceed value of the contract would be $133,566.50. The contractor has agreed to include these areas using the previously awarded unit prices.

Storm/Sanitary Sewer Lining	Linear Feet	Funding
Previously Approved Lining	2,779 Linear Feet	$87,180.10
Connections	23 Each	$2,400.00
Additional Lining	*908 Linear Feet*	*$42,861.40*
Additional Connections	*15 Each*	*$1,125.00*
Previously Approved Totals	2,779 Linear Feet (plus connections)	$89,580.10
Proposed Additional Totals	*908 Linear Feet (plus connections)*	*$43.986.40*
Proposed Total Project Cost	**3,687 Linear Feet**	**$133.566.50**

Budget Impact:
The total increase to the original contract would be an additional $43,986.40. The additional sanitary lining in the amount of $25,626.40 can be accommodated within the 2016 budget for this line item. The additional $18,360.00 for the storm sewer lining can be accommodated from the drainage improvements line item originally budgeted for the 2016 street resurfacing project as staff was able to eliminate some storm sewer work by replacing curb and gutter (which was a less expensive alternative) to better convey drainage in some areas.

Service Delivery Impact:
No Change

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Agenda Item
3.32 COW

Recommendation:
Staff requests that the Mayor and Board of Trustees place this item on the September 26, 2016, Consent Agenda for approval.

Reports and Documents Attached:
- *None*

Meeting History	
Initial Referral to Village Board (COW):	**September 12, 2016**
Regular Village Board Meeting:	**September 26, 2016**

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Village of Lincolnshire

Agenda Item
3.33 COW

REQUEST FOR BOARD ACTION
Committee of the Whole
September 12, 2016

Subject:	Discussion of a Comprehensive Pedestrian Plan (Village of Lincolnshire)
Action Requested:	Informational and Discussion
Originated By/Contact:	Walter Dittrich, Assistant Public Works Director / Village Engineer
Referred To:	Village Board

Summary / Background

One of the Fiscal Year 2016 Goals was to create a comprehensive pedestrian plan for the Village Downtown and commercial corridors including; lighting, landscaping, street furniture elements and thematic design. This year, staff has focused on developing a plan for where side paths and sidewalks could be installed along the Milwaukee Avenue corridor. This was focused on as IDOT is currently preparing to begin working on the next phase of the design for its US 45 Improvement Project which will encompass much of the Milwaukee Avenue Corridor within the Village. These improvements will be part of a Letter of Intent that IDOT is seeking the Village's concurrence on which will be discussed with the Board at a future meeting. Also, with the pending construction of a shared use path along Milwaukee Avenue and Riverside Road by Pulte's development at Camberly Club, there is a need to prioritize where additional improvements along Milwaukee Avenue could be made.

In 2009, the Village completed a comprehensive corridor plan for Milwaukee Avenue that included nearly $10 million in landscaping, signage, lighting, and street furniture. Once a concept for the installation of paths/sidewalks is finalized, these concepts could be re-evaluated/prioritized for inclusion in future Capital plans.

Budget Impact

The conceptual cost of the improvements being proposed within the limits of IDOT's plan are approximately $235,000 (Village share=$25,000) for construction and engineering. The conceptual cost of the construction of the remaining paths along Milwaukee Avenue in the plan are approximately $560,000 for construction and engineering. Pedestrian crossings of Milwaukee Avenue would cost approximately $100,000-$150,000 depending on the final requirements for each location.

Recommendation

N/A – Discussion only.

Reports and Documents Attached

- Conceptual Milwaukee Avenue Pedestrian Plan

Meeting History	
Village Board (COW):	**September 12, 2016**
Regular Village Board Meeting:	**TBD**

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