VILLAGE OF LA GRANGE

BOARD MEETING

MONDAY, OCTOBER 28, 2013

7:30 p.m.

Village Hall Auditorium
53 South La Grange Road
La Grange, IL 60525

Thomas E. Livingston
Village President

John Burns
Village Clerk

VILLAGE OF LA GRANGE
BOARD OF TRUSTEES REGULAR MEETING

Village Hall Auditorium
53 South La Grange Road
La Grange, IL 60525

AGENDA

Monday, October 28, 2013 – 7:30 p.m.

1. CALL TO ORDER, ROLL CALL, PLEDGE OF ALLEGIANCE

   Trustee Holder
   Trustee Kuchler
   Trustee Langan
   Trustee McCarty
   Trustee Nowak
   Trustee Palermo
   President Livingston

2. PRESIDENT'S REPORT

   This is an opportunity for the Village President to report on matters of interest or concern to the Village.

3. PUBLIC COMMENTS REGARDING AGENDA ITEMS

   This is the opportunity for members of the audience to speak about matters that are included on this Agenda.

4. OMNIBUS AGENDA AND VOTE

   Matters on the Omnibus Agenda will be considered by a single motion and vote because they already have been considered fully by the Board at a previous meeting, or have been determined to be of a routine nature. Any member of the Board of Trustees may request that an item be moved from the Omnibus Agenda to Current Business for separate consideration.

   A. Ordinance – Resubdivision of Lots, 301 South Waiola

   B. Ordinance – Creating an Additional Class C-2 Liquor License, Zin Man, LLC d/b/a Vino e Birra, 18 W. Burlington Avenue

   C. Request to Purchase – Public Works Department / Equipment Replacement (3) F250 Pick-Up Trucks

   D. Minutes of the Village of La Grange Board of Trustees Regular Meeting, Monday, October 14, 2013

   E. Consolidated Voucher 131028

5. CURRENT BUSINESS

This agenda item includes consideration of matters being presented to the Board of Trustees for action.

A. Ordinance – Text Amendment – Comprehensive Sign Plan For Commercial Buildings: *Referred to Trustee Holder*

6. MANAGER'S REPORT

This is an opportunity for the Village Manager to report on behalf of the Village Staff about matters of interest to the Village.

A. Pension Workshop

7. PUBLIC COMMENTS REGARDING MATTERS NOT ON AGENDA

This is an opportunity for members of the audience to speak about Village related matters that are not listed on this Agenda.

8. EXECUTIVE SESSION

The Board of Trustees may decide, by a roll call vote, to convene in executive session if there are matters to discuss confidentially, in accordance with the Open Meetings Act.

9. TRUSTEE COMMENTS

The Board of Trustees may wish to comment on any matters.

10. ADJOURNMENT

The Village of La Grange is subject to the requirements of the Americans with Disabilities Act of 1990. Individuals with disabilities who plan to attend this meeting and who require certain accommodations so that they can observe and/or participate in this meeting, or who have questions, regarding the accessibility of the meeting or the Village's facilities, should contact the Village's ADA Coordinator at (708) 579-2315 promptly to allow the Village to make reasonable accommodations for those persons.

OMNIBUS VOTE

VILLAGE OF LA GRANGE
Community Development Department

BOARD REPORT

TO: Village President, Board of Trustees
Village Clerk and Village Attorney

FROM: Robert J. Pilipiszyn, Village Manager
Patrick D. Benjamin, Community Development Director
Angela Mesaros, Assistant Community Development Director

DATE: October 28, 2013

RE: **ORDINANCE – RESUBDIVISION OF LOTS, 301 SOUTH WAIOLA**

Jonathan and Elizabeth Asperger, owners of 301 S. Waiola, have applied for a resubdivision of their property. The property is within the R-4 Single Family Residential Zoning District and currently exists as two lots of record equaling a 194 foot zoning lot.

The owners of 301 S. Waiola wish to resubdivide the lot of record into two conforming lots. The resulting lots will be 119 feet by 135.42 feet and 75 feet by 135.42 feet.

On October 8, 2013, the Plan Commission held a public meeting regarding this application. Having found that the proposed resubdivision meets the requirements of all applicable codes, the Plan Commission unanimously recommended that the Village Board approve the resubdivision of 301 S. Waiola as presented.

Staff concurs with the recommendation of the Plan Commission and has prepared the necessary ordinance for your consideration.

ORDINANCE NO. O-13-

AN ORDINANCE APPROVING THE RESUBDIVISION
OF
ASPERGER'S RESUBDIVISON

PUBLISHED IN PAMPHLET FORM BY AUTHORITY OF THE BOARD OF TRUSTEES OF THE VILLAGE OF LA GRANGE, COUNTY OF COOK, STATE OF ILLINOIS, THIS _________ DAY OF _______________________, 2013

WHEREAS, Jonathan and Elizabeth Asperger, owners of the property at 301 South Waiola, legally described as follows:

> Lot 23, 24, 25 and 26 in block 10 in Lay and Lyman's Subdivision of the west ½ of the southwest ¼ of Section 4, Township 38 North, Range 12, east of the Third Principal Meridian, in Cook County, Illinois.

have applied for, and presented a plat of resubdivision of the above referenced properties; and

WHEREAS, the Plan Commission has recommended to the Village Board of Trustees that said resubdivision be allowed; and

WHEREAS, the Village Board of Trustees has determined that said resubdivision may be granted without substantially impairing the general purposes and intent of the Comprehensive Plan of the Village of La Grange;

NOW THEREFORE BE IT ORDAINED THAT THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF LA GRANGE, COUNTY OF COOK, STATE OF ILLINOIS:

SECTION 1: The resubdivision is hereby approved, pursuant to the specification set forth on the plat of resubdivision attached hereto and made a part hereof. The Village President, Clerk and other Village Officers are hereby authorized to execute said plat of resubdivision.

SECTION 2: This ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form for review at the La Grange Offices and the La Grange Public Library.

PASSED AND APPROVED this _________ day of ____________________, 2013.

AYES: ______________________________

NAYS: ______________________________

ABSENT: ______________________________

____
Thomas E. Livingston, Village President

ATTEST:

____
John Burns, Village Clerk

S T A F F   R E P O R T

RESUBDIVISION CASE #161

TO: Plan Commission

FROM: Patrick Benjamin, Community Development Director
Angela Mesaros, Assistant Community Development Director

DATE: October 8, 2013

RE: **RESUBDIVISION OF LOTS, 301 SOUTH WAIOLA**

Jonathan and Elizabeth Asperger have applied for a subdivision of their property located at 301 South Waiola. The property currently consists of one lot of record equaling 26,271.48 square feet that is located within the R-4 Single Family Residential Zoning District.

A single family residence and detached garage currently exist on the northern most portion of the subject lot and will not encroach onto the newly created lot or into any required yard.

The owner wishes to resubdivide the lot of record into two lots. The resulting lots will be 119 feet by 135.42 feet and 75 feet x 135.42.These parcels, should they be resubdivided, would yield two conforming lots (see chart below).

BULK, YARD AND SPACE REQUIREMENTS - R-4 DISTRICT			
	Requirement	**Proposed Lot #1**	**Proposed Lot #2**
Minimum Lot Area	6,000 ft^2	16,114.98 ft^2	10,156.50 ft^2
Minimum Lot Width	50 ft.	119 ft.	75 ft.

RECOMMENDATION

Due to the fact that the two lots created by this resubdivision would conform to the current Zoning Code and Subdivision Code, staff finds no reason to deny the application.

VILLAGE OF LA GRANGE
53 S. La Grange Road, La Grange, IL 60525
Phone (708) 579-2320 Fax (708) 579-0980

APPLICATION for RESBUDIVISION/CONSOLIDATION of LOTS

Application No.: 161

Date Filed: 10/3/13

TO THE PLAN COMMISSION
VILLAGE OF LA GRANGE, ILLINOIS

1. APPLICATION IS HEREBY MADE BY JONATHAN AND ELIZABETH ASPERGER
2. Address 301 S. WAIOLA AVE. Phone Work: 708.352.5001
   City LA GRANGE Home: 708.352.6968
3. For Property Located at: 301 S. WAIOLA AVENUE La Grange, IL
4. Permanent Real Estate Index Number(s):
   18-04-317-003 18-04-317-001
   18-04-317-002 18-
5. Resubdividing Lot Numbers and Dimensions:
   A LOTS 23, 24, 25 AND 26 IN BLOCK 10 (APPROX. DIMENSION: 194 X 135)
   C [LOTS 23 and 24 (50'x135' EACH) LOTS 25 AND 26 (94'x135')]
6. To Lot Numbers and Dimensions:
   A LOT 1 (APPROX. 119' x 135') B LOT 2 (APPROX. 75' x 135')
   C D
7. Reason for Resubdivision/Consolidation: SALE OF 75' PARCEL FOR DEVELOPMENT OF SINGLE FAMILY HOME

THE FOLLOWING MUST BE SUBMITTED WITH THE APPLICATION IN ORDER TO BEGIN THE PROCESS:

A. Plat of Survey.
B. Linen Plat of Consolidation/Resubdivision (including consent of mortgagee, if applicable).
C. If Property is in Trust, letter of direction from Trustee to Trust Company approving resubdivision/consolidation.
D. Applicable fee - $50.00

I acknowledge that Village staff will prepare a report with a recommendation to the Plan Commission prior to my hearing. I understand that this report will be available for my viewing the Friday prior to my hearing and it is my responsibility to contact the Village to view this report or obtain a copy.

____
SIGNATURE

FOR VILLAGE USE ONLY:

Filed with the Community Development Department: 10-3, 13.

Transmitted to Plan Commission at Meeting Held: 10-8, 13.

Findings and Recommendations of Plan Commission referred to Village Board at meeting of

_______________, _______.

_______________ **APPROVED**

_______________ **DENIED**

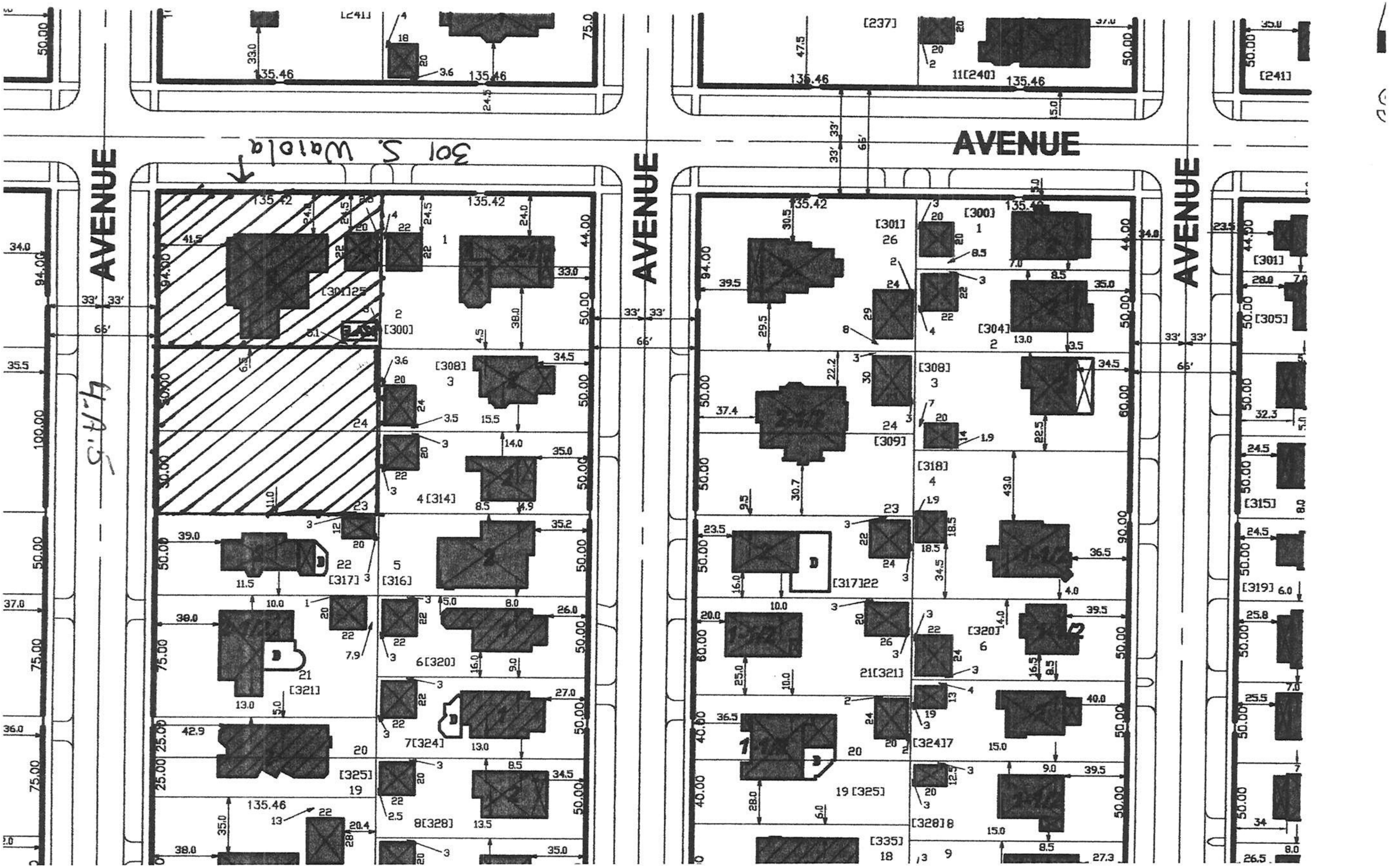
Original Returned to Owner to be Filed with Cook County Recorder of Deeds:

Date: _______________, _______.

Copies to Community Development Director, Village Engineer and Village Clerk's Office

Date: _______________, _______.

C:\CD Forms\Resub.app


AVENUE
AVENUE
AVENUE
AVENUE
301 S. Waiola
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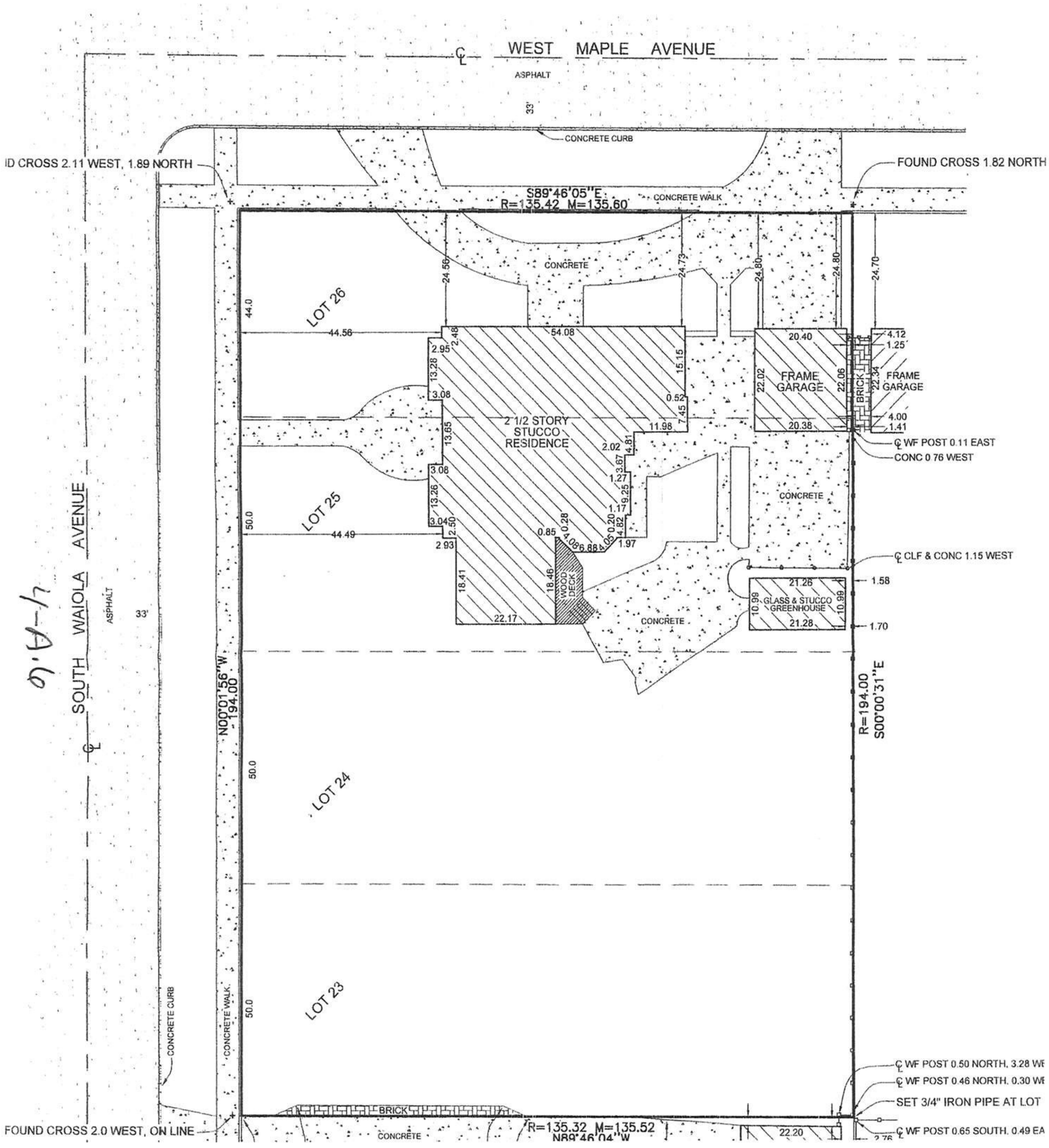
[328]
[335]
135.46
135.42
33'
66'


WEST MAPLE AVENUE
ASPHALT
33'
CONCRETE CURB
ID CROSS 2.11 WEST, 1.89 NORTH
FOUND CROSS 1.82 NORTH
S89°46'05"E
R=135.42 M=135.60
CONCRETE WALK
CONCRETE
LOT 26
LOT 25
LOT 24
LOT 23
2 1/2 STORY STUCCO RESIDENCE
FRAME GARAGE
BRICK
FRAME GARAGE
WOOD DECK
GLASS & STUCCO GREENHOUSE
CONCRETE
WF POST 0.11 EAST
CONC 0.76 WEST
CLF & CONC 1.15 WEST
SOUTH WAIOLA AVENUE
ASPHALT
33'
N00°01'56"W 194.00
R=194.00 S00°00'31"E
CONCRETE CURB
CONCRETE WALK
WF POST 0.50 NORTH, 3.28 WE
WF POST 0.46 NORTH, 0.30 WE
SET 3/4" IRON PIPE AT LOT
WF POST 0.65 SOUTH, 0.49 EA
FOUND CROSS 2.0 WEST, ON LINE
BRICK
CONCRETE
R=135.32 M=135.52
N89°46'04"W

• BOUNDARY • TOPOGRAPHICAL • SUBDIVISIONS • ALTA/ACSM • CONDOMINIUMS • SITE PLANS • CONSTRUCTION • FEMA CERTIFICATES •

SCHOMIG LAND SURVEYORS, LTD.

909 EAST 31ST STREET
LA GRANGE PARK, ILLINOIS 60526
SCHOMIG-SURVEY@SBCGLOBAL.NET
WWW.LAND-SURVEY-NOW.COM
PHONE: 708-352-1452
FAX: 708-352-1454

PLAT OF SURVEY

LOT 2 IN ASPERGER'S RE-SUBDIVISION OF LOTS 23, 24, 25 AND 26 IN BLOCK 10 IN LAY AND LYMAN'S SUBDIVISION OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 4, TOWNSHIP 38 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMON ADDRESS: VACANT LOT ON SOUTH WAIOLA AVENUE, LA GRANGE.

THE CUSTOMER LISTED BELOW PROVIDED THE LEGAL DESCRIPTION SHOWN HEREON. WE DO NOT GUARANTEE THAT THIS IS THE CORRECT LEGAL DESCRIPTION FOR THE TRANSACTION INTENDED.

IMPORTANT: COMPARE LEGAL DESCRIPTION TO DEED OR TITLE POLICY AND REPORT ANY DISCREPANCY FOR CLARIFICATION OR CORRECTION IMMEDIATELY. UNLESS OTHERWISE NOTED, THIS PLAT DOES NOT SHOW BUILDING LINES OR OTHER RESTRICTIONS ESTABLISHED BY LOCAL ORDINANCES.

DO NOT SCALE DIMENSIONS FROM THIS PLAT; THE LOCATION OF SOME FEATURES MAY BE EXAGGERATED FOR CLARITY. NO EXTRAPOLATIONS MAY BE MADE FROM THE INFORMATION SHOWN WITHOUT THE WRITTEN PERMISSION OF SCHOMIG LAND SURVEYORS LTD. ONLY PLATS WITH AN EMBOSSED SEAL ARE OFFICIAL DOCUMENTS. FIELD WORK WAS COMPLETED PER SURVEY DATE LISTED BELOW.

SURVEY DATE: SEPTEMBER 26TH, 2013.

BUILDING LOCATED: VACANT LOT

ORDERED BY: JONATHAN & ELIZABETH ASPERGER

PLAT NUMBER: 90V9-2 & 132023   SCALE: 1" = 20'   4.A.7

N

LEGEND

M.	= MEASURED DIMENSION	℄	= CENTER LINE
R.	= RECORDED DIMENSION	C.L.F.	= CHAIN LINK FENCE -o-o-o-
B.L.	= BUILDING LINE	W.F.	= WOOD FENCE -▫-▫-▫-
P.U.E.	= PUBLIC UTILITY EASEMENT	V.F.	= VINYL FENCE -▿-▿-▿-
D.E.	= DRAINAGE EASEMENT	I.F.	= IRON FENCE -X-X-X-

STATE OF ILLINOIS) ss.
COUNTY OF COOK)

LOT AREA: 10,165 SQUARE FEET.

WE, SCHOMIG LAND SURVEYORS, LTD. AS AN ILLINOIS PROFESSIONAL DESIGN FIRM, LAND SURVEYOR CORPORATION, DO HEREBY CERTIFY THAT WE HAVE SURVEYED THE PROPERTY DESCRIBED HEREON.

ALL DIMENSIONS ARE IN FEET AND DECIMAL PARTS OF A FOOT. DIMENSIONS SHOWN ON BUILDINGS ARE TO THE OUTSIDE OF BUILDINGS. THE BASIS OF BEARINGS, IF SHOWN AND UNLESS OTHERWISE NOTED, ARE ASSUMED AND SHOWN TO INDICATE ANGULAR RELATIONSHIP OF LOT LINES.

THIS PROFESSIONAL SERVICE CONFORMS TO THE CURRENT ILLINOIS *MINIMUM STANDARDS FOR A BOUNDARY SURVEY.*

BY: Russell W. Schomig
PROFESSIONAL ILLINOIS LAND SURVEYOR LICENSE # 035-002446

SCHOMIG LAND SURVEYORS LTD. PROFESSIONAL DESIGN FIRM 184-002767 909 E. 31st ST. LaGRANGE PARK, IL 60526 RUSSELL W. SCHOMIG 035-002446 PROFESSIONAL LAND SURVEYOR STATE OF ILLINOIS

LICENSE EXPIRATION
11-30-2014

• BOUNDARY • TOPOGRAPHICAL • SUBDIVISIONS • ALTA/ACSM • CONDOMINIUMS • SITE PLANS • CONSTRUCTION • FEMA CERTIFICATES •

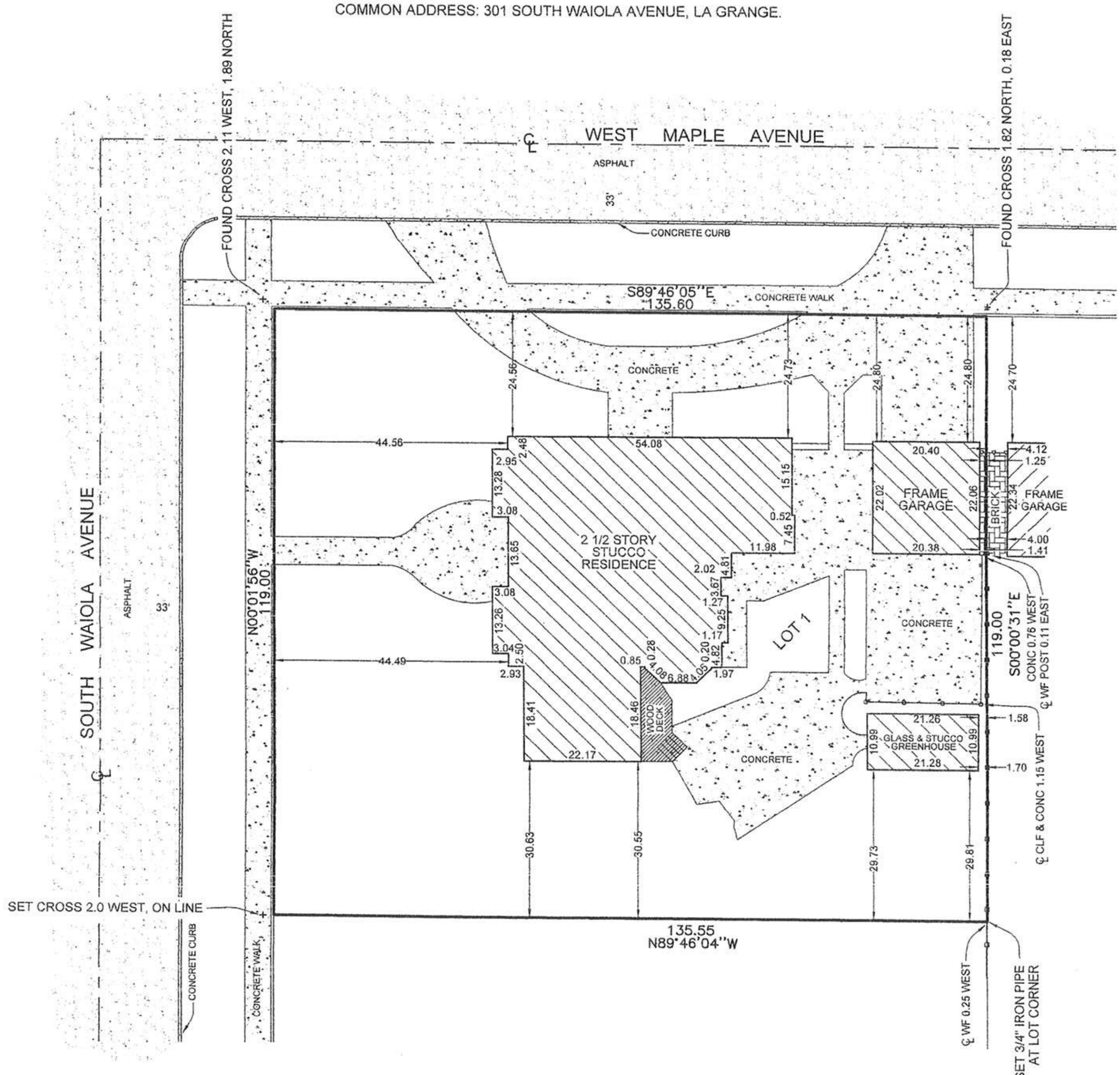
SCHOMIG LAND SURVEYORS, LTD.

PLAT OF SURVEY

909 EAST 31ST STREET
LA GRANGE PARK, ILLINOIS 60526
SCHOMIG-SURVEY@SBCGLOBAL.NET
WWW.LAND-SURVEY-NOW.COM
PHONE: 708-352-1452
FAX: 708-352-1454

LOT 1 IN ASPERGER'S RE-SUBDIVISION OF LOTS 23, 24, 25 AND 26 IN BLOCK 10 IN LAY AND LYMAN'S SUBDIVISION OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 4, TOWNSHIP 38 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMON ADDRESS: 301 SOUTH WAIOLA AVENUE, LA GRANGE.



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SURVEY DATE: SEPTEMBER 26TH, 2013.

BUILDING LOCATED: SEPTEMBER 28TH, 2013.

4-A.8

ORDERED BY: JONATHAN & ELIZABETH ASPERGER

PLAT NUMBER: 90V9-1 & 132023 SCALE: 1" = 20'

N

LEGEND

M.	= MEASURED DIMENSION	℄	= CENTER LINE
R.	= RECORDED DIMENSION	C.L.F.	= CHAIN LINK FENCE —o—o—o—
B.L.	= BUILDING LINE	W.F.	= WOOD FENCE —o—o—o—
P.U.E.	= PUBLIC UTILITY EASEMENT	V.F.	= VINYL FENCE —v—v—v—
D.E.	= DRAINAGE EASEMENT	I.F.	= IRON FENCE —X—X—X—

STATE OF ILLINOIS) ss.
COUNTY OF COOK)

LOT AREA: 16,133 SQUARE FEET.

WE, SCHOMIG LAND SURVEYORS, LTD. AS AN ILLINOIS PROFESSIONAL DESIGN FIRM, LAND SURVEYOR CORPORATION, DO HEREBY CERTIFY THAT WE HAVE SURVEYED THE PROPERTY DESCRIBED HEREON.

ALL DIMENSIONS ARE IN FEET AND DECIMAL PARTS OF A FOOT. DIMENSIONS SHOWN ON BUILDINGS ARE TO THE OUTSIDE OF BUILDINGS. THE BASIS OF BEARINGS, IF SHOWN AND UNLESS OTHERWISE NOTED, ARE ASSUMED AND SHOWN TO INDICATE ANGULAR RELATIONSHIP OF LOT LINES.

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SCHOMIG LAND SURVEYORS LTD. PROFESSIONAL DESIGN FIRM 184-002767 909 E. 31st ST. LaGRANGE PARK, IL 60526 RUSSELL W. SCHOMIG 035-002446 PROFESSIONAL LAND SURVEYOR STATE OF ILLINOIS

LICENSE EXPIRATION 11-30-2014

BY: Russell W Schomig
PROFESSIONAL ILLINOIS LAND SURVEYOR LICENSE # 035-002446

VILLAGE OF LA GRANGE
Administrative Offices
BOARD REPORT

TO: Village President, Village Clerk,
Village Board of Trustees and Village Attorney

FROM: Robert J. Pilipiszyn, Village Manager
Andrianna Peterson, Assistant Village Manager

DATE: October 28, 2013

RE: **ORDINANCE - CREATING AN ADDITIONAL CLASS C-2 LIQUOR LICENSE ZIN MAN LLC d/b/a VINO E BIRRA, 18 W BURLINGTON AVENUE**

The Village received an application for a Class C-2 Wine Boutique license from Zin Man, LLC d/b/a Vino e Birra, at 18 W. Burlington Avenue. The application arises from a change of ownership. A Class C-2 License authorizes a wine boutique to sell wine and beer in its original packaging for consumption off the licensed premises. It also allows the sale and service of wine by the glass and tastings of wines and beers subject to conditions provided in the liquor code.

Those conditions include a limit on the number of customers who may be drinking at the same time, being the number of then-available chairs on which customers may be seated. The number of chairs is limited to 16. No more than two glasses of wine may be served to any customer within the licensed premises on any one day. The C-2 License does not authorize sale of beer by the glass.

The licensee must secure, maintain, and provide evidence to the Village that it has insurance coverage. A background check and proof of sellers and servers training is also required. In addition, the licensed premises for a Class C-2 License cannot exceed 3,000 square feet.

On Monday, October 21, 2013, the Liquor Commission met to review the application submitted by Zin Man, LLC d/b/a Vino e Birra. Prior to that meeting, the Village had conducted a background investigation which did not produce any information which would preclude the issuance of a liquor license. It was the recommendation of the Liquor Commission that (a) the Village Board of Trustees create a new Class C-2 Liquor License and (b) that the Liquor Commissioner issue that license to Zin Man, LLC d/b/a Vino e Birra, located at 18 W. Burlington Avenue. (A copy of the minutes from that meeting is attached for your reference. Also attached for your information is a list of current liquor license holders and classifications).

Attached for your consideration is a proposed ordinance creating an additional Class C-2 liquor license. If approved, the previous license for Vino e Birra will automatically be rescinded. If the ordinance is approved, the Liquor Commissioner intends to issue the Class C-2 License to Zin Man, LLC d/b/a Vino e Birra.

We recommend that the proposed ordinance be approved.

VILLAGE OF LA GRANGE

ORDINANCE NO. O-13- ___

AN ORDINANCE CREATING AN ADDITIONAL
CLASS C-2 WINE BOUTIQUE LIQUOR LICENSE

WHEREAS, Chapter 111 of the La Grange Code of Ordinances provides for a category of liquor license known as a Class C-2 Wine Boutique License; and

WHEREAS, a Class C-2 Wine Boutique License authorizes a wine boutique to sell wine and beer in its original packaging for consumption off the licensed premises, and to offer customers the limited tastings of bottled wines and beers subject to certain conditions as provided in the liquor code of ordinances; and

WHEREAS, the Village received an application for a Class C-2 license from Zin Man, LLC d/b/a Vino e Birra, for the wine shop located at 18 W. Burlington Avenue; and

WHEREAS, the La Grange Liquor Commission has recommended creation of a new Class C-2 license, and the La Grange Liquor Commissioner has indicated her intention to grant a Class C-2 license for Zin Man, LLC d/b/a Vino e Birra wine boutique if the Board of Trustees creates that license; and

WHEREAS, the President and the Board of Trustees have determined that it is in the best interests of the Village that a new Class C-2 license be created for Zin Man, LLC d/b/a Vino e Birra wine boutique;

NOW THEREFORE BE IT ORDAINED by the President and Board of Trustees of the Village of La Grange, Cook County and State of Illinois, as follows:

Section 1. – Recitals. The foregoing recitals are incorporated into this Ordinance as findings of the President and Board of Trustees.

Section 2. – Creation of a New Class C-2 Liquor License. The President and Board of Trustees, pursuant to their authority under State law and Section 111.16 of the La Grange Code of Ordinances, hereby increase the number of Class C-2 Liquor Licenses by one additional license. That new license will be added to the record of issued and/or current licenses which is kept in the office of the Village Clerk.

Section 3. – Effective Date. This Ordinance will be in full and force and effect from and after its passage and approval. This Ordinance shall be published in pamphlet form in the manner provided by law.

PASSED this _____ day of October, 2013.

AYES: ______________________________

NAYS: ______________________________

ABSENT: ______________________________

APPROVED this ______ of October 2013.

____
Thomas E. Livingston, Village President

ATTEST: ______________________________
John Burns, Village Clerk

4-B.1

LA GRANGE LIQUOR COMMISSION
SPECIAL MEETING

53 South La Grange Road
First Floor Conference Room
La Grange, IL 60525

Monday, October 21, 2013 – 6:30 p.m.

MINUTES

1. Call to Order and Roll Call

The special meeting of the La Grange Liquor Commission was called to order at 6:38 p.m. by Liquor Commissioner Tom Livingston.

Present and constituting a quorum: Liquor Commissioner Tom Livingston and Commissioner Mark Kuchler

Absent: Commissioner Mark Langan

Also present: Assistant Village Manager Andrianna Peterson

2. Approval of the Minutes

It was moved by Commissioner Kuchler and seconded by Commissioner Livingston to approve the minutes of August 26, 2013, as submitted. The motion carried on a voice vote.

3. Liquor License Request – Zin Man LLC d/b/a Vino e Birra

Commissioner Livingston welcomed applicants John and Maria Hutzler and asked them to explain their proposed business concept. Mr. Hutzler stated that they plan to build on the existing wine boutique business known as Vino e Birra at 18 W. Burlington Avenue. Wine has been Mr. Hutzler's hobby for 30 years and he believes that the current business has strong growth potential.

Commissioner Kuchler asked the applicants to explain how the sales of wine by the glass fit into their proposed business model, reminding the applicants that the license only allows for a retail establishment and not a wine bar. Mr. Hutzler explained that they expect to sell very little wine by the glass and only as allowed by the Village's liquor regulations. They do not intend to operate a wine bar. They will allow tastings as allowed by Village regulations only to allow customers to taste wines at different prices. Sales of wine by the glass will be targeted toward groups of two or more customers, to reduce waste.

Commissioner Kuchler asked why the applicants chose La Grange for their business. Mr. Hutzler stated that they were interested in the business originally because it was available at an attractive

4-B.2

price. They researched the community and think it to be an ideal location for a wine retail business given its demographics and small number of wine retailers. Mr. Hutzler noted that because his store is small, he will be able to taste everything in the store and provide customized recommendations regarding the wines and wine pairings.

Commissioner Kuchler asked about hours of operation. Mr. Hutzler indicated that they plan to keep the existing hours of about 42 hours a week. Mr. and Mrs. Hutzler will operate the business as a team.

Commissioner Kuchler noted that previous owners of the business have had challenges. He stated that the Village wants the business to be successful but that it must comply with the Village's liquor regulations. Mr. Hutzler stated that this small wine shop can be successful without increasing sales of wine by the glass when the focus is on personalized customer education. This is the approach he will take different from the previous owners.

Mr. Hutzler stated that if his application is approved, then they expect a smooth transition of ownership soon after receiving their State license.

It was moved by Commissioner Kuchler and seconded by Commissioner Livingston that the Liquor Commission recommend (a) that the Village Board of Trustees create one new Class C-2 Liquor License and (b) that the Liquor Commissioner issue that license to the new owners of Vino e Birra at 18 West Burlington Avenue.

Commissioner Livingston stated that the recommendation would be made to the Village Board at its next regularly scheduled meeting on October 28, 2013.

4. Other Business

None.

5. Adjournment

It was moved by Commissioner Kuchler and seconded by Commissioner Livingston that the meeting of the Liquor Commission be adjourned. The motion carried on a voice vote and the meeting was adjourned at 6:56 p.m.

Submitted by:
Andrianna Peterson
Assistant Village Manager

Date Approved:

LIQUOR LICENSE HOLDERS - 2013-14
NEW CLASS (#O-09-22) Approved 08/10/09 Amended (#O-11-05) Approved 02/28/11

Class A-1 ($500) — Restaurant License serving beer and wine only, providing that more than 60% of the revenue is from the sale of food; allows consumption of bring-your-own.

Antonino's	701 West Hillgrove Avenue
Armand's Pizzeria	26 S. La Grange Road
Back Alley Burger	1 S. La Grange Road
Fireside Wood Fired Pizza	18 W. Harris Avenue
Grapevine	9 West Hillgrove Avenue
Lucca's Pizzeria	108 West Burlington Avenue
Noodles & Company	1 East Burlington Avenue
Q Barbeque	70 S. La Grange Road
Smashburger	1 N. La Grange Road, #A
Sushi House	120 B West Calendar
Wild Monk	88 S. La Grange Road
Yau's Place	110 W. Burlington

Class A-2 ($2,000) — Restaurant License selling a full-line of alcoholic beverages and includes a lounge or bar area, providing that more than 60% of the revenue is from the sale of food; allows consumption of bring-your-own.

Al's Char House	32 South La Grange Road
Aurelio's Pizza	11 W. Calendar Avenue
Bacino's	36 South La Grange Road
Casa Margarita	32 South La Grange Road
Chequers	100 West Burlington Avenue
Francesca's	75 South La Grange Road
Kama Indian Bistro	9 South La Grange Road
Magic Wok	23 West Harris Avenue
Marconi's	15 Calendar Avenue
Nicksons	30 S. La Grange Road
Palmer Place	56 South La Grange Road
Santiago's Mexican Cocina	22 W. Calendar Avenue
Thipi Thai	25 West Calendar Avenue
Woow Sushi	33 S. La Grange Road

Class A-3 ($1,250) — Restaurant License selling a full-line of alcoholic beverages but includes only a service bar, providing that more than 60% of the revenue is from the sale of food; allows consumption of bring-your-own.

Chipotle Mexican Grill, Inc.	40 N. North La Grange Road
El Picante Mexican Grill, Inc.	50A South La Grange Road
Prasino	93 South La Grange Road

Class B ($500) — General retail sales of beer and wine incidental to other sales.

DeVries Super Market	806 Arlington
Grapevine	9 West Hillgrove Avenue
7-Eleven	6 East 47th Street
Trader Joe's	25 N. La Grange Road
Walgreens	2 N. La Grange Road

Class C-1 ($1,000) — Food boutique allows sales of wine in its original package & sales of wine by the glass; providing that more than 50% of the revenue is from the sale of goods other than liquor.
None

Class C-2 ($1,000) — Wine boutique allows sales of wine and beer in its original package & sales of wine by the glass.

Vino e Birra, Inc.	18 W. Burlington Avenue

Class C-3 ($500) — Retail cabaret for a retail store that also has a cabaret limited to four events per month; providing that more than 50% of the revenue is from the sale of goods other than liquor.
None

Class C-4 ($500) — Movie theater allows sales and service of alcoholic beverages at public or private events; providing that more than 50% of the revenue is from the sale of goods other than liquor.
None

Class D-1 ($150) — Tasting license grocery store (must hold a Class B general retail sales).

Trader Joe's	25 N. La Grange Road

Class D-2 ($150) — Tasting license retail store (must hold a Class B general retail sales).
None

Class D-3 ($150) — Tasting and Wine Club Event (must hold a Class A-1, A-2, or A-3 Restaurant)

Bacino's	36 South La Grange Road

Class F-1 ($500) — Fraternal club allows sales and service of alcoholic beverages and bring-your-own beer and wine.

American Legion	900 South La Grange Road

Class F-2 ($100) — Private membership organization authorizes only service of alcoholic beverages and bring-your-own beer and wine at private events; limited to 4 private events in a calendar year, excluding bring-your-own events.

La Grange Field Club	1314 W. 47th Street

Class G-1 ($500) — General caterer license authorizes the service of alcohol as a part of a catering business that maintains a business facility within the Village providing that more than 60% of the revenue is from the sale of food.

La Belle Gourmet, Ltd.	14 - 16 West Calendar Avenue
Palmer Place	56 South La Grange Road

Class H ($250) — Bring your own beer and wine restaurants (without Class A License).
None

Class H ($100) — Bring your own beer and wine other (in meal preparation services stores; in crafts-making stores; in retail stores having a private event or a structured instruction class).

Ceramic Art Café	26 S. La Grange Road
Bottle & Bottega	1 W. Harris Avenue

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07/17/13

VILLAGE OF LA GRANGE
Department of Public Works

BOARD REPORT

TO: Village President, Village Clerk, Board of Trustees, and Village Attorney

FROM: Robert J. Pilipiszyn, Village Manger
Ryan Gillingham, Director of Public Works

DATE: October 28, 2013

RE: **REQUEST TO PURCHASE – PUBLIC WORKS DEPARTMENT / EQUIPMENT REPLACEMENT (3) F250 PICK-UP TRUCKS**

The Equipment Replacement Fund provides for the routine replacement of equipment on a defined schedule. Replacing equipment at regular intervals allows the Village to operate newer equipment, which lowers costs by reducing maintenance expenditures and providing a greater trade-in value on existing equipment. The cost savings realized by sustaining a newer equipment fleet reduces maintenance costs in both parts and the personnel required to make the repairs. Also, replacing older equipment reduces equipment downtime and increases equipment reliability, which is especially important during emergencies such as water main breaks and snow events.

The FY 2013-14 Village budget provides for the replacement of seven pieces of equipment for the Public Works Department. Specifically, the list of equipment schedule for replacement includes four pick-up trucks, a front end loader, a backhoe and portable sewer camera/TV equipment. The following table details the equipment scheduled for replacement in FY 2013-14 and the budgeted amount.

No.	Year	Vehicle	Budget
12	2009	New Holland W130 Front End Loader	$70,000
18	2004	Ford F250 Pick Up Truck	$27,000
22	2009	Case 580 Loader Backhoe	$90,000
32	2005	Ford F350 Pick Up Truck	$33,000
33	2002	Ford F250 Pick Up Truck (Crew Cab)	$32,000
70	2002	Ford F250 Pick Up Truck with lift gate	$40,000
89	2000	Portable Sewer Camera/ TV Equipment	$53,000

The Village's mechanic performed an assessment of each vehicle scheduled for replacement to determine if the existing vehicle could be extended based on its current condition and expected maintenance. Based on this assessment, staff recommends three of the seven vehicles be replaced. The following detailed analysis provides a description of each piece of equipment, its use within the department, recommendation for replacement, and if recommended for replacement, an analysis of the replacement vehicle and purchase costs.

Vehicle No. 12 – Front End Loader

The front end loaders is one of the most versatile pieces of equipment within the department as it is used for a variety of activities including leaf pickup, water main breaks, snow plowing, brush pickup and other operations. Funding for this vehicle is evenly split between the Public Works and Water Equipment Replacement Fund.

The Village's mechanic has determined the recommended replacement cycle for the front end loader is five years based on the expected wear, trade-in value, and future maintenance.

The existing 2009 New Holland Front End Loader has performed very well for the Department. Maintenance costs for this piece of equipment have been lower than expected. The machine is in good condition and there are no anticipated repairs. Based on this assessment, staff recommends that the existing front end loader be retained for an additional two years. At that time the machine would be re-evaluated for replacement.

Staff will assess the savings and impact to the Equipment Replacement Fund as part of budget development process.

Vehicle No. 18 - 2003 Ford F250 Pick Up Truck

Vehicle No. 18 is a pick-up truck that is primarily utilized to carry equipment and materials to complete tasks in the Central Business District (CBD) such as power washing sidewalks, replacement of sign posts, placement of pedestrian crossing signs and set up for special events. The vehicle is also used for snow plowing operations in the CBD. The Village's mechanic has determined the overall expected useful life of the truck is approximately eight years. The existing truck is a 10 year old 2003 Ford F250 4x4 pick-up truck and has reached the end of its useful life. The truck has 50,935 miles.

Specifically, rust on the vehicle is developing and the interior needs to be reupholstered. The truck needs new tires, tie rod ends, a front end alignment and sway bar links. Additionally, this truck is fitted with a plow that is in need of replacement due to the wear. Specifically, the mold board that holds the cutting wear edge is starting to concave in the middle and the a-frame section of the plow assembly is starting to get stress cracks. Therefore staff recommends replacing this truck as scheduled.

Based on this recommendation, staff obtained pricing for a replacement vehicle through the State of Illinois, Central Management Services (CMS) cooperative purchasing program. The low bid for this truck through CMS was provided by Bob Ridings Ford in Taylorville, IL in the amount of $22,404. Additionally staff requested separate quotes for the snow plow and assembly since we believed we could obtain a more competitive pricing from other vendors. The following table details the quotes received for the snow plow:

Snow Plow for Ford F-250 – Truck No. 18	**Amount**
Regional Truck Equipment, Addison, IL	$4,839
Monroe Truck Equipment, Joliet, IL	$5,184
Bob Ridings, Taylorville, IL (State Purchasing Program)	$5,275

Combining the purchase of the truck through the State's purchasing program with the quotes received for the snow plow, the budget for the replacement of Vehicle No. 18 is as follows:

Replacement Cost	
2014 Ford F250 Truck – Regular Cab	$22,404
Snow Plow	$ 4,839
Estimated Auction Value	($ 6,000)
Total	$21,243
Funding Sources	
FY2013-14 ERF	$27,000

As noted in the above chart, the total replacement cost for Truck No. 18 is $21,243 which is $5,757 under the budgeted amount of $27,000.

<u>Vehicle No. 22 – Backhoe Loader</u>

The loader backhoe is a critical piece of equipment that is primarily used to repair water and sewer main breaks. The backhoe also has a breaker attachment that is used to break through asphalt and concrete pavement. Funding for this vehicle is evenly split between the Water and Sewer Equipment Replacement Funds.

The Village's mechanic has determined the recommended replacement cycle for the backhoe loader is five years based on the expected wear, trade-in value, and future maintenance.

The existing 2009 Case Backhoe Loader has performed well for the Department. Maintenance costs for this piece of equipment have been lower than expected. The machine is in good condition and there are no anticipated repairs. Based on this assessment, staff recommends that the existing backhoe loader be retained for an additional two years. At that time the machine would be re-evaluated for replacement.

Staff will assess the savings and impact to the Equipment Replacement Fund as part of budget development process.

Vehicle No. 32 – 2005 Ford F350 Pick-Up Truck

Vehicle No. 32 is a multi-purpose pick-up truck mainly used by the Village Foreman to oversee and assist in daily operational activities, special events, and for snow plowing in the winter. Additionally the vehicle has an external diesel fuel truck that is used to fill up off site electrical generators. This vehicle is funded under the Public Works Equipment Replacement Fund.

The Village's mechanic has determined the recommended replacement cycle for Vehicle No. 32 is eight years based on the expected wear, trade-in value and future maintenance.

The existing eight year old 2005 F350 Pick-up is in good condition and there are no anticipated major repairs to the vehicle. Based on this assessment, staff recommends that the existing 2005 F350 be retained for an additional two years. At that time the vehicle would be re-evaluated for replacement.

Staff will assess the savings and impact to the Equipment Replacement Fund as part of budget development process.

Vehicle No. 33 - 2002 Ford F250 Pick Up Truck

Vehicle No. 33 is an extended cab pick-up truck that is used in the summer to carry staff and equipment for landscaping work throughout the Village. The truck pulls an 18 foot trailer that carries all the riding mowers. As a separate item, the trailer is 24 years old and in need of replacement as well. The vehicle is also used in the winter to transport staff and equipment to remove snow at the train stations, Village owned facilities, and in the CBD. The truck can carry up to five passengers and has a cargo area in the rear.

The Village's mechanic has determined the overall expected useful life of the truck is approximately eight years. The existing truck is an 11 year old 2002 Ford F250, 4 door crew cab pick-up truck and has reached the end of its useful life. The truck has 47,160 miles. Specifically, the doors, rear tail gate, and wheel well are rusting. Also, the rear bed rubber mounts that hold the bed to the frame are failing. The interior needs to be reupholstered. New rear tires, new shocks, and brakes need to be replaced as well. Therefore staff recommends replacing this truck as scheduled.

Based on this recommendation, staff obtained pricing for a replacement vehicle through the State of Illinois, Central Management Services (CMS) cooperative purchasing program. The low bid for this truck through CMS was provided by Bob Ridings Ford in Taylorville, IL in the amount of $22,449.

The purchase of the truck through the State's purchasing program and the budget for the replacement of Vehicle No. 33 is as follows:

Replacement Cost	
2014 Ford F250 Truck - Crew Cab	$22,449
Flat Bed Trailer	$5,000
Estimated Auction Value	($ 7,000)
Total	$20,449
Funding Sources	
FY2013-14 ERF	$32,000

As noted in the chart above the total expense for the replacement truck is $20,449 which is $11,551 under the budgeted amount of $32,000. The flat bed trailer is planned to be purchased separately from the truck at a later date.

<u>Vehicle No. 70 - 2002 Ford F250 Pick Up Truck</u>

Vehicle No. 70 is a pick-up truck with a rear power lift gate that is used for lifting and transporting heavy objects that cannot be picked up by hand such as sewer frames and grates. The vehicle is also used for stump grinding and for snow plowing operations in the CBD.

The Village's mechanic has determined the overall expected useful life of the truck is approximately eight years. The existing truck is an 11 year old 2002 Ford F250, 4x4 pick-up truck and has reached the end of its useful life. The truck has 64,908 miles. Specifically, the doors, rear fender, lift gate, and the rocker panels are rusting. The interior also needs to be reupholstered. Additionally, this truck is fitted with a plow that is in need of replacement due to the wear from its use. Specifically, the mold board that holds the cutting wear edge is starting to concave in the middle and the a-frame section of the plow assembly is starting to get stress cracks. Therefore staff recommends replacing this truck as scheduled.

Based on this recommendation, staff obtained pricing for a replacement vehicle through the State of Illinois, Central Management Services (CMS) cooperative purchasing program. The low bid for this truck through CMS was provided by Bob Ridings Ford in Taylorville, IL in the amount of $22,179. Additionally staff requested separate quotes for the snow plow assembly and lift gate since we believed we could obtain a more competitive price from another vendor. The following table details the quotes received for the snow plow and lift gate:

Snow Plow for Ford F-250 – Truck No. 70	Amount
Regional Truck Equipment, Addison, IL	$4,839
Monroe Truck Equipment, Joliet, IL	$5,184
Bob Ridings, Taylorville, IL (State Purchasing Program)	$5,275

Lift Gate for Ford F-250 – Truck No. 70	**Amount**
Regional Truck Equipment, Addison, IL	$2,239
Monroe Truck Equipment, Joliet, IL	$3,323
Bob Ridings, Taylorville, IL (State Purchasing Program)	$3,370

Combining the purchase of the truck through the State's purchasing program with the quotes received for the snow plow and lift gate, the budget for the replacement of Vehicle No. 70 is as follows:

Replacement Cost	
2014 Ford F250 Truck – Regular Cab	$22,179
Snow Plow	$ 4,839
Lift Gate	$2,239
Estimated Auction Value	($5,000)
Total	$24,257
Funding Sources	
FY2013-14 ERF	$40,000

As noted in the chart above the total expense for the replacement truck is $24,257 which is $15,743 under the budgeted amount of $40,000.

Equipment No. 90 – Portable Sewer Camera / TV Equipment

The Village uses a portable sewer camera system to televise existing sewers to locate blockages, collapsed sewers, and investigate other sewer problems. The existing sewer camera system is operational, but is an older technology that provides limited views, can only be extended for approximately 100', and uses a VCR for recording videos. The current camera system is approximately 13 years old.

Current sewer camera televising equipment provides more enhanced features for viewing and recording the inside of sewers. Due to other department priorities, staff recommends using the existing equipment for now until time is available to perform the necessary research for the purchase of the next camera system. We recommend re-budgeting the replacement of the sewer camera system next year.

Summary

The following tables summarize the budget recommendations for each piece of equipment and replacement costs as recommended.

No.	Vehicle	Scheduled Replacement Year	Staff Recommendation	Total Replacement Cost	Estimated Trade-In Value	Total	Budget
12	New Holland W130 Front End Loader	2014	Extend				$70,000
18	Ford F250 Pick Up Truck	2011	Replace	$27,243	$6,000	$21,243	$27,000
22	Case 580 Loader Backhoe	2014	Extend				$90,000
32	Ford 350 Pick Up Truck	2013	Extend				$33,000
33	Ford 250 Pick Up Truck (Crew Cab)	2010	Replace	$27,449	$7,000	$20,449	$32,000
70	Ford F250 Pick Up Truck with lift gate	2010	Replace	$29,257	$5,000	$24,257	$40,000
89	Portable Sewer Camera/ TV Equipment	2011	Delay				$53,000
					Total:	**$65,949**	**$345,000**

As noted in the individual vehicle assessments, Regional Truck Equipment provided the low quote for both plows and the lift gate, and Bob Ridings Ford provided the low bid for the trucks through the State of Illinois cooperative purchasing program. Based on the above analysis the total cost for each vehicle is below the budgeted amounts.

Village staff recommends that the existing vehicles be sold through the on-line auction web-site eBay. Based on past experience higher values are received for equipment through this process as compared to local auction houses.

In conclusion, the requested purchase is in keeping with the Village Board's fiscal objective to "maintain and retain" Village vehicles.

If approved, we anticipate that the delivery date of the trucks will be in early 2014. In summary we recommend that the Village Board authorize the purchase of two 2014 Ford Super Duty Regular Cab F250 4x4 trucks and one 2014 Ford Super Duty Crew Cab F250 from Bob Giddings Ford in the total amount of $67,032. Additionally, staff recommends that the Village Board waive the formal competitive bidding process and authorize the purchase of the snow plows and lift gate from Regional Truck Equipment in the total amount of $11,917.

MINUTES

VILLAGE OF LA GRANGE
BOARD OF TRUSTEES REGULAR MEETING
Village Hall Auditorium
53 South La Grange Road
La Grange, IL 60525

Monday, October 14, 2013 - 7:30 p.m.

1. CALL TO ORDER, ROLL CALL, PLEDGE OF ALLEGIANCE

In the absence of President Livingston, the Board of Trustees of the Village of La Grange regular meeting was called to order at 7:30 p.m. by Village Clerk John Burns. On roll call, as read by Village Clerk Burns, the following were present:

PRESENT: Trustees Holder, Kuchler, Langan, Nowak and Palermo

Clerk Burns acknowledged that a quorum of the Board of Trustees is present and requested a motion to elect Trustee Langan as Chairperson Pro Tem to preside over the meeting. It was moved by Trustee Palermo and seconded by Trustee Kuchler to elect Trustee Mark Langan as Chairperson Pro Tem. Motion approved by voice vote.

ABSENT: President Livingston, Trustee McCarty

OTHERS: Village Manager Robert Pilipiszyn
Assistant Village Manager Andrianna Peterson
Village Attorney Mark Burkland
Finance Director Lou Cipparrone
Assistant Finance Director Joe Munizza
Community Development Director Patrick Benjamin
Public Works Director Ryan Gillingham
Fire Captain Don Gay
Police Sergeant Miles Odom

Chairperson Pro Tem Langan requested the audience stand and Clerk Burns lead the Board and audience in the Pledge of Allegiance.

2. PRESIDENT'S REPORT

Chairperson Pro Tem Langan announced that the Fire Department's Open House was well attended.

Providing detailed information on the upcoming Fall Festival and Halloween Walk, Chairperson Pro Tem Langan encouraged all to attend this fun filled annual event.

4-D

Chairperson Pro Tem Langan noted that in the absence of Trustee McCarty he would be presenting the FY 2012-13 Comprehensive Annual Financial Report.

3. PUBLIC COMMENTS REGARDING AGENDA ITEMS

None

4. OMNIBUS AGENDA AND VOTE

A. Material Purchase – Public Works / FY 2013-14 Tree Planting Program

Resolution (#R-13-16) – Public Works / Suburban Tree Consortium

B. Request to Purchase – Security Camera System at Metra Stations

C. Minutes of the Village of La Grange Board of Trustees Regular Meeting, Monday, September 23, 2013

D. Consolidated Voucher 131014 – ($2,117,756.51)

It was moved by Trustee Holder to approve items A, B, C and D of the Omnibus Agenda, seconded by Trustee Nowak.

Approved by roll call vote.

Ayes: Trustees Palermo, Nowak, Langan, Kuchler, and Holder
Nays: None
Absent: Trustee McCarty

5. CURRENT BUSINESS

A. Presentation – FY 2012-13 Comprehensive Annual Financial Reports: Referred to Trustee McCarty

In the absence of Trustee McCarty, Chairperson Pro Tem Langan presented this item. Chairperson Pro Tem Langan stated that the Comprehensive Annual Financial Report (CAFR) of the Village of La Grange for Fiscal Year May 1, 2012 - April 30, 2013 as prepared by the Finance Department has been reviewed by the auditors Sikich L.L.P. Copies of the audit report were previously sent to the Board under separate cover.

Chairperson Pro Tem Langan requested Mr. Dan Berg, a partner with Sikich L.L.P to present a brief overview of the audit report and to answer any questions.

Mr. Berg indicated that Sikich L.L.P. has rendered an unqualified or "clean" opinion stating that Village financial statements for the year ending April 30, 2013 are prepared and presented by the Village in conformity with generally accepted accounting principles. Mr. Berg noted the audit process was performed in a timely manner. A minor error in posting Library expenditures was addressed by the Library Director and staff.

Adding that the Village's cost containment measures have provided General Fund reserves in this current year, Mr. Berg noted that the recent water meter replacement program will begin to show improvements to water accountability.

Mr. Berg indicted that staff will submit the Comprehensive Annual Financial Report to the Government Finance Officers' Association for consideration of the Certificate of Achievement for Excellence in Financial Reporting which the Village has previously received for seventeen consecutive years. Mr. Berg offered to answer any questions regarding the process or the audit.

Chairperson Pro Tem Langan feels the Board's action to replace outdated water meters will prove to have positive results for water accountability.

Trustee Palermo inquired what attributed to miscellaneous surplus revenues. Mr. Berg responded that reimbursements related to settlements derived by the Village Prosecutor and the State share of income tax. Trustee Palermo inquired if the shared income tax revenue is consistent. Mr. Berg responded that more people are working and sales taxes are rebounding. Trustee Palermo noted that much of the income taxes were attributed to capital gains and inquired how this information was achieved. Mr. Berg noted that there is a subscription service utilized by Sikich which provides statistics for comparison. Trustee Palermo feels it may be beneficial for the Village to utilize.

Trustee Holder inquired if there were cost savings by having staff prepare the majority of the report. Mr. Berg responded affirmatively. The interpretation of the audit procedures are exactly the same and having staff prepare the report expedites the process.

Chairperson Pro Tem Langan indicated that no Village Board action is necessary and accepted the report. Expressing his gratitude to Finance Director Lou Cipparrone and Assistant Finance Director Joe Munizza for their excellent financial management, Chairperson Pro Tem Langan indicated that the audit report is available for public inspection at the La Grange Public Library, in the Village Clerk's office, in the Finance Department as well as an electronic copy on the Village's website.

Trustee Palermo asked when data would be available in reference to the replaced water meters and water accountability. Finance Director Lou Cipparrone explained that the final stages related to testing meters on line to ensure readiness for data reports is being performed and should be available within the next several weeks.

6. MANAGER'S REPORT

None

7. PUBLIC COMMENTS REGARDING MATTERS NOT ON AGENDA

None

8. EXECUTIVE SESSION

9. TRUSTEE COMMENTS

Trustee Kuchler expressed his thanks to the Fire Department for conducting their Open House and added his congratulations to Finance Director Lou Cipparrone and Assistant Finance Director Joe Munizza for a successful audit.

10. ADJOURNMENT

At 7:54 p.m. Trustee Palermo moved to adjourn, seconded by Trustee Holder. Approved by voice vote.

____
Thomas E. Livingston, Village President

ATTEST:

____
John Burns, Village Clerk

Approved Date:

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4-D.3

VILLAGE OF LA GRANGE

Disbursement Approval by Fund
October 28, 2013
Consolidated Voucher 131028

Fund No.	Fund Name	10/28/13 Voucher	10/25/13 Payroll	Total
01	General	52,397.50	285,158.56	337,556.06
21	Motor Fuel Tax			0.00
22	Foreign Fire Insurance Tax	98.25		98.25
24	ETSB	1,668.68		1,668.68
40	Capital Projects	19,090.00		19,090.00
50	Water	6,467.66	39,585.08	46,052.74
51	Parking	1,296.96	24,665.54	25,962.50
60	Equipment Replacement	954.11		954.11
70	Police Pension	26,316.34		26,316.34
75	Firefighters' Pension			0.00
80	Sewer	719.17	9,517.59	10,236.76
90	Debt Service			0.00
91	SSA 4A Debt Service			0.00
93	SAA 269			0.00
94	SAA 270			0.00
		109,008.67	358,926.77	467,935.44

We the undersigned Manager and Clerk of the Village of La Grange hereby certify that, to the best of our knowledge and belief, the foregoing items are true and proper charges against the Village and hereby approve their payment.

Village Manager

Village Clerk

President

Trustee

Trustee

Trustee

Trustee

Trustee

Trustee

4-E

CURRENT BUSINESS

VILLAGE OF LA GRANGE
Community Development Department

BOARD REPORT

TO: Village President, Village Clerk, and Board of Trustees

FROM: Robert J. Pilipiszyn, Village Manager
Patrick D. Benjamin, Community Development Director
Angela M. Mesaros, Assistant Community Development Director
Mark E. Burkland, Village Attorney

DATE: October 28, 2013

RE: **ORDINANCE – TEXT AMENDMENT –COMPREHENSIVE SIGN PLAN FOR COMMERCIAL BUILDINGS**

I. Background

After the Borders Books store at 1 North La Grange Road closed, the interior of the building was remodeled for multiple tenants, including three spaces for tenants on the second floor. Two of the second floor spaces have been leased and during leasing for second floor spaces, the upper level tenants negotiated to have what they deemed to be appropriate signage for the second floor to identify their businesses.

The Village's sign regulations, which are part of the Zoning Code, do not allow wall signs above the first floor of a building or for second floor users. The 1 North La Grange building owners therefore applied for a variation from the sign regulations. At its meeting in July 2013, the Village Board denied the variation, finding unanimously that the Zoning Code criteria for a variation had not been met.

The Village Board also determined, however, that it would be appropriate to study the issue of second-floor signs further, in conjunction with a general review of the sign regulations that govern the Village's commercial districts. The Board directed staff to undertake, in an expedited schedule, research on the issues with the assistance of the Plan Commission and participation of the Design Review Commission.

II. Staff Work and Advisory Committee Reviews

Staff and the Village Attorney met with the Plan Commission and the Design Review Commission at a public meeting in August to consider whether the sign regulations should be amended to allow increased identification of second floor tenants. At the meeting, the Commissioners heard public comments from the tenants and the manager of 1 North La Grange building as well as second floor businesses located on Harris Avenue asking the Village to create an opportunity for second floor wall signs.

5-A

The Plan Commissioners generally agreed that the Zoning Code should allow some type of signage for identification of second floor businesses. The Commissioners also agreed that signs of that type must be regulated so that they are consistent with the character of the area, uniform on the building, and uncluttered in appearance. The Commissioners agreed that the C-1 Core Retail District south of the BNSF Railroad and the C-3 District north of the BNSF on La Grange Road were similar and should be treated the same with respect to allowable signage.

At the conclusion of the discussion, the Plan Commissioner asked the staff and Village Attorney to work on an amendment to the Code with the assistance of the Design Review Commission.

The staff and Village Attorney completed their research and drafted a proposed amendment to the sign regulations, which is described in Part III below. The staff presented the proposed amendment to the Design Review Commission at a public meeting on September 25th. The Commission discussed the issues extensively, reviewed the proposed amendment, suggested several adjustments to it, and unanimously expressed support for it.

A public hearing before the Plan Commission was held on October 8th. At the hearing, Staff and Village Attorney presented the proposed amendment to the Plan Commission with revisions suggested by the Design Review Commission. A representative for 1 North La Grange Road testified at the public hearing generally in support of the proposed amendment (See Findings of Fact).

After a thorough discussion, the Plan Commission voted 6-1 to recommend that the Village Board approve the proposed amendment. The Commissioner who voted against the amendment was supportive of increased flexibility for signs in the Village's commercial zoning districts but felt that the proposed amendment should be more restrictive so that applicants would not file applications for signs that would not be approved.

III. Comprehensive Sign Plans for Commercial Buildings

During their research the staff and Village Attorney realized that it would be difficult to develop specific regulations that would be suitable for each of the widely varied buildings in the Village's commercial districts. Accordingly, the proposed amendment focuses on creating a sign plan for the entire building with consideration of the area immediately around that building and the overall character of La Grange.

The concept of the proposed "comprehensive sign plan" is similar to a planned development. A commercial building owner or manager will prepare a plan and specifications that would govern all of the signs on the building, now and in the future. The plans would establish specifications for location, type, size, height, colors, materials, and other sign features. The plans must be detailed and must satisfy a set of standards intended to avoid incompatible and inappropriate signs.

Every application would be reviewed first in the Community Development Department to be sure the application standards are met. Then the application would be reviewed at a public meeting by the Design Review Commission. The Commission would make a recommendation to the Village Manager, and the Village Manager would make the final decision on the application based on the recommendations of staff and the Commission. The Village Manager would have the authority to modify applicable sign regulations to approve a comprehensive sign plan (much like the Village Manager may approve certain administrative adjustments to zoning regulations).

The staff believes that this process for review will serve the business community better than the current variation process, which takes time and includes legal standards for variations that are typically not applicable to signs. The staff also believes that the Design Review Commission is the appropriate body to consider comprehensive sign plan applications, because of its experience and expertise with design-related matters.

Notably, the proposed amendment does not change any existing sign regulations. Instead, it adds a new section in the sign regulations for comprehensive sign plans. A building owner is not required to apply for a comprehensive sign plan, but instead may continue to work within the existing sign regulations.

The staff concurs with the unanimous endorsement of the Design Review Commission and the recommendation of the Plan Commission for approval of the proposed amendment to the Zoning Code. Village Attorney Burkland, who has prepared the attached Ordinance for your consideration, and the staff are available to answer any questions about the proposed amendment.

VILLAGE OF LA GRANGE

ORDINANCE NO. ______________

AN ORDINANCE AMENDING ARTICLE XI
OF THE LA GRANGE ZONING CODE REGARDING
COMMERCIAL BUILDING COMPREHENSIVE SIGN PLANS

WHEREAS, the Village of La Grange regularly receives applications from commercial building owners and businesses for approval of signs to identify the uses being conducted in those commercial buildings; and

WHEREAS, an applicant may propose a sign that is permitted by code but is incompatible with the building, or existing signs on the building, or adjacent buildings; and

WHEREAS, an applicant also may propose a sign that is not permitted by code but may be appropriate for the building and its surroundings, thus requiring the applicant to revise its proposal or seek a variation that would authorize the sign; and

WHEREAS, La Grange has commercial buildings of many different architectural styles and signs of different types and sizes, and it is difficult to apply a single set of sign regulations to every building without the occasional result of restricting a sign that is not inappropriate under the circumstances or authorizing a sign that may not be appropriate; and

WHEREAS, the Village staff has studied, with the guidance of the La Grange Design Review Commission and the La Grange Plan Commission, various methods of regulating signs on commercial buildings in a manner that will encourage commercial building owners and businesses to design signs that are attractive, functional, creative, and appropriate for their buildings and compatible with adjacent buildings; and

WHEREAS, the Village staff has drafted a new Section 11-110 of the La Grange Zoning Code titled "Comprehensive Sign Plans" that will allow a commercial building owner or manager to apply for approval of a set of sign plans and specifications that would govern all current and future signs on the entire building; and

WHEREAS, a Comprehensive Sign Plan for a commercial building, once approved, becomes the set of standards governing all signs, existing and future, on the building; and

WHEREAS, the new Section 11-110 includes high standards of compatibility and quality that must be met for an application to be approved as a Comprehensive Sign Plan; and

WHEREAS, the new Section 11-110 adds greater flexibility to the existing sign regulations for designs and placement of signs; and

WHEREAS, the Comprehensive Sign Plan process has been structured to provide for thorough review of an application by the Design Review Commission and Village staff, and also to reduce the amount of time and resources a commercial building applicant would otherwise spend to secure approval through the variation process of a sign that does not precisely meet applicable sign regulations; and

WHEREAS, the staff presented a draft of the new Section 11-110 to the Design Review Commission at a public meeting on September 25, 2013, and after thorough review and consideration the Design Review Commission unanimously endorsed the new Section 11-110; and

WHEREAS, the La Grange Plan Commission conducted a public hearing on October 8, 2013, to consider the new Section 11-110 and, after the conclusion of the public hearing, the Plan Commission recommended approval of the new Section 11-110 in the form provided in this Ordinance, all as set forth in the Plan Commission's Findings and Recommendations for Case No. 212 dated October 8, 2013; and

WHEREAS, the President and Board of Trustees of the Village of La Grange have reviewed the Findings and Recommendations of the Plan Commission and the facts and circumstances related to the proposed new Section 11-110 and the President and Board of Trustees have determined that the amendment satisfies the standards set forth in Section 14-605 of the Zoning Code applicable to amendments to the text of the Zoning Code; and

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of La Grange, Cook County and State of Illinois, as follows:

Section 1. Recitals. The foregoing recitals are incorporated herein as findings of the President and Board of Trustees.

Section 2. Amendment of Zoning Code Article XI. The Board of Trustees, pursuant to the authority granted to it by the laws of the State of Illinois and by Article XIV, Part VI of the Zoning Code, hereby amends Article XI, titled "Signs," of the Zoning Code to add a new Section 11-110 as follows:

11-110: COMPREHENSIVE SIGN PLANS

A. Commercial Building Comprehensive Sign Plan. A Commercial Building Comprehensive Sign Plan ("*CBC Sign Plan*") is a set of one or more drawings, specifications, and design criteria for all signs on a single commercial building in a commercial zoning district. An approved CBC Sign Plan establishes the number, locations, sizes, general design theme and guidelines, and other criteria for all current and future exterior signs on the building.

B. Authority to Approve. The Village Manager may approve a CBC Sign Plan after the review and recommendation of the La Grange Design Review Commission as provided in Subsection J of this Section 11-110. The Village Manager may confer with the applicant before determining whether to approve a CBC Sign Plan. The Village

Manager must act on a CBC Sign Plan application within 15 days after receipt of the recommendation of the Design Review Commission unless the applicant agrees in writing to a longer time period. The decision of the Village Manager will be final.

C. Purpose and Intent. The purpose of a CBC Sign Plan is to create a unified plan for all exterior signs for a particular building. The authority in Subsection I of this Section 11-110 to modify certain provisions of this Article XI creates the flexibility for signs appropriate for a particular building that may not otherwise be allowed. A CBC Sign Plan is intended to achieve the following objectives:

1. Promotion of appropriate architectural and aesthetic use of exterior signs, including design techniques for the subject building that may not be appropriate on a different building.

2. Creative use of signs while maintaining a unified look among all signs on the building, both existing and proposed.

3. Creation of a more attractive building façade than may exist in the absence of a unified sign plan.

4. Avoidance of signs that are disharmonious with the building or plainly out of scale or character with adjacent buildings.

5. Simplification of the approval process as signs on the subject building are changed from time to time.

D. Standards Applicable to CBC Sign Plan. A CBC Sign Plan must be consistent with the purpose, intent, and objectives set forth in Subsection C of this Section 11-110 and consistent with the standards set forth in Subsection H of this Section 11-110.

E. Applications. The owner, landlord, or manager of a commercial building may apply for approval of a CBC Sign Plan. The Village may require confirmation that the applicant has the authority to file the application and to bind the building to the terms of an approved CBC Sign Plan.

F. Application Requirements. An application for approval of a CBC Sign Plan must include the following components:

1. The address of the building and full legal name of the owner of the building.

2. Current photographs of each building façade on which signs are proposed to be located.

3. A current photograph of the front façade of each building abutting the subject building.

4. A list of all current and proposed commercial uses in the building. (Applicants should review Sections 5-102 and 5-105 of this Code for the lists of permitted and special uses authorized in the commercial districts.)

5. A list of all current and proposed non-commercial uses in the building.

6. A list of all current and proposed residential uses in the building, regardless of whether the residential use is authorized in a commercial district.

7. A list of the current signs on the building, including sign type, dimensions, and lighting type.

8. The proposed disposition of each current sign on the building, whether retention, redesign, removal, replacement, or other action.

9. The total number of existing and proposed signs, including signs to be installed immediately and potential future signs.

10. A professionally prepared, scaled drawing of each building façade showing where signs are installed, will be installed, and may be installed in the future.

11. A sign schedule showing the sign types, sizes or range of sizes, lighting types, color palettes and themes, and other pertinent information.

12. A calculation of the total maximum gross surface area of all proposed signs, both current and future.

G. Acceptance or Rejection of Application. The Director of Community Development may accept an application only if it provides all of the components set forth in Subsection F of this Section 11-110. The Director must reject an application that does not provide all of the components within 10 business days after the date the application was submitted, unless the applicant agrees in writing to a longer time period. If the Director rejects an application, then the Director must identify to the applicant the primary reasons for the rejection.

H. General Design Guidelines. An application for approval of a CBC Sign Plan should reflect consideration of the following guidelines or reasons why they are not applicable or appropriate. These guidelines are suggestive only, as one part of the overall evaluation of an application.

1. Signs that reflect the particular architectural character of the building, with proposed sizes, shapes, colors, and numbers of signs that complement that character.

2. Signs of an overall area that creates an appropriate relationship between total sign area and exposed building area.

3. Sign locations on the building that are consistent with the pedestrian orientation of the building's location to the fullest extent possible.

4. A proposed range of harmonious sign colors.

5. Consistency in placement of signs on the building or a suitable explanation for an apparent inconsistency.

6. Uniform or complementary typefaces, sign elements, and materials.

7. An overall appearance of all signs that is not garish or out of proportion to the size and character of the building and immediately abutting buildings.

8. Lighting of signs that is complementary to the building, using techniques that are effective but restrained.

9. All signs elements must be professionally designed and executed.

I. Prohibited Signs and Sign Elements. No CBC Sign Plan may be approved that includes:

1. Signs that obscure significant architectural details of the building.

2. Any attention-getting devices, exterior electronic message signs, moving or animated signs, internally illuminated box signs, or temporary signs.

3. Any sign with exposed electrical conduits or wiring raceways.

4. Any sign using plastic, paper, or similar materials.

5. Signs specifically prohibited in all districts, except as allowed by modification under Subsection K of this Section 11-110.

J. Procedure for Review of Application.

1. If the applicant for approval of a CBC Sign Plan also has applied for a special use permit, site plan review, or design review, then the CBC Sign Plan application will be processed as part of that other application.

2. In every other instance, a CBC Sign Plan application will be referred to the Design Review Commission for review at a public meeting and recommendation as provided in Subsections 13-104F, G, and H of this Code. The public meeting must be commenced within 30 days after acceptance by the Director of Community Development of a CBC Sign Plan application, except that the time may be extended in the event it is not reasonably possible for the Design Review Commission to meet and commence the public meeting within 30 days. The Design Review Commission must provide its recommendation promptly in writing to the Village Manager for decision under Subsection B of this Section 11-110.

K. Modifications of Sign Regulations.

1. Authority to Modify. Subject to the standard set forth in Paragraph 2 and the limitations set forth in Paragraph 3 of this Subsection G, the Design Review Commission may recommend modification of, and the Village Manager as part of an approval of a CBC Sign Plan may modify, any provision of this Article XI. The determination whether to modify a provision of this Article XI is entirely discretionary, based on an analysis of all circumstances related to an application. No applicant has any right to any modification.

2. Standard Applicable to Modifications. No modification may be approved unless the Village Manager finds that the modification would enhance a CBC Sign Plan, considering the purpose, intent, and objectives set forth in Subsection C of this Section 11-110.

3. Limitations on Modifications. The followings provisions and matters may not be modified by a CBC Sign Plan:

   (a) Illumination of signs adjacent to residential areas (§11-105A3).

   (b) Sign maintenance (§11-105K).

   (c) Obscene matter (§11-105O).

   (d) General safety (§11-105P).

L. Applicability of Approved CBC Sign Plan. After a CBC Sign Plan has been approved, that approved Plan will constitute the sign regulations applicable to the subject building along with the provisions of this Article XI that have not been modified by the Plan. No sign not authorized by the approved Plan will be permitted on the building.

M. Amendment of Approved CBC Sign Plan. An approved CBC Sign Plan may be amended by the Village using the same application and review process that was used for review and approval of the Plan.

Section 3. Effective Date. This Ordinance shall be in full force and effect from and after its passage, approval, and publication in pamphlet form in the manner provided by law.

PASSED this _____ day of _______________ 2013.

AYES: ____

NAYS: ____

ABSENT: ____

APPROVED this _____ day of _______________ 2013.

____

Thomas Livingston, Village President

ATTEST:

____

John Burns, Village Clerk

#26128951_v1

FINDINGS OF FACT

PLAN COMMISSION

OF THE VILLAGE OF LA GRANGE

President Asperger and
Board of Trustees

October 8, 2013

RE: PLAN COMMISSION CASE #212 – Amendment to the Text of the Zoning Code Article XI, to add a new Section 11-110, Commercial Building Comprehensive Sign Plan, Village of La Grange.

We transmit for your consideration the recommendations of the Plan Commission of the Village of La Grange for a proposed amendment to the text of the Zoning Code.

I. THE APPLICATION

The Village Staff has reviewed the provisions of Article XI, Signs, of the Zoning Code to authorize a new Section 11-110, Commercial Building Comprehensive Sign Plan ("CBC Sign Plan") to Article XI of the Zoning Code.

II. THE PUBLIC HEARING

After due notice given in accordance with law, the Plan Commission held a public hearing on October 8, 2013, in the La Grange Village Hall Auditorium. Present were Commissioners Paice, Pierson, Reich, Stewart, Weyrauch and Williams, with Chairman Kardatzke presiding. Also present were Village Trustee Liaison David McCarty, Village Trustee James Palermo, Village Clerk John Burns, Design Review Commission Chairperson Andrea Barnish, Community Development Director Patrick D. Benjamin, Assistant Community Development Director Angela M. Mesaros, and Administrative Assistant Sylvia Gonzalez and Village Attorney Mark Burkland.

Chairman Kardatzke introduced the public hearing and administered an oath to all persons in attendance who desired to give testimony during the hearing.

- Staff presented the proposed amendment, including the proposed criteria, conditions and current allowable signage regulations. Attorney Burkland discussed the design parameters, resources used to guide the amendment process and current zoning requirements.

Chairman Kardatzke solicited questions from the Commissioners:

- Commissioner Paice asked about the process and who would have the burden of submitting an application. Answer: the manager or a building owner would have to apply for comprehensive sign approvals. Commissioner Paice further asked if a new tenant could change signs. Answer: There could be flexibility built into the approvals for future tenants.

- Commissioner Williams further asked for clarification if a new tenant wanted something different from approvals, would they be required to reapply. Answer: Not necessarily an amendment could be relatively easy process depending on the parameters set in the original approved CBC plan.

- Commissioner Stewart asked how long the process would take. Mr. Benjamin stated that the amount of time for the process would be approximately thirty to forty-five days.

- Commissioner Weyrauch asked about adding more detailed guidelines/standards for the CBC sign plans. Village Attorney Burkland stated that in designing this amendment, Staff wanted a balance that would allow designers to think creatively and to have flexibility with the parameters being the context of the adjacent buildings and the character of the area.

- Commissioner Weyrauch stated that though this process may be similar to the planned development process – the distinction to her is that a planned development approval requires a public hearing before the Plan Commission with final approval by the Village Board of Trustees. However, as proposed the final say for approvals in the CBC process is with one person, the Village Manager. Attorney Burkland stated that Staff believes there is a significant difference between a new development approvals and approvals for sign packages on a building. In addition, this is not a policy issue that would be properly handled by the Village Board. Mr. Benjamin stated that the point was to streamline the process and make it easier while also requiring submittals from a design professional.

- Commissioner Stewart asked if as proposed this is an entire new procedure. Answer: This is an amalgamation of other communities' plans.

Chairman Kardatzke solicited questions and comments from the Audience:

- Mike Firsel, attorney for the owner of 1 N. La Grange Road, asked three questions: (1) first what recourse or appeals process would be available in the situation that the Design Review Commission makes a recommendation and the Village Manager does not agree. Mr. Burkland explained that amending the Code to add an appeals process is not necessary because an applicant would have options, including asking for a variation, revising the signs that they asked for, and seeking a text amendment to change the code. Also, the fact that this process does not require a public hearing, rather a public meeting, means that the applicant and the Staff can consult throughout the process. (2) Mr. Firsel asked that F13 be deleted from the proposed text, because it is repetitive. Mr. Burkland agreed. (3) Mr. Firsel asked that the process include a time limitation for review by the Community Development Director. Staff and the Village Attorney agreed.

- James Palermo, Village Trustee, asked what would happen if the existing signs do not meet the standards. Answer: Only in the case that a building owner applies for a commercial building comprehensive sign plan would the signs be amortized. He further asked if the Village Manager would have the power to approve the plans rejected by the Design Review Commission. Answer: Yes.

Chairman Kardatzke solicited questions and comments from the Commissioners:

- Chairman Kardatzke asked if the Plan Commission and Village Attorney were okay with making the changes to the document requested by Mr. Firsel. Answer: Yes.

- Commissioner Weyrauch stated that she does not agree with the process. The standards as proposed do not give enough guidance for the building owner. She would prefer to establish more specific standards for more of a guideline. Commissioner Weyrauch stated that this process needs to set limits on what is allowable to ask. For instance, a certain percentage authorized variations from the Code.

- Commissioner Reich stated that he agrees with Commissioner Weyrauch.

- Commissioner Paice stated that he agrees with having a more open concept and with allowing more flexibility.

There being no further questions or comments from the audience or the Commissioners, a motion was made by Commissioner Paice, seconded by Commissioner Stewart that the Plan Commission recommend to the Village Board of Trustees Approval of the recommendation for amendment to Article XI Signs to add Section 11-110, "Commercial Building Comprehensive Sign Plan" as recommended in the Staff Report dated October 8, 2013 with PC Case #212, with the following revisions: (1) addition of a time specific for review by the Community

Development Director to forward the application to the Design Review Commission and (2) the deletion of F13.

Motion to APPROVE Carried by a roll call vote (6/1/0):

AYE	Paice, Pierson, Reich, Stewart, Williams, and Chairman Kardatzke.
NAY:	Weyrauch.
ABSENT:	None.

BE IT THEREFORE RESOLVED that the Plan Commission recommends to the Village Board of Trustees approval of an amendment to Article XI, Signs, to add Section 11-110 "Commercial Building Comprehensive Sign Plan" as presented and described in Plan Commission Case #212 with the above revisions.

Respectfully Submitted,

PLAN COMMISSION

OF THE VILLAGE OF LA GRANGE

Wayne Kardatzke

Wayne Kardatzke, Chairman

5-A.12

STAFF REPORT

PC Case #212

TO: Plan Commission

FROM: Patrick D. Benjamin, Community Development Director
Angela Mesaros, Assistant Community Development Director
Mark Burkland, Village Attorney

DATE: October 8, 2013

RE: **ZONING TEXT AMENDMENT – Commercial Building Comprehensive Sign Plan**, Village of La Grange.

I. BACKGROUND:

As you may recall, at your meeting on August 13th, at the request of the Village Board, we met with the Design Review Commission to discuss whether or not to allow wall signs for second floor users. The Village Board had requested input from the Plan Commission and the Design Review Commission regarding second floor signage as follow-up to the denial of a variation request for second floor signage at 1 N. La Grange Road, the former Borders book store. Specifically questions of whether the Sign Code as currently written is adequate to provide identification to second floor businesses. Also, should there be adjustments to the Code to allow wall signs for second floor businesses either in the C-3 District or in other zoning districts in the community.

The Plan and Design Review Commissioners generally agreed that second floor businesses should be permitted some type of signage for identification. However, limitations are needed so that signs are consistent, uniform, and uncluttered. The Design Review Commissioners emphasized visual and aesthetic review. Discussion also occurred on whether the C-1 Core Commercial District south of the BNSF Railroad tracks is different from the C-3 district in which 1 N. La Grange Road is located. In general Commissioners agreed that the districts were similar along La Grange Road and should be treated the same.

As a result of this discussion, the Plan Commission asked that Staff work with the Design Review Commission to formulate a recommendation for consideration at a future meeting. Given this direction, Staff and the Village Attorney worked to craft a solution. After extensive discussion it was decided that an approach similar to the planned development process might be appropriate by looking at each individual building for its architectural features as it related to signage. This could allow for a building owner to submit a master comprehensive sign plan for review and adoption that would guide all future users in the building.

We presented draft amendment language to the Design Review Commission on September 25th. Commissioners expressed support of the concept and provided input on the appropriate professional to design sign packages, General Design Guidelines and Prohibited Signs. (See Attached Minutes).

At your meeting, Staff and the Village Attorney will present the attached zoning text amendment to the Zoning Code, "Commercial Building Comprehensive Sign Plans" for your review and recommendation.

II. PROPOSED AMENDMENT:

The suggested text amendment is to add a new Section 11-110 to the Signage Chapter, (Article XI) of the Zoning Code creating a new process to allow commercial building owners to seek modifications from the allowable signage that includes review by the Design Review Commission and approval by the Village Manager. This new Section would provide the parameters, design guidelines and standards for a sign package that would apply to the entire building in order to promote uniformity of design and consistency with the surrounding area.

CURRENT PROVISIONS

Section 11-103 of the Zoning Code "*Sign Permit Required*" states, "*no sign shall be erected, enlarged, expanded, altered, relocated or maintained unless a sign permit shall have first been issued in accordance with the provisions ... of this Code*." Article 11 of the Code regulates the specific functional and structural types of signs that are permitted, as well as defining the number of signs permitted per lot, maximum gross surface area, height, minimum setbacks and illumination of signs According to Section 11-102 of the Zoning Code, "*Any sign **not** expressly permitted by these regulations shall be prohibited.*"

Currently, under the Code, if a sign permit request does not meet the established standards, the application is denied. If the applicant wishes to pursue a sign prohibited by the Code, their option is to follow the normal three month variation process which is set by State statute for particular signs. This process includes a hearing with the Zoning Board and final approval by the Village Board. As was identified by the ZBA, it is difficult to achieve the standards for a variation from sign regulations.

PROPOSED COMMERCIAL BUILDING COMPREHENSIVE SIGN PLAN

Staff and the Village Attorney, with support from the Design Review Commission, recommend a new process by which the applicant could submit a "commercial building comprehensive sign plan" for review and approval. This plan would establish specifications and design criteria for all exterior signs on a single commercial building, including the number of signs, locations, sizes, general design, theme, etc. and would allow modifications from the allowable sign regulations with specific limitations, if the plan meets the defined standards. The purpose is to create a unified plan for all the exterior signs both present and future tenants for a particular building. (Specific standards are attached.)

PROPOSED PROCESS

The proposed process would include initial review by Staff to determine if the application requirements (Subsection F) have been met. In every instance the comprehensive sign plan will be referred to the Design Review Commission for review at a public meeting to determine if the plan meets the General Design Guidelines in Subsection H. The recommendation of the Design Review Commission will then be given to the Village Manager for final approval. (See attached Exhibit, "Proposed Process.")

The building owner and tenant(s) would be bound to comply with the Approved Plan even if it required amortized removal of the existing signs found not to be in compliance with the Approved Plan. In the event that a future tenant requested signage that did not comply with the approved, established sign plan, they would be required to re-submit for a new comprehensive sign plan for the entire building and follow the same process for new approvals.

Please note that any sign allowed as of right by Code would follow the current process as outlined under "Current Provisions" above. A building owner is not required to apply for a comprehensive sign plan by the newly proposed process – it is completely optional.

III. <u>AMENDMENT CRITERIA</u>:

As set forth in Section 14-605 of the Zoning Code, the standards applicable to an amendment of general applicability (rather than a specific parcel of property) are as follows:

1. *The consistency of the proposed amendment with the purposes of this Code.*

   Among the purposes of the Signs Chapter of the Zoning Code as stated in Article XI are to "*promote and protect the public health, safety, and welfare by reducing the depreciation of property values caused by signs that are incompatible with the use to which they are associated or with surrounding land uses; by creating a more attractive economic and business climate within the office and commercial areas of the Village; by enabling the public to locate goods, services, and facilities in the Village without confusion; enhancing and protecting the physical appearance of all* *areas of the Village; by protecting signs from obstruction by other signs; and by reducing the distractions, obstructions, and hazards to pedestrian and auto traffic caused by indiscriminate placement and use of signs."*

The Staff and the Village Attorney believe that the proposed changes would be consistent with the intent and purposes of the Zoning Code and that the proposed application requirements, general design guidelines and prohibited elements would serve to protect property values and compatibility of signs while creating an attractive business climate. The proposed amendments would allow flexibility for signs appropriate for a particular building that may not otherwise be allowed, such as visibility for second floor businesses, while also providing a process to review for aesthetic appearance and compatibility with surrounding area by the Commission that is charged with such responsibilities.

2. *The community need for the proposed amendment and for the uses and development it would allow.*

At the August meeting of the Plan Commission, public testimony was given from the tenants and the manager of 1 N. La Grange Road as well as second floor businesses located on Harris that there was a need for second floor signage for identification of commercial businesses. The Plan and Design Review Commissioners agreed that there was a need for some type of identification for second floor users and asked that Staff would review the Code. This direction is also in recognition of the Zoning Board of Appeals expressing concerns applying variation standards required by State statute to applications for signage variations where there is not a unique physical condition on the property and the fact that the variation process is the only process for commercial businesses to apply for signage that is not allowed currently by Code. Also testimony that in some cases 2nd floor window signs (currently permitted by Code) are not a more desirable means of identification.

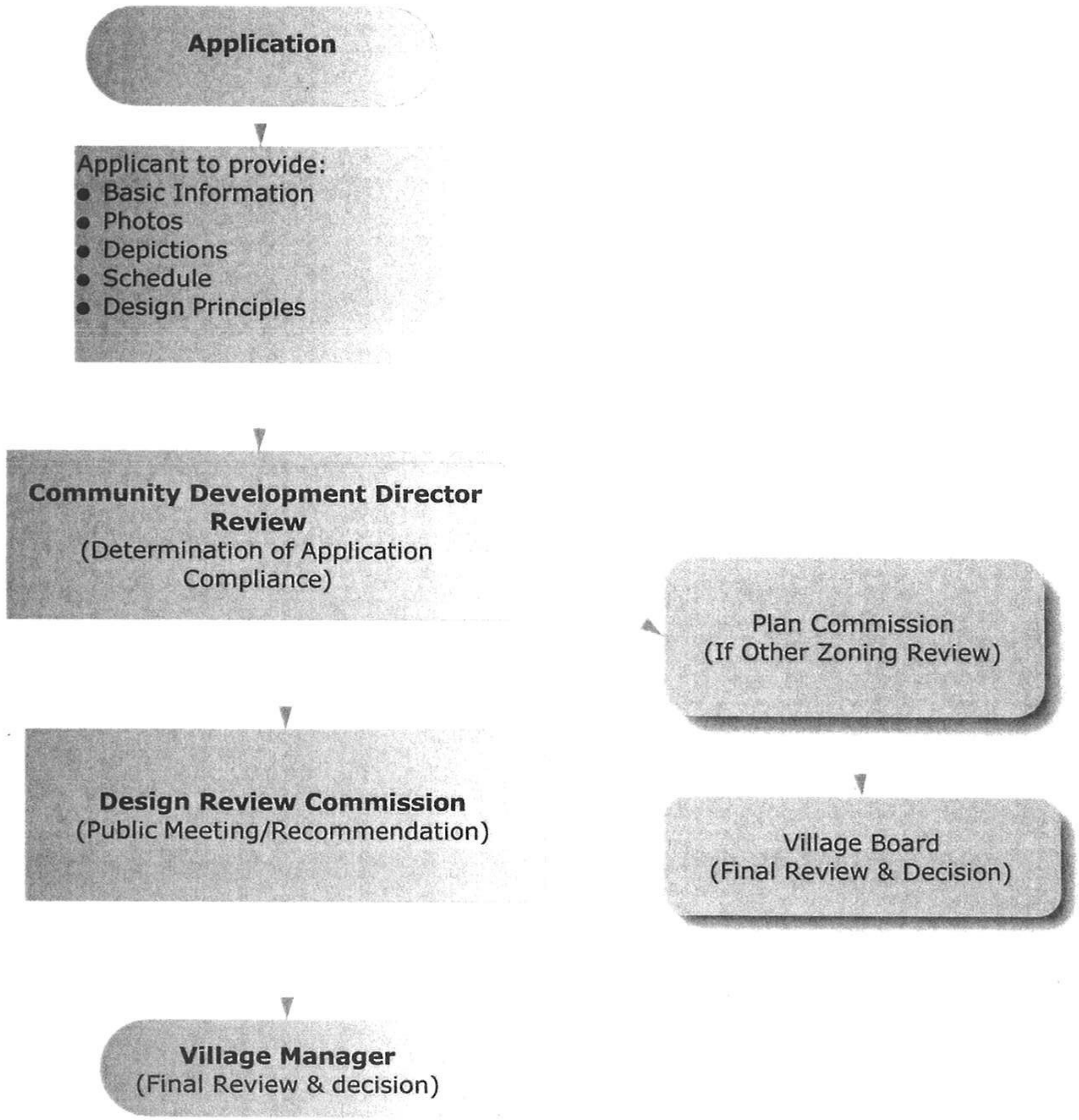
Staff believes that creating a process for a comprehensive signage plan for review by the Design Review Commission and approval by the Village Manager in situations when the Code creates a practical difficulty that is unique to the property will better serve the community than the current variation process. The proposed amendment places the matter in front of a Commission charged with review of "*matters related to the Village's Appearance Plan*" using "*its special knowledge and expertise available*" – such as "*demonstrated interest in and knowledge about the history and architecture of the Village.*" Under current Code provisions, the Design Review Commission also decides *appeals from the decisions of the Village Manager denying sign permits.*

IV. RECOMMENDATION:

If the Plan Commission finds it appropriate, Staff recommends that Article XI, Signs, of the Zoning Code be amended by adding Section 11-110, to grant authority to the Village Manager with review and recommendation by the Design Review Commission for commercial building comprehensive sign plans.

A

Commercial Building Comprehensive Sign Plan Review Process



5-A.18

MINUTES

Design Review Commission of the
Village of La Grange
September 25, 2013

I. CALL TO ORDER AND ROLL CALL:

A meeting of the Design Review Commission was held on September 25, 2013 in the lower level conference room of the Village Hall, 53 South La Grange Road, La Grange, IL and was convened at 7:30 p.m. by Chairperson Andrea Barnish.

Present: (and constituting a quorum): Commissioners McClinton, Ozer, Pavelka, Reardon, Thuma and Vizek with Chairperson Andrea Barnish presiding.

Absent: None.

Also Present: Patrick Benjamin, Community Development Director, Angela Mesaros, Assistant Community Development Director, Mark Burkland, Village Attorney and Sylvia Gonzalez, Staff Liaison.

II. APPROVAL OF MINUTES:

On motion by Commissioner McClinton, seconded by Commissioner Reardon the Minutes of the May 9, 2012, Design Review Commission meeting was approved as typed and distributed.

III. BUSINESS AT HAND:

PROPOSED COMMERCIAL BUILDING COMPREHENSIVE SIGN PLAN

Village Attorney Mark Burkland proceeded to present to the Commissioners the proposed Commercial Building Comprehensive Sign Plan.

Angela Mesaros stated that the proposed plan was forwarded to the Commissioners specifically for their review of the General Design Guidelines. Staff evaluated allowing signs for second floor users, but we found that not only do the commercial districts have district character and design, but also every commercial building is different. La Grange does not have a uniform architectural style.

Patrick Benjamin asked if all of the Commissioners were comfortable with the proposed plan.

Commissioner Reardon stated the property at 1 N. La Grange Road is not unique and that we should not allow second floor signs. He said this would be like "opening a can of worms." He further stated that the Village has worked hard to maintain an uncluttered look.

Commissioner Vizek stated she was in agreement with Commissioner Reardon.

Commissioner Ozer stated that he understands Commissioner Reardon's and Commissioner Vizek's concerns but he also does not like some of the signs that are currently permitted by code.

Patrick Benjamin stated that the goal of the proposed plan would be to rule things in, to provide some sort of conformity on a case by case basis.

Commissioner McClinton stated that the proposed plan was great but asked whether or not it would apply to existing tenants or only to new businesses. Mark Burkland stated that eventually all tenants would be required to redesign their signage.

Commissioner Reardon proceeded to review Subsection H – "General Design Guidelines."

Commissioner Reardon suggested that number 7 "Overall Appearance of Signs" under Subsection H should be moved to the second position of this subsection.

Patrick Benjamin referenced number 9 of this section and asked the Commissioners what type of professional should be required to design the proposal submitted by an applicant.

Chairperson Barnish stated that the submittal should be designed by a professional, but not necessarily by an architect.

Angela Mesaros stated that an image done to scale is very helpful and agreed that it does not necessarily need to be designed by an architect.

Patrick Benjamin clarified that any signage allowed by code, as of right, would not be required to go through this process. Any sign that deviates from the sign code would follow the new proposed process. The proposed plan would be an option for all commercial buildings, whether they are single or multi-tenant buildings.

Commissioner Ozer asked if a previously approved application would be able to be modified. Mark Burkland stated the an approved application could be modified by following the application and review process.

There being no further questions or comments by the Commissioners, on motion by Commissioner Thuma and seconded by Commissioner Ozer the Design Review Commission voted unanimously that the Commercial Building Comprehensive Sign Plan Zoning Code Amendment be forwarded to the Plan Commission for their review and recommendation for approval by the Village Board of Trustees.

IV. NEW BUSINESS

None.

V. OLD BUSINESS

None.

VI. ADJOURNMENT:

There being nothing further to come before the Design Review Commission, on motion by Commissioner Reardon and second by Commissioner Vizek, the Design Review Commission meeting of September 25, 2013, was adjourned at 8:55 p.m.

Respectfully Submitted:

Sylvia Gonzalez, Staff Liaison

MINUTES

Plan Commission of the
Village of La Grange
August 13, 2013

I. CALL TO ORDER AND ROLL CALL:

Chairman Kardatzke called the meeting to order on August 13, 2013, at 7:30 p.m. in the Village Hall Auditorium, 53 S. La Grange Road, La Grange, IL.

Present: Commissioners Paice, Pierson, Stewart, Weyrauch, Williams and Chairman Kardatzke.

Absent: Commissioner Reich.

Also present: Community Development Director Patrick Benjamin, Assistant Community Development Director Angela Mesaros, Village Attorney Mark Burkland, Trustee Liaison for Plan Commission David McCarty, Trustee Liaison Design Review Commission James Palermo, Village Clerk John Burns, Design Review Commissioners Michael Thuma, Tim Reardon and Regina McClinton and Design Review Commission Chairperson Andrea Barnish.

II. APPROVAL OF MINUTES:

The Minutes of the April 4, 2013, Plan Commission meeting were presented for approval. It was moved by Commissioner Pierson, seconded by Commissioner Weyrauch, that the Minutes be approved as written. Motion carried unanimously by voice vote.

III. BUSINESS AT HAND:

PLAN COMMISSION CASE #211 –Special Use Permit and Site Plan Approval to allow Child Care Services at First Congregational Church of La Grange, 100 S. 6th Avenue.

Case to be continued to September 10, 2013. Motion to continue was made by Commissioner Paice, seconded by Commissioner Pierson.

Motion Carried by a voice vote.

IV. OLD BUSINESS:

Mr. Benjamin introduced the Chaddick Institute Award for Municipal Development. La Grange was the 2013 winner for development of an outstanding administrative process to streamline zoning variations.

V. NEW BUSINESS:

Second floor sign discussion with input from the Design Review Committee. The topic was introduced by Mr. Benjamin. The discussion was a follow up to the denial of a variation request for second floor signage at 1 N. La Grange Road, the former Borders bookstore. The Village Board of Trustees requested input from the Plan Commission and Design Review Commission regarding second floor signage, specifically questions of whether the Sign Code as currently written is adequate to provide identification to second floor businesses and should there be adjustments to the Code to allow wall signs for second floor businesses either in the C-3 District or in other Zoning Districts in the community.

Mike Firsel, attorney for Mid America Asset Management, the property manager at 1 N. La Grange Road, testified and provided exhibits of language from neighboring communities that he believed would help in crafting an amendment to the Village Code. Mr. Firsel stated that he believed downtown La Grange is unique. This property is unique and that the development community has changed with the real desire of developers for suburbs with vibrant central business districts. He believes that the Sign Code should be updated to meet these needs.

Patricia Mahoney of Mid America Asset Management, stated that she believes that 1 N. La Grange is unique and that the users who are requesting second floor signage are more retail orientated and that there should be reconsideration of the ability to have these signs.

Dr. Elly Sharaf-Eldeen and Dr. Kiley Hirons of the Dental Loft, La Grange, 1 W. Harris Avenue, a second floor business, stated that they are a service-oriented business and that they need a second floor sign. They are located in a multi-tenant space and they would like a creative solution that they believe would not look tacky rather would be uniform, tasteful and uncluttered for street recognition of their business. They have operated for a year and a half with no signage.

Trustee David McCarty introduced the history and background of the current sign ordinance, which was written twenty years ago while he was a Commissioner on the Design Review Commission. He stated that the goal was to maintain the pedestrian oriented character of the community and that signage is about what happens at street level. He believes businesses get very little business from walk-in traffic. A directory sign located at the entrance of the building would be more appropriate to get people into the building.

Justin Huditz, owner of Massage Envy, a second floor tenant at 1 N. La Grange Road, cited examples of second floor signage including Chase and PNC Bank that is visible and testified about the need for second floor signage at his business.

The Plan Commission generally agreed that second floor businesses need some type of signage. Discussion occurred on whether the C-1 Business District south of the BNSF Railroad tracks is different from the C-3 District in which 1 N. La Grange Road is located. In general Commissioners agreed that the Districts were similar along La Grange Road and should be treated the same. Discussion also included whether window signage was appropriate and acceptable as the example of ATI with their permitted window signage. Limitations are needed and that signs should be consistent and uniform, tasteful and understated.

Design Review Commission discussion included support for second floor tenant signs with the key that they should have visual and aesthetic review. The Design Review Commission asked to see options, prototypes, and renderings of signs. They stated uniformity and uncluttered signage is preferable.

Concluding remarks included direction that the Design Review Commission would work with Village Staff to formulate a package to be presented to the Plan Commission for discussion of an amendment to the Village Sign Code at a future meeting.

VI. ADJOURNMENT:

There being no further questions or comments from the audience or Commissioners, a motion was made by Commissioner Stewart, seconded by Commissioner Pierson that the Plan Commission meeting be adjourned. The meeting was adjourned at 8:42 p.m.

Respectfully Submitted:

Angela Mesaros

Angela M. Mesaros, Assistant Community Development Director

MANAGER'S REPORT

VILLAGE OF LA GRANGE
Administrative Offices

BOARD REPORT

TO: Village President, Village Clerk,
Village Board of Trustees and Village Attorney

FROM: Robert J. Pilipiszyn, Village Manager
Lou Cipparrone, Finance Director

DATE: October 28, 2013

RE: **PENSION WORKSHOP**

OVERVIEW

In follow up to previous workshop discussions concerning the Village's two municipal pension funds (Police and Fire), we have scheduled a fifth Village Board workshop to be held during the regular scheduled meeting on Monday, October 28, 2013.

Village staff is seeking input and consensus direction from the Village Board as to an amount that the Village should contribute towards the individual 2013 police and fire pension fund tax levy line items within the Village's overall 2013 property tax levy. The overall property tax levy is scheduled to be reviewed on November 11, 2013 and formally adopted on December 9, 2013.

The independent actuary engaged by both of our pension funds, Todd Schroeder, EA, MAAA, the credentialed actuary on staff at Lauterbach & Amen will present the actuarial valuation reports which include the recommended employer contributions/tax levies for the pension funds.

ROLES AND RESPONSIBILITIES

State statutes require that municipalities levy a tax in a sum sufficient to meet the annual actuarial requirements of a pension fund and that the calculations of the tax levy (annual employer contribution) be based upon an actuarial valuation as prepared by the state, or engagement of an independent actuary by the pension fund or municipality. As the state valuations have previously resulted in increased employer contributions, due to varying actuarial assumptions, it has been a long standing practice by both the La Grange Police Pension Board and Fire Pension Board to hire an independent actuary and establish the various methods and assumptions to be used in the actuarial valuations. The actuary typically presents the valuation results to the pension boards at their quarterly meetings in October. If approved, the pension boards then submit the annual tax levy request to the Village Board for consideration.

Prior to pension reform, the traditional role of the Village Board in the pension fund tax levy process was generally limited to two functions. First, the Village Board as the governing body had the authority to approve (or not approve) a tax levy for the pension funds, (as it is the opinion of the Village Attorney, that the only requirement under the prior statutes was for the Village to be fully or 100% funded by 2033). Second the Village Board had the authority to set an amount for the pension fund levies. The Village Board has previously accepted and approved the tax levy requests as calculated and recommended by the pension fund actuary, in order to remain committed to annually fund required contributions to reach the required funding level within the statutory timeframe.

The Village of La Grange has and continues to enjoy many years of cooperation with its two pension boards. In other communities where municipal and pension board relations are less than harmonious, the governing bodies have simply set a pension levy amount of their own, choosing typically what they could afford, or hired their own independent actuary. In general, neither approach serves the taxpayer.

As a result of a few but egregious circumstances, the roles and responsibilities for both boards was further clarified by the pension reform legislation which allows pension boards to seek, with an expectation to receive, judicial relief when the governing bodies are unable to or fail to fund the new required minimum annual contribution.

Consequently, it is important to recognize that our pension funding discussions regarding actuarial assumptions are advisory (rather than directive) to our pension boards and their actuary. Absent the hiring of its own pension actuary, the Village Board's role is to set and authorize tax policy on this subject matter while the pension boards work with an actuary to set assumptions and determine a levy request.

PENSION REFORM LEGISLATION

As detailed at a previous workshop, pension reform legislation was approved in late 2010 which included several significant changes pertaining to police and fire pension funds including: 1) funding changes; 2) created a second tier of benefits for new hires effective January 1, 2011; and 3) expanded the investment authority of pension funds. The focus of the workshop centered on the funding changes which impact the actuarial valuations and calculation of the annual required employer contribution (tax levies) to the police and fire pension funds. The significant funding changes which impact the actuarial valuations include:

- A 30 year closed amortization period ending in 2040 (previously 40 years ending in 2033)
- A funding target level of 90% (previously 100%)
- Change in the actuarial cost method to Projected Unit Credit (previously Entry Age Normal)
- Utilization of the 5-year smoothed market method of recognizing gains and losses (previously there was an option of using the straight market method or the smoothed market method)
- Calculation of a minimum "floor" employer contribution based on the funding changes.

Pursuant to pension reform legislation, actuaries are required to calculate a minimum "floor" contribution, utilizing the Projected Unit Credit actuarial cost method, a funding target of 90%, and the 5-year smoothed market method of recognizing gains and losses.

The calculation of the "floor" is important as the pension reform legislation also includes a provision for pension funds to request that state-shared revenues be diverted to the pension funds if a municipality fails to transmit the required contribution ("floor"). The statute includes a three year phase-in provision with 1/3 of state-shared revenues diverted in 2016, 2/3 in 2017, and the full difference in the contribution beginning in 2018.

Although the Projected Unit Credit method, 90% funding and the 5-year smoothed market method are required by statute to determine the floor, actual funding can occur utilizing either actuarial cost method (Projected Unit Credit vs. Entry Age Normal), funding percentage (100% vs. 90%) and method of recognizing gains and losses (actual vs. 5-year smoothing).

Previously, consensus was reached between the Village and its Police and Fire Pension Boards to continue to use the current actuarial cost method, Entry Age Normal and a funding level of 100%. The use of the Entry Age Normal (EAN) method was supported as it is designed to produce more stable employer contributions in amounts that increase at the same rate as the employer's payroll. Full or 100 percent funding of pension liabilities was maintained as meeting this financial obligation has been a long standing priority for the Village of La Grange. In addition, both the Entry Age Normal actuarial cost method and 100% funding were selected because they comply with Generally Accepted Accounting Principles (GAAP), while 90% funding is not in compliance with GAAP.

Beginning last year pension reform legislation also requires that the state's "floor" calculation include the 5-year smoothed market method of recognizing gains and losses. Asset smoothing method reduces volatility in the contribution rate and funded ratio that could occur if the market value of assets were used directly in the actuarial calculations. The pension funds newly engaged actuary also recommends the use of the smoothed market method.

Finally, due to the reduced costs resulting from the funding changes included in the pension reform legislation, primarily extending the fully funded amortization date to 2040, it was also the consensus of the Village and its Police and Fire Pension Boards to reduce the actuarial interest rate assumption from 7.5% to 7.0%, as this downwardly revised change in assumption is estimated to be a more realistic, long-term rate of return.

<u>ACTUARIAL VALUATION – 2012 LEVY</u>

Due to an outstanding complaint filed against the pension funds previous independent actuary, the actuarial update scheduled for last fiscal year was not completed. In lieu of the update, the Police and Fire Pension Boards submitted 2012 annual tax levy requests as reflected in the FY 2012-13 operating budget. The Police and Fire pension fund levies of $834,026 and $808,473; respectively, included a 5% increase over the 2011 tax levies, based upon projected salary increases from the most current independent actuarial valuation.

ACTUARIAL VALUATION – 2013 LEVY

As previously reported, during this past summer the Pension Funds issued a Request for Proposal for the engagement of actuarial services. A total of four proposals were received and the Pension Funds interviewed each of the four actuarial firms. It was a unanimous decision by both the Police and Fire Pension Boards to engage the services of Lauterbach & Amen. The decision was based upon Lauterbach & Amen's commitment and focus on working together to assist the pension funds in understanding the key aspects of the actuarial process to ensure that informed decisions are made. Lauterbach & Amen also works individually with each client to determine appropriate plan assumptions. Finally, Lauterbach & Amen addressed and understands the magnitude of the unfunded liability in the short-term and long-term; recognizing that funding (tax levies) is a balance of keeping current payments at a reasonable level, while not passing a more burdensome payment to future generations.

Mr. Todd Schroeder, EA, MAAA is the credentialed actuary on staff at Lauterbach & Amen. Mr. Schroder has over 15 years of actuarial experience serving clients in the governmental and private sectors. Mr. Schroeder has a BSBA in Actuarial Science from Drake University, is an Enrolled Actuary, a Member of the American Academy of Actuaries and a Fellow of the Conference of Consulting Actuaries. Mr. Schroeder provides actuarial services to over 60 police and fire pension funds.

Attached for your review is a summary of the 2013 actuarial valuation results for the police and fire pension funds (Exhibit 1), including investment performance, funded status and tax levy requirements (recommended and floor). Also attached for your review are the complete police and fire pension fund actuarial valuations (Exhibits 2 & 3).

Mr. Schroeder reviewed the actuarial methods and assumptions utilized in the valuation report with the Pension Fund Boards, many of which are similar to those used in previous years. (A summary of key actuarial methods and assumptions can be found on page 9 and pages 11-14 of the valuation report). Mr. Schroeder recommends that the Village and pension funds continue to use the Entry Age Normal actuarial cost method, a funding level of 100% and also supports the use of the smoothed market method of recognizing gains and losses.

Two specific actuarial assumptions have been discussed in greater detail during previous pension workshops. First, the interest rate assumption which, as mentioned earlier, was adjusted downward two years ago from 7.5% to 7.0%. Mr. Schroeder recommends that the interest rate assumption remain at 7.0%. As noted in Exhibit 1, actual investment returns for both funds exceeded the actuarial assumption rate of return and were comparable to investment returns from other downstate pension funds.

Secondly, and the most significant change in the actuarial assumptions is the use of a new mortality table. Lauterbach & Amen utilizes a mortality table developed by their firm in 2012, based upon a separate study of over 200 pension funds, which are similar to the La Grange Police and Fire Pension Funds. The study also draws a distinction in mortality and disability experience between police and fire pension funds. Lauterbach & Amen recommends the use of their mortality table as it provides information specifically related to and focused on actual police and fire participant experience rather than the national, general population RP 2000, blue collar adjusted mortality table, which the State uses in their actuarial valuation report. Please note the pension funds had also started the discussion of a change in mortality tables with the previous actuary.

The use of the new Lauterbach & Amen 2012 mortality table is the primary reason for the significant increase in the recommended employer contributions/tax levies which total $2,070,503. The recommended tax levies are approximately $345,000 or 20.1% more than the pension levies currently budgeted for FY 2014-15. Please note that by utilizing the updated Lauterbach & Amen 2012 mortality table, the pension funds liabilities increase as participants are expected to live longer on a go forward basis, which also results in a reduction in the funded status of both funds.

If the Village were to fund based upon the actuarial "floor" calculation, the resulting combined property tax levy for the police and fire pension funds is $1,765,156, which is an increase of $40,532 or 2.4% from the budgeted FY 2014-15 pension levies (See Exhibits 4 & 5). The data, assumptions and plan provisions used in the calculation of the "floor" contribution are the same as those used in the actuary valuations. We do not recommend utilizing the "floor" contribution as it defers pension costs to the future.

Both the Police and Fire Pension Boards have met and are requesting that the Village 2013 property tax levy filed with Cook County, include employer contributions based upon the independent actuarial valuation in the amounts of $1,040,099 and $1,030,404; respectively.

Please note, prior year actuarial valuation information included in the report was estimated by Lauterbach & Amen, LLP. As such, increases in the employer contributions from the prior year reflected in the report are also estimates.

STAFF RECOMMENDATIONS

Based on the information above, including taking into consideration the professional guidance provided by Mr. Schroeder – the independent actuary engaged by the Police and Fire Pension Funds to perform the actuarial valuations, and support from the Police and Fire pension fund boards, staff recommends the following:

1. That the Village Board continues to fund the pension levies at a level which utilizes: a) the Entry Age Normal actuarial cost method; b) a funding target level of 100; c) 5-year smoothed market method of recognizing gains and losses; d) an interest rate assumption of 7.0%.; and e) the Lauterbach & Amen 2012 mortality table.

2. By funding the pension levies at a level utilizing the assumptions described above, we recommend that the Village Board fund a combined levy of $2,070,503, which is an increase of approximately $345,000 or 20.1% from the pension fund levies currently budgeted in FY 2014-15.

Staff has previously advised the Village Board of the impact the results of the actuarial valuations may have on Village finances. The FY 2014-15 pension funding requirement places additional financial pressure on the General Fund operating budget.

At this time, we would like to provide the Village Board with our thoughts on how to meet this fiscal challenge as a matter of preliminary budget development. First, the current 5-year budget includes a 1% increase in the municipal utility tax in FY 2014-15 to fund on-going operations.

Second, the Village recently experienced its first surplus of $495,000 in the General Fund in over five years; primarily due to an increase in operating revenues of $300,000 from sales tax, income tax and building permits. There is a very good possibility that a combination of two or more of these three operating revenues will continue at current levels on an annual basis.

Third, we believe that these revenues coupled with the planned utility tax increase, other potential revenue growth and conservative budget assumptions, will in the aggregate be very close in offsetting the increased pension costs described above as well as on-going operations, as long as the Village continues to implement its cost containment plan and continues to exercise fiscal discipline.*

Based on this preliminary review, we recommend that the Village Board levy the full amount of the combined pension levy requested by our pension boards to ensure full funding of our pension obligations and to reach full funded status by 2040.

In summary, for purposes of budget development, we project that the Village budget, in the aggregate, will be able to offset our increased pension obligations as described above without the need to cut Village services which at this point of our cost containment plan would include the lay-off of personnel.

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*Endnote: Please also recall that early in the current fiscal year, the Village Board approved budget amendments in the amount of $670,000 for the MARS and Village roof projects, which reduced the General Fund projected reserve balance for FY 2013-14 to approximately 49 percent. In addition, we must continue to remain fiscally conservative due to: 1) uncertainties surrounding state shared revenues; and 2) yet to be determined impact of the Affordable Health Care Act.

Village of La Grange - Police and Fire Pension Funds
Summary of Actuarial Valuation Results - May 1, 2013

Exhibit 1

		Police Pension	Fire Pension
Investment Returns		7.40%	7.60%
Average Lauterbach & Amen pension fund returns 6.8% - 8.2%			
Average fund benchmark - 8.55% *			
Percent Funded	2013	53.8%	40.8%
	2011	58.4%	46.4%

Average Lauterbach & Amen police and fire percent funded status 50%-55%
Percent funded status decreases due to the change in mortality tables

RECOMMENDED	Police Pension	Fire Pension	Total
2013 ARC (Tax Levies) - RECOMMENDED utilizing Entry Age Normal, 100% funding; 5-year smoothed market method; and LA 2012 mortality table**	1,040,099	1,030,404	2,070,503
FY 2014-15 Budget Pension Levies	875,727	848,897	1,724,624
Dollar Increase/(Decrease) from 2014-15 Budget	164,372	181,507	345,879
Percentage Increase/(Decrease)	18.8%	21.4%	20.1%

FLOOR	Police Pension	Fire Pension	Total
2013 Minimum Required Contribution - FLOOR* utilizing Entry Age Normal, 100% funding; 5-year smoothed market method; and LA 2012 mortality table	944,706	820,450	1,765,156
FY 2014-15 Budget Pension Levies	875,727	848,897	1,724,624
Dollar Increase/(Decrease) from 2014-15 Budget	68,979	(28,447)	40,532
Percentage Increase/(Decrease)	7.9%	-3.4%	2.4%

* The Pension fund benchmark is a blended ratio of several indexes based upon the investment allocation of the pension funds' portfolio, including; S&P 500, Barclay Int Gov/Credit, MSCI X US, MSCI Emg Mkt, and Citi Group 3 month T-Bill. Please note the pension funds may not exceed the benchmark return on an annual basis as this would involve additional investment risk. The pension funds maintain a conservative growth strategy with capital appreciation as the primary objective. The funds' seek maximum growth consistent with a relatively modest degree of risk The funds are also willing to accept lower potential returns for lower risk.

** 2013 ARC (tax levies) to be received in FY 2014-15

filename:users\finance\misclou\pension summary 5-1-13.xls

EXHIBIT 2

Lauterbach & Amen, LLP
27W457 Warrenville Road
Warrenville, IL 60555-3902

Actuarial Valuation
as of May 1, 2013

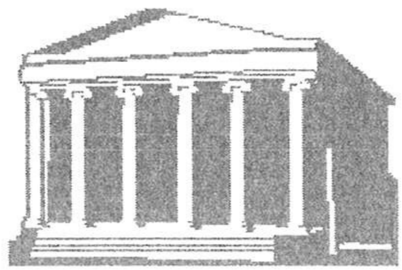
LA GRANGE POLICE PENSION FUND

Utilizing Data as of April 30, 2013
For the Contribution Year May 1, 2013 to April 30, 2014

LAUTERBACH & AMEN, LLP

6-A.7

Actuarial Valuation
as of May 1, 2013



LA GRANGE POLICE PENSION FUND

Utilizing Data as of April 30, 2013
For the Contribution Year May 1, 2013 to April 30, 2014

Submitted by:

Lauterbach & Amen, LLP
27W457 Warrenville Road
Warrenville, IL 60555-3902
630.393.1483 Phone
630.393.2516 Fax
www.lauterbachamen.com

Contact:

Todd A. Schroeder, EA, MAAA

October 17, 2013

6-A.8

TABLE OF CONTENTS

INTRODUCTION

Lauterbach & Amen, LLP

27W457 Warrenville Road, Warrenville, IL 60555

Certified Public Accountants

Statement of Actuarial Opinion

This report documents the results of the Actuarial valuation of the La Grange Police Pension Fund. The purpose is to report the actuarial contribution requirement for the contribution year May 1, 2013 to April 30, 2014. Determinations for purposes other than meeting the employer's actuarial contribution requirements may be significantly different from the results herein.

The results in this report are based on information and data submitted by the La Grange Police Pension Fund including studies performed by prior actuaries. We did not prepare the actuarial valuations for the years prior to May 1, 2013. Those Valuations were prepared by other actuaries whose reports have been furnished to us, and our disclosures are based upon those reports. An audit of the information was not performed, but high-level reviews were performed for general reasonableness, as appropriate, based on the purpose of the valuation. The accuracy of the results is dependent upon the accuracy and completeness of the underlying information. The results of the actuarial valuation and these supplemental disclosures rely on the information provided.

The valuation results summarized in this report involve actuarial calculations that require assumptions about future events. The La Grange Police Pension Fund selected certain assumptions, while others were the result of guidance and/or judgment. We believe that the assumptions used in this valuation are reasonable and appropriate for the purposes for which they have been used.

To the best of our knowledge, all calculations are in accordance with the applicable funding requirements, and the procedures followed and presentation of results conform to generally accepted actuarial principles and practices. The undersigned of Lauterbach & Amen, LLP, with actuarial credentials, meets the Qualification Standards of the American Academy of Actuaries to render this Actuarial Opinion. There is no relationship between the La Grange Police Pension Fund and Lauterbach & Amen, LLP that impairs our objectivity.

The information contained in this report was prepared for the use of the La Grange Police Pension Fund and the Village of La Grange in connection with our actuarial valuation. It is not intended or necessarily suitable for other purposes. It is intended to be used in its entirety to avoid misrepresentations.

Respectfully Submitted,

LAUTERBACH & AMEN, LLP

Todd A. Schroeder, EA, MAAA

SUMMARY OF ACTUARIAL VALUATION

Contribution Requirement

	Prior Valuation*	Current Valuation
Contribution Requirement	$853,594	$1,040,099
Expected Payroll	$2,148,083	$2,218,788
Contribution Requirement as a Percent of Expected Payroll	39.74%	46.88%

Recommended Contribution has Increased $186,505 from Prior Year.

Recommended Contribution is based on the Funding Policy agreed upon by the Board.

Funded Status

	Prior Valuation*	Current Valuation
Normal Cost	$525,779	$483,329
Market Value of Assets	$15,543,656	$15,851,991
Actuarial Value of Assets	$15,940,283	$16,345,109
Actuarial Accrued Liability	$30,607,164	$30,364,396
Unfunded Actuarial Accrued Liability	$14,666,881	$14,019,287
Percent Funded		
Actuarial Value of Assets	52.08%	53.83%
Market Value of Assets	50.78%	52.21%

Funded Percentage has Increased by 1.75 on an Actuarial Value of Assets Basis.

*Prior valuation estimated by Lauterbach & Amen, LLP.

6-A.12

Comments and Analysis

Funding Policy

The Recommended contribution is based on the Funding Policy for the Plan. A Funding Policy has three key numerical components:

1. The Actuarial Cost Method: The Actuarial Cost Method budgets a contribution for each year of an employee's working career. Cash contributions are made according to the budget ("Normal Cost" contributions). In addition the Actuarial Cost Method can measure how well the funding is progressing compared to the budgeted contributions.

2. Amortization Policy: When Plan funding is not where expected (according to budget), procedures are put into place to pay down any shortfall. This leads to a second piece of the cash contribution (the "Amortization Payment").

3. Actuarial Value of Assets: Fluctuations in the plans assets due to short-term gains and losses may be smoothed over some period of time to minimize long-term contribution volatility.

Actuarial Cost Method

The Actuarial Cost Method under the Funding Policy is the Entry Age Normal (EAN) Cost Method (as a percent of payroll). The EAN method creates budgeted contributions that are expected to be stable as a percent of payroll over time, creating equity over generations of taxpayers.

Amortization Policy

The Funding Policy amortizes the current unfunded liability with a target of 100% funding by 2040.

Actuarial Value of Assets

The actuarial value of assets under the funding policy is equal to the fair market value of assets, with unexpected gains and losses smoothed over 5 years. Only gains and losses that occurred in fiscal years subsequent to March 30, 2011 are being smoothed.

The net impact is that the actuarial value of assets is higher than the market value of assets, or about 103% of the market value of assets.

COMMENTS AND ANALYSIS - CONTINUED

Actuarial Liability/Contribution Requirement Changes

Actuarial liability is expected to increase each year for both interest for the year and as active employees earn additional service years towards retirement. Similarly actuarial liability is expected to decrease when the fund pays benefits to inactive employees. Other increases or decreases in actuarial liability (key changes noted below) will increase or decrease the amount of unfunded liability in the plan. To the extent unfunded liability increases or decreases unexpectedly, the contribution towards unfunded liability will also change unexpectedly.

Contributions are expected to increase at the rate of expected pay increases under the funding policy for the Fund.

	Actuarial Liability	Contribution Requirement
Prior Valuation (Estimated)	$ 28,165,089	$ 853,594
Expected Changes	892,354	38,412
Initial Expected Current Valuation	29,057,443	892,006
Salary Increase Less than Expected	(186,572)	(11,508)
Demographic Changes	524,771	36,771
Assumption Changes	968,755	107,795
Asset Return Less than Expected*	-	11,314
Contributions Less than Expected	-	3,720
Current Valuation	$ 30,364,396	$ 1,040,099

*The increase in contribution due to asset losses was mitigated by the deferral of a portion of the loss.

The assumptions for plan mortality, retirement rates, termination rates, and disability rates were changed from the prior valuation. The rates were changed to rates based on the Lauterbach & Amen, LLP 2012 study for police pensions.

6-A.14

ASSETS

6-A.15

MARKET VALUE OF ASSETS

Market Value of Assets

	Prior Valuation	Current Valuation
Cash and Cash Equivalents	$ 495,851	$ 334,848
State and Local Obligations	1,145,093	1,441,143
US Govt and Agency Obligations	2,779,160	2,255,562
Insurance Contracts	3,314,387	3,444,771
Insurance Co Contracts - Separate	4,033,132	4,382,607
Stock Equities	3,564,351	4,064,728
Receivables (Net of Payables)	(72,805)	(71,668)
Net Assets Available for Pensions	$ 15,259,169	$ 15,851,991

The Total Value of Assets has Increased $592,822 from the Prior Valuation.

Change in Market Value of Assets

Total Market Value - Prior Valuation	$ 15,259,169
Plus - Employer Contributions	780,238
Plus - Employee Contributions	216,015
Plus - Return on Investments	1,115,879
Less - Benefit and Related Payments	(1,510,587)
Less - Other Expenses	(8,723)
Total Market Value - Current Valuation	$ 15,851,991

The Return on Investment on the Market Value of Assets for the Fund was Approximately 7.4% Net of Administrative Expenses.

6-A.16

Actuarial Value of Assets

Current Year Loss/(Gain) Assets

Total Market Value - Prior Valuation	$ 15,259,169
Contributions	996,253
Benefit Payments	(1,510,587)
Expected Return on Investments	1,085,009
Expected Total Market Value - Current Valuation	15,829,844
Actual Total Market Value - Current Valuation	15,851,991
Current Market Value Loss/(Gain)	$ (22,147)
Expected Return on Investments	$ 1,085,009
Actual Return on Investments (Net of Expenses)	1,107,156
Current Market Value Loss/(Gain)	$ (22,147)

The Current Year Loss/Gain is the Difference in Earnings Between the Actuarial Assumed Rate of Return on Investments and the Actual Investment Returns.

Development of the Actuarial Value of Assets

Total Market Value - Current Valuation		$ 15,851,991
Adjustment for Prior Losses/(Gains)		
	Full Amount	
First Proceeding Year	$ (22,147)	(17,718)
Second Proceeding Year	851,392	510,835
Third Proceeding Year	-	-
Fourth Proceeding Year	-	-
Total Deferred Loss/(Gain)		493,118
Initial Actuarial Value of Assets - Current Valuation		16,345,109
Less Contributions for the Current Year and Interest		-
Less Adjustment for the Corridor		-
Actuarial Value of Assets - Current Valuation		$ 16,345,109

The Actuarial Value of Assets is Equal to the Fair Market Value of Assets with Unanticipated Gains/Losses Recognized over 5 Years. The Actuarial Value of Assets is Currently 103% of the Market Value.

6-A.17

RECOMMENDED CONTRIBUTION DETERMINATION

ACTUARIAL ACCRUED LIABILITY AND FUNDED STATUS

Actuarial Accrued Liability

	Current Valuation
Active Employees	$ 12,563,854
Inactive Employees	
Terminated Employees - Vested	-
Retired Employees	15,664,042
Disabled Employees	375,052
Other Beneficiaries	1,761,448
Total Inactive Employees	17,800,542
Total Actuarial Accrued Liability	$ 30,364,396

Total Actuarial Accrued Liability has Decreased from the Prior Valuation (See Table on Page 4).

Funded Status

	Current Valuation
Total Actuarial Accrued Liability	$ 30,364,396
Total Actuarial Value of Assets	16,345,109
Unfunded Actuarial Accrued Liability	$ 14,019,288
Total Market Value of Assets	$ 15,851,991
Percent Funded	
Actuarial Value of Assets	53.83%
Market Value of Assets	52.21%

The Current Funding Policy is for the Pension Fund to be 100% Funded on an Actuarial Basis (Entry Age Normal Cost Method) by the Year 2040.

6-A.19

NORMAL COST AND CONTRIBUTION REQUIREMENT

Development of the Normal Cost

	Current Valuation
Total Normal Cost	$ 483,329
Estimated Employee Contributions	(219,882)
Employer Normal Cost	$ 263,447

At a 100% Funding Level, the Normal Cost Contribution is Still Required.

Normal Cost as a Percentage of Expected Payroll

	Current Valuation
Expected Payroll	$ 2,218,788
Employee Normal Cost Rate	9.91%
Employer Normal Cost Rate	11.87%
Total Normal Cost Rate	21.78%

Ideally the Employer Normal Cost Rate will Remain Stable.

Contribution Requirement

	Current Valuation
Employer Normal Cost*	$ 297,280
Amortization of Unfunded Accrued Liability/(Surplus)	742,819
Funding Requirement	$ 1,040,099

The Recommended Contribution has Decreased from the Prior Valuation (See Table on Page 4).

*Employer Normal Cost Contribution includes interest through the end of the year.

6-A.20

Actuarial Method and Assumptions Utilized

Actuarial Valuation Date	May 1, 2013
Actuarial Cost Method	Entry Age Normal (Level % Pay)
Amortization Method	Level % Pay (Closed)
Amortization Target	100% Funded in year 2040
Asset Valuation Method	5-Year Smoothed Market Value
Actuarial Assumptions	
Investment Rate of Return	7.00%
Projected Salary Increases	4% - 6.1%
Aggregate Payroll Increases	4.50%
Inflation Rate Included	3.00%

A Summary of the Key Actuarial Assumptions and Funding Policy Decisions used in the Determination of the Recommended Contribution are Shown. More Detail is Available Later.

Actuarial assumptions are based upon per year compounded annually.

The contribution and benefit values of the Pension Fund are calculated by applying actuarial assumptions to the benefit provisions and census information furnished, using the actuarial cost methods described. The actuarial cost and amortization method allocates the projected obligations of the plan over the working lifetimes of the plan participants.

In 2012, Lauterbach & Amen, LLP completed an assumption study on mortality, termination, retirement, and disability rates. These assumptions were updated to better reflect Illinois Firefighter and Police experience.

The change in mortality increased the contribution by $76,194. The change in termination rates increased the contribution by $35,149. The change in retirement rates lowered the contribution by $33,285. The change in disability rates increased the contribution by $2,496. The change in salary assumption increased the contribution by $1,898. The change in assumed spousal age increased the contribution by $25,344.

6-A.21

VALUATION DATA AND PROCEDURES

SUMMARY OF PLAN PARTICIPANTS

Active Employees

	Current Valuation
Vested	22
Nonvested	4
Total Active Employees	26
Total Payroll	$ 2,169,964

Inactive Employees

	Current Valuation
Terminated Employees - Vested	0
Retired Employees	22
Disabled Employees	1
Other Beneficiaries	10
Total Inactive Employees	33

Inactive Employees – Summary of Monthly Benefits

	Current Valuation
Terminated Employees - Vested	$ -
Retired Employees	102,116
Disabled Employees	1,637
Other Beneficiaries	22,124
Total Inactive Employees	$ 125,878

Benefits shown for terminated employees under deferred retirement are not currently in pay status.

6-A.23

ACTUARIAL METHODS AND ASSUMPTIONS

Nature of Actuarial Calculations

The results documented in this report are estimates based on data that may be imperfect and on assumptions about future events. Certain plan provisions may be approximated or deemed immaterial, and, therefore, are not valued. Assumptions may be made about participant data or other factors. Reasonable efforts were made in this valuation to ensure that significant items in the context of the actuarial liabilities or costs are treated appropriately, and not excluded or included inappropriately.

Actual future experience will differ from the assumptions used in the calculations. As these differences arise, the expense for accounting purposes will be adjusted in future valuations to reflect such actual experience.

A range of results different from those presented in this report could be considered reasonable. The numbers are not rounded, but this is for convenience only and should not imply precision which is not inherent in actuarial calculations.

Actuarial Cost Methods

The actuarial cost method allocates the projected obligations of the plan over the working lifetimes of the plan participants.

In accordance with the Pension Fund's Funding Policy the actuarial cost method for the recommended contribution basis is Entry Age Normal (Level Percent of Pay). The Entry Age Normal Cost Method is a method under which the actuarial present value of the projected benefits of each individual included in an actuarial valuation is allocated on a level basis over the earnings or service of the individual between entry age and assumed exit age. The portion of this actuarial present value allocated to a valuation year is called normal cost. The portion of the actuarial present value not provided at a valuation date by the actuarial present value of future normal costs is called the actuarial liability.

ACTUARIAL METHODS AND ASSUMPTIONS - CONTINUED

Financing of Unfunded Actuarial Accrued Liabilities

The Unfunded Actuarial Accrued Liability may be amortized over a period either in level dollar amounts or as a level percentage of projected payroll.

In accordance with the Pension Fund's Funding Policy for the recommended contribution the unfunded actuarial accrued liabilities are amortized by level percent of payroll contributions to 100% funding target over the remaining 27 future years including the municipality's fiscal year 2040.

Asset Valuation Method

The Actuarial Value of Assets is equal to the Market value of assets with unanticipated gains/losses recognized over five years (beginning with gains/losses in 2011).

6-A.25

Actuarial Assumptions in the Valuation Process

The contribution and benefit values of the Pension Fund are calculated by applying actuarial assumptions to the benefit provisions and census information furnished, using the actuarial cost methods described in the previous section.

The principal areas of financial risk which require assumptions about future experience are:

- Long-term Rates of Investment Return
- Patterns of Pay Increases for Members
- Rates of Mortality Among Members and Beneficiaries
- Rates of Withdrawal of Active Members
- Rates of Disability Among Members
- Age Patterns of Actual Retirement

Actual experience of the Pension Fund will not coincide exactly with assumed experience. Each valuation provides a complete recalculation of assumed future experience and takes into account all past differences between assumed and actual experience. The result is a continual series of adjustments to the computed contribution requirement.

From time to time it becomes appropriate to modify one or more of the assumptions, to reflect experience trends (but not random year-to-year fluctuations).

Actuarial Assumptions Utilized

Investment Return	Are Described in the Prior Sections of this Report
Salary Increases	Are Described in the Prior Sections of this Report
Inflation Rate Included	Are Described in the Prior Sections of this Report
Cost-of-Living Adjustments	Are Described in the Prior Sections of this Report

ACTUARIAL METHODS AND ASSUMPTIONS - CONTINUED

Actuarial Assumptions Utilized - Continued

Retirement Rates

100% of the L&A Assumption Study for Police 2012 Cap Age 65. Sample Rates as Follows:

Age	Rate	Age	Rate
50	0.170	53	0.170
51	0.170	54	0.220
52	0.170	55	0.220

Withdrawal Rates

100% of the L&A Assumption Study for Police 2012. Sample Rates as Follows:

Age	Rate	Age	Rate
25	0.064	40	0.019
30	0.047	45	0.012
35	0.031	50	0.007

Disability Rates

100% of the L&A Assumption Study for Police 2012. Sample Rates as Follows:

Age	Rate	Age	Rate
25	0.001	40	0.005
30	0.002	45	0.006
35	0.004	50	0.007

Mortality Rates

L&A Assumption Study for Police 2012. Sample Rates as Follows:

Age	Rate	Age	Rate
25	0.000	40	0.001
30	0.000	45	0.001
35	0.001	50	0.002

Married Participants

80% of Active Participants are Assumed to be Married. Male Spouses are Assumed to be 3 years Older..

6-A.27

Summary of Principal Plan Provisions

Establishment of the Fund

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

Administration

The Police Pension Fund is administered by a Board of Trustees located in each municipality maintaining a pension fund for its police officers. Its duties are to control and manage the pension fund, to hear and determine applications for pensions, to authorize payment of pensions, to establish rules, to pay expenses, to invest funds, and to keep records.

Employee Contributions

Employees contribute 9.910% of salary.

Normal Retirement Pension Benefit

Hired Prior to January 1, 2011

Eligibility: Age 50 with at least 20 years of creditable service and no longer a police officer.

Benefit: 50% of final salary is payable commencing at retirement for 20 years of service. An additional 2.5% of final salary is added for each additional year of service in excess of 20 years of service (not to exceed 75% of final salary). "Final salary" is the salary attached to rank held on the last day of services or for 1 year prior to the last day, whichever is greater.

Annual Increase in Benefit: An officer will receive an initial increase of 1/12 of 3% for each month that has elapsed since retirement. The initial increase date will be the later of the first day of the month following the attainment of age 55, or the first anniversary of the date of retirement. Subsequent increases of 3% of the current pension amount (including prior increases) will be provided in each January thereafter.

Normal Retirement Pension Benefit - Continued

Hired on or After January 1, 2011

Eligibility: Age 55 with at least 10 years of creditable service and no longer a police officer.

Benefit: 2.5% of final average salary for each year of service is payable at retirement (not to exceed 75% of final average salary). "Final average salary" is determined by dividing the highest total salary over 96 consecutive months of service in the last 120 months of service by the total number of months of service in the period. Annual salary for this purpose will not exceed $106,800, indexed by the lesser of 3% or ½ of the CPI-U for the 12 months ending with the September preceding each November 1. The salary cap will not decrease.

Annual Increase in Benefit: The initial increase date will be the January 1st following the later of the attainment of age 60, or the first anniversary of the date of retirement. Subsequent increases will occur on each subsequent January 1st. The first increase and subsequent increases will be the lesser of 3% of the original benefit or ½ of the CPI-U for the 12 months ending with the September preceding each November 1, applied to the original benefit.

Early Retirement Pension Benefit

Hired Prior to January 1, 2011

None

Hired on or After January 1, 2011

Eligibility: Age 50 with at least 10 years of creditable service and no longer a police officer.

Benefit: The normal retirement pension benefit reduced by ½ of 1% for each month that the police officer's age is under age 55.

Annual Increase in Benefit: The initial increase date will be the January 1st following the later of the attainment of age 60, or the first anniversary of the date of retirement. Subsequent increases will occur on each subsequent January 1st. The first increase and subsequent increases will be the lesser of 3% of the original benefit or ½ of the CPI-U for the 12 months ending with the September preceding each November 1, applied to the original benefit.

Pension to Survivors

Hired Prior to January 1, 2011

Death - Line of Duty

Surviving spouse is entitled to 100% of the salary attached to the rank of the police officer on the last day of service, payable immediately.

Death - Non-Duty

Current Pensioners (Including Disabled Pensioners): Surviving spouse to receive continuation of the pension.

Active Employee with 20+ Years of Service: Surviving spouse is entitled to the full pension earned by the police officer at the time of death.

Active Employee with 10-20 Years of service: Surviving spouse is entitled to 50% of the salary attached to the rank of the police officer on the last day of service, payable immediately

Annual Increase in Benefit: None.

Hired on or After January 1, 2011

Death - Line of Duty

Surviving spouse is entitled to 100% of the salary attached to the rank of the police officer on the last day of service, payable immediately.

Death - Non-Duty

Current Pensioners (Including Disabled Pensioners), Active Employee with 20+ Years of Service, and Active Employee with 10-20 Years of service: Surviving spouse to receive 66 ⅔% of the police officer's earned pension at the date of death.

Annual Increase in Benefit: The initial increase date will be the January 1st after the attainment of age 60 by the recipient of the survivor's pension. Subsequent increases will occur on each subsequent January 1st. The first increase and subsequent increases will be the lesser of 3% of the original benefit or ½ of the CPI-U for the 12 months ending with the September preceding each November 1, applied to the original survivor's benefit amount.

SUMMARY OF PRINCIPAL PLAN PROVISIONS - CONTINUED

Termination Benefit

Hired Prior to January 1, 2011

Eligibility: At least 8 years but less than 20 years of creditable service.

Benefit: 2.5% of final salary for each year of service is payable beginning at age 60. "Final salary" is based on the greater of salary during the last year of service prior to termination of employment or the pay rate for the police officer at termination of employment.

Annual Increase in Benefit: An officer will receive an initial increase of 3% on the first anniversary of the date of start of payments. Subsequent increases of 3% of the current pension amount will be provided in each January thereafter.

Hired on or After January 1, 2011

Eligibility: At least 10 years but less than 20 years of creditable service.

Benefit: 2.5% of final salary for each year of service is payable beginning at age 60. "Final salary" is based on the greater of salary during the last year of service prior to termination of employment or the pay rate for the police officer at termination of employment. Annual salary for this purpose will not exceed $106,800, indexed by the lesser of 3% or ½ of the CPI-U for the 12 months ending with the September preceding each November 1. The salary cap will not decrease.

Annual Increase in Benefit: The initial increase date will be the January 1st following the first payment. Subsequent increases will occur on each subsequent January 1st. The first increase and subsequent increases will be the lesser of 3% of the original benefit or ½ of the CPI-U for the 12 mos. ending with the September preceding each November 1, applied to the original benefit amount.

Disability Benefit

Hired Prior to January 1, 2011

Eligibility: Disability (duty or non-duty).

Benefit: A police officer who becomes disabled on duty is entitled to receive a pension equal to the greater of 65% of final salary or the pension they would have been entitled to upon retirement at the time of disability. For a non-duty disability, the police officer is entitled to 50% of final salary. "Final salary" is based on the pay rate for the police officer on the last day of service.

Annual Increase in Benefit: The initial increase date will be the January 1st following the attainment of age 60. Subsequent increases will occur on each subsequent January 1st. The first increase is 3% of the original benefit for each full year that has passed since the pension began. Subsequent increases will be the 3% of the original pension benefit amount.

6-A.31

Disability Benefit - Continued

Hired on or after January 1, 2011

Eligibility: Disability (duty or non-duty).

Benefit: A police officer who becomes disabled on duty is entitled to receive a pension equal to the greater of 65% of final salary or the pension they would have been entitled to upon retirement at the time of disability. For a non-duty disability, the police officer is entitled to 50% of final salary. "Final salary" is based on the pay rate for the police officer on the last day of service.

Annual Increase in Benefit: The initial increase date will be the January 1st following the attainment of age 60. Subsequent increases will occur on each subsequent January 1st. The first increase and subsequent increases will be the lesser of 3% of the original benefit or ½ of the CPI-U for the 12 months ending with the September preceding each November 1, applied to the original benefit amount.

6-A.32

GLOSSARY OF TERMS

Glossary of Terms

Actuarial Accrued Liability –The actuarial present value of future benefits based on employees' service rendered to the measurement date using the selected actuarial cost method. It is that portion of the Actuarial Present Value of plan benefits and expenses allocated to prior years of employment. It is not provided for by future Normal Costs.

Actuarial Cost Method – The method used to allocate the projected obligations of the plan over the working lifetimes of the plan participants.

Actuarial Value of Asset – The value of the assets used in the determination of the Unfunded Actuarial Accrued Liability. The Actuarial Value of Assets is related to Market Value of Assets, with adjustments made to spread unanticipated gains and losses for a given year over a period of several years. Actuarial Value of Assets is generally equally likely to fall above or below the Market Value of Assets, and generally does not experience as much volatility over time as the Market Value of Assets.

Asset Valuation Method – A valuation method designed to smooth random fluctuations in asset values. The objective underlying the use of an asset valuation method is to provide for the long-term stability of employer contributions.

Funding Policy – A set of procedures for a Pension Fund that outlines the "best practices" for funding the pension benefits based on the goals of the plan sponsor. A Funding Policy discusses items such as assumptions, Actuarial Cost Method, assets, and other parameters that will best help the sponsor meet their goal of working in the best interest of the plan participant.

Market Value of Assets – The value of the cash, bonds, securities and other assets held in the pension trust as of the measurement date.

Normal Cost –The present value of future benefits earned by employees during the current fiscal year. It is that portion of the Actuarial Present Value of benefits and expenses which is allocated to a valuation year by the Actuarial Cost Method.

Unfunded Actuarial Accrued Liability – The excess of the Actuarial Accrued Liability over the Actuarial Value of Assets. The Unfunded Actuarial Accrued Liability is amortized over a period either in level dollar amounts or as a level percentage of projected payroll.

EXHIBIT 3

Lauterbach & Amen, LLP
27W457 Warrenville Road
Warrenville, IL 60555-3902

Actuarial Valuation as of May 1, 2013

LA GRANGE FIREFIGHTERS' PENSION FUND

Utilizing Data as of April 30, 2013
For the Contribution Year May 1, 2013 to April 30, 2014

LAUTERBACH & AMEN, LLP

6-A.35

Actuarial Valuation
as of May 1, 2013

LA GRANGE FIREFIGHTERS' PENSION FUND

Utilizing Data as of April 30, 2013
For the Contribution Year May 1, 2013 to April 30, 2014

Submitted by:

Lauterbach & Amen, LLP
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Todd A. Schroeder, EA, MAAA

October 17, 2013

6-A.36

TABLE OF CONTENTS

INTRODUCTION

6-A.38

Lauterbach & Amen, LLP
Certified Public Accountants
27W457 Warrenville Road, Warrenville, IL 60555

Statement of Actuarial Opinion

This report documents the results of the Actuarial valuation of the La Grange Firefighters' Pension Fund. The purpose is to report the actuarial contribution requirement for the contribution year May 1, 2013 to April 30, 2014. Determinations for purposes other than meeting the employer's actuarial contribution requirements may be significantly different from the results herein.

The results in this report are based on information and data submitted by the La Grange Firefighters' Pension Fund including studies performed by prior actuaries. We did not prepare the actuarial valuations for the years prior to May 1, 2013. Those Valuations were prepared by other actuaries whose reports have been furnished to us, and our disclosures are based upon those reports. An audit of the information was not performed, but high-level reviews were performed for general reasonableness, as appropriate, based on the purpose of the valuation. The accuracy of the results is dependent upon the accuracy and completeness of the underlying information. The results of the actuarial valuation and these supplemental disclosures rely on the information provided.

The valuation results summarized in this report involve actuarial calculations that require assumptions about future events. The La Grange Firefighters' Pension Fund selected certain assumptions, while others were the result of guidance and/or judgment. We believe that the assumptions used in this valuation are reasonable and appropriate for the purposes for which they have been used.

To the best of our knowledge, all calculations are in accordance with the applicable funding requirements, and the procedures followed and presentation of results conform to generally accepted actuarial principles and practices. The undersigned of Lauterbach & Amen, LLP, with actuarial credentials, meets the Qualification Standards of the American Academy of Actuaries to render this Actuarial Opinion. There is no relationship between the La Grange Firefighters' Pension Fund and Lauterbach & Amen, LLP that impairs our objectivity.

The information contained in this report was prepared for the use of the La Grange Firefighters' Pension Fund and the Village of La Grange in connection with our actuarial valuation. It is not intended or necessarily suitable for other purposes. It is intended to be used in its entirety to avoid misrepresentations.

Respectfully Submitted,

LAUTERBACH & AMEN, LLP

Todd A. Schroeder, EA, MAAA

6-A.39

SUMMARY OF ACTUARIAL VALUATION

Contribution Requirement

	Prior Valuation*	Current Valuation
Contribution Requirement	$887,431	$1,030,404
Expected Payroll	$1,476,803	$1,557,504
Contribution Requirement as a Percent of Expected Payroll	60.09%	66.16%

Recommended Contribution has Increased $142,972 from Prior Year.

Recommended Contribution is based on the Funding Policy agreed upon by the Board.

Funded Status

	Prior Valuation*	Current Valuation
Normal Cost	$498,623	$415,428
Market Value of Assets	$8,858,746	$9,225,301
Actuarial Value of Assets	$9,272,945	$9,517,744
Actuarial Accrued Liability	$22,689,190	$23,354,689
Unfunded Actuarial Accrued Liability	$13,416,245	$13,836,945
Percent Funded		
Actuarial Value of Assets	40.87%	40.75%
Market Value of Assets	39.04%	39.50%

Funded Percentage has Decreased by 0.12 on an Actuarial Value of Assets Basis.

*Previous valuation estimated by Lauterbach & Amen, LLP.

6-A.40

COMMENTS AND ANALYSIS

Funding Policy

The Recommended contribution is based on the Funding Policy for the Plan. A Funding Policy has three key numerical components:

1. The Actuarial Cost Method: The Actuarial Cost Method budgets a contribution for each year of an employee's working career. Cash contributions are made according to the budget ("Normal Cost" contributions). In addition the Actuarial Cost Method can measure how well the funding is progressing compared to the budgeted contributions.

2. Amortization Policy: When Plan funding is not where expected (according to budget), procedures are put into place to pay down any shortfall. This leads to a second piece of the cash contribution (the "Amortization Payment").

3. Actuarial Value of Assets: Fluctuations in the plans assets due to short-term gains and losses may be smoothed over some period of time to minimize long-term contribution volatility.

Actuarial Cost Method

The Actuarial Cost Method under the Funding Policy is the Entry Age Normal (EAN) Cost Method (as a percent of payroll). The EAN method creates budgeted contributions that are expected to be stable as a percent of payroll over time, creating equity over generations of taxpayers.

Amortization Policy

The Funding Policy amortizes the current unfunded liability with a target of 100% funding by 2040.

Actuarial Value of Assets

The actuarial value of assets under the funding policy is equal to the fair market value of assets, with unexpected gains and losses smoothed over 5 years. Only gains and losses that occurred in fiscal years subsequent to March 30, 2011 are being smoothed.

The net impact is that the actuarial value of assets is higher than the market value of assets, or about 103% of the market value of assets.

Actuarial Liability/Contribution Requirement Changes

Actuarial liability is expected to increase each year for both interest for the year and as active employees earn additional service years towards retirement. Similarly actuarial liability is expected to decrease when the fund pays benefits to inactive employees. Other increases or decreases in actuarial liability (key changes noted below) will increase or decrease the amount of unfunded liability in the plan. To the extent unfunded liability increases or decreases unexpectedly, the contribution towards unfunded liability will also change unexpectedly.

Contributions are expected to increase at the rate of expected pay increases under the funding policy for the Fund.

	Actuarial Liability	Contribution Requirement
Prior Valuation (Estimated)	$ 21,411,929	$ 887,431
Expected Changes	777,011	39,934
Initial Expected Current Valuation	22,188,940	927,366
Salary Increase Less than Expected	(43,491)	(1,880)
Demographic Changes	(442,440)	(56,340)
Assumption Changes	1,651,680	148,129
Asset Return Less than Expected*	-	6,782
Contributions Less than Expected	-	6,347
Current Valuation	$ 23,354,689	$ 1,030,404

* The increase in contribution due to asset losses was mitigated by the deferral of a portion of the loss.

The assumptions for plan mortality, retirement rates, termination rates, and disability rates were changed from the prior valuation. The rates were changed to rates based on the Lauterbach & Amen, LLP 2012 study for Firefighters.

6-A.42

ASSETS

6-A.43

Market Value of Assets

Market Value of Assets

	Prior Valuation	Current Valuation
Cash and Cash Equivalents	$ 168,141	$ -
Money Market Mutual Funds	-	216,986
State and Local Obligations	386,998	565,248
US Govt and Agency Obligations	621,687	727,017
Insurance Contracts	3,471,034	3,286,870
Insurance Co Contracts - Separate	2,163,731	2,103,383
Stock Equities	2,127,110	2,402,672
Receivables (Net of Payables)	(79,956)	(76,875)
Net Assets Available for Pensions	$ 8,858,745	$ 9,225,301

The Total Value of Assets has Increased $366,556 from the Prior Valuation.

Change in Market Value of Assets

Total Market Value - Prior Valuation	$ 8,858,745
Plus - Employer Contributions	761,155
Plus - Employee Contributions	146,117
Plus - Return on Investments	678,069
Less - Benefit and Related Payments	(1,204,923)
Less - Other Expenses	(13,862)
Total Market Value - Current Valuation	$ 9,225,301

The Return on Investment on the Market Value of Assets for the Fund was Approximately 7.6% Net of Administrative Expenses.

6-A.44

ACTUARIAL VALUE OF ASSETS

Current Year Loss/(Gain) Assets

Total Market Value - Prior Valuation	$ 8,858,745
Contributions	907,272
Benefit Payments	(1,204,923)
Expected Return on Investments	641,449
Expected Total Market Value - Current Valuation	9,202,543
Actual Total Market Value - Current Valuation	9,225,301
Current Market Value Loss/(Gain)	$ (22,758)
Expected Return on Investments	$ 641,449
Actual Return on Investments (Net of Expenses)	664,207
Current Market Value Loss/(Gain)	$ (22,758)

The Current Year Loss/Gain is the Difference in Earnings Between the Actuarial Assumed Rate of Return on Investments and the Actual Investment Returns.

Development of the Actuarial Value of Assets

Total Market Value - Current Valuation		$ 9,225,301
Adjustment for Prior Losses/(Gains)		
	Full Amount	
First Proceeding Year	$ (22,758)	(18,206)
Second Proceeding Year	517,749	310,649
Third Proceeding Year	-	-
Fourth Proceeding Year	-	-
Total Deferred Loss/(Gain)		292,443
Initial Actuarial Value of Assets - Current Valuation		9,517,744
Less Contributions for the Current Year and Interest		-
Less Adjustment for the Corridor		-
Actuarial Value of Assets - Current Valuation		$ 9,517,744

The Actuarial Value of Assets is Equal to the Fair Market Value of Assets with Unanticipated Gains/Losses Recognized over 5 Years. The Actuarial Value of Assets is Currently 103% of the Market Value.

6-A.45

RECOMMENDED CONTRIBUTION DETERMINATION

6-A.46

ACTUARIAL ACCRUED LIABILITY AND FUNDED STATUS

Actuarial Accrued Liability

	Current Valuation
Active Employees	$ 7,457,123
Inactive Employees	
Terminated Employees - Vested	-
Retired Employees	10,927,108
Disabled Employees	4,173,432
Other Beneficiaries	797,026
Total Inactive Employees	15,897,566
Total Actuarial Accrued Liability	$ 23,354,689

Total Actuarial Accrued Liability has Decreased from the Prior Valuation (See Table on Page 4).

Funded Status

	Current Valuation
Total Actuarial Accrued Liability	$ 23,354,689
Total Actuarial Value of Assets	9,517,744
Unfunded Actuarial Accrued Liability	$ 13,836,945
Total Market Value of Assets	$ 9,225,301
Percent Funded	
Actuarial Value of Assets	40.75%
Market Value of Assets	39.50%

The Current Funding Policy is for the Pension Fund to be 100% Funded on an Actuarial Basis (Entry Age Normal Cost Method) by the Year 2040.

6-A.47

Normal Cost and Contribution Requirement

Development of the Normal Cost

	Current Valuation
Total Normal Cost	$ 415,428
Estimated Employee Contributions	(147,262)
Employer Normal Cost	$ 268,166

At a 100% Funding Level, the Normal Cost Contribution is Still Required.

Normal Cost as a Percentage of Expected Payroll

	Current Valuation
Expected Payroll	$ 1,557,504
Employee Normal Cost Rate	9.455%
Employer Normal Cost Rate	17.22%
Total Normal Cost Rate	26.67%

Ideally the Employer Normal Cost Rate will Remain Stable.

Contribution Requirement

	Current Valuation
Employer Normal Cost*	$ 297,246
Amortization of Unfunded Accrued Liability/(Surplus)	733,158
Funding Requirement	$ 1,030,404

The Recommended Contribution has Decreased from the Prior Valuation (See Table on Page 4).

*Employer Normal Cost Contribution includes interest through the end of the year.

6-A.48

ACTUARIAL METHOD AND ASSUMPTIONS

Actuarial Method and Assumptions Utilized

Actuarial Valuation Date	May 1, 2013
Actuarial Cost Method	Entry Age Normal (Level % Pay)
Amortization Method	Level % Pay (Closed)
Amortization Target	100% Funded in year 2040
Asset Valuation Method	5-Year Smoothed Market Value
Actuarial Assumptions	
Investment Rate of Return	7.00%
Projected Salary Increases	4% - 6.1%
Aggregate Payroll Increases	4.50%
Inflation Rate Included	3.00%

A Summary of the Key Actuarial Assumptions and Funding Policy Decisions used in the Determination of the Recommended Contribution are Shown. More Detail is Available Later.

Actuarial assumptions are based upon per year compounded annually.

The contribution and benefit values of the Pension Fund are calculated by applying actuarial assumptions to the benefit provisions and census information furnished, using the actuarial cost methods described. The actuarial cost and amortization method allocates the projected obligations of the plan over the working lifetimes of the plan participants.

In 2012, Lauterbach & Amen, LLP completed an assumption study on mortality, termination, retirement, and disability rates. These assumptions were updated to better reflect Illinois Firefighter and Police experience.

The change in the mortality assumption increased the contribution by $118,441. The change in termination rates increased the contribution by $7,368. The change in retirement rates lowered the contribution by $32,469. The change in disability rates increased the contribution by $6,127. The change in salary scale increased the contribution by $25,791. The change in assumed spousal age increased the contribution by $22,871.

6-A.49

VALUATION DATA AND PROCEDURES

SUMMARY OF PLAN PARTICIPANTS

Active Employees

	Current Valuation
Vested	11
Nonvested	8
Total Active Employees	19
Total Payroll	$ 1,523,231

Inactive Employees

	Current Valuation
Terminated Employees - Vested	0
Retired Employees	15
Disabled Employees	7
Other Beneficiaries	5
Total Inactive Employees	27

Inactive Employees – Summary of Monthly Benefits

	Current Valuation
Terminated Employees - Vested	$ -
Retired Employees	68,066
Disabled Employees	24,910
Other Beneficiaries	7,286
Total Inactive Employees	$ 100,262

Benefits shown for terminated employees under deferred retirement are not currently in pay status.

6-A.51

ACTUARIAL METHODS AND ASSUMPTIONS

Nature of Actuarial Calculations

The results documented in this report are estimates based on data that may be imperfect and on assumptions about future events. Certain plan provisions may be approximated or deemed immaterial, and, therefore, are not valued. Assumptions may be made about participant data or other factors. Reasonable efforts were made in this valuation to ensure that significant items in the context of the actuarial liabilities or costs are treated appropriately, and not excluded or included inappropriately.

Actual future experience will differ from the assumptions used in the calculations. As these differences arise, the expense for accounting purposes will be adjusted in future valuations to reflect such actual experience.

A range of results different from those presented in this report could be considered reasonable. The numbers are not rounded, but this is for convenience only and should not imply precision which is not inherent in actuarial calculations.

Actuarial Cost Methods

The actuarial cost method allocates the projected obligations of the plan over the working lifetimes of the plan participants.

In accordance with the Pension Fund's Funding Policy the actuarial cost method for the recommended contribution basis is Entry Age Normal (Level Percent of Pay). The Entry Age Normal Cost Method is a method under which the actuarial present value of the projected benefits of each individual included in an actuarial valuation is allocated on a level basis over the earnings or service of the individual between entry age and assumed exit age. The portion of this actuarial present value allocated to a valuation year is called normal cost. The portion of the actuarial present value not provided at a valuation date by the actuarial present value of future normal costs is called the actuarial liability.

Actuarial Methods and Assumptions - Continued

Financing of Unfunded Actuarial Accrued Liabilities

The Unfunded Actuarial Accrued Liability may be amortized over a period either in level dollar amounts or as a level percentage of projected payroll.

In accordance with the Pension Fund's Funding Policy for the recommended contribution the unfunded actuarial accrued liabilities are amortized by level percent of payroll contributions to 100% funding target over the remaining 27 future years including the municipality's fiscal year 2040.

Asset Valuation Method

The Actuarial Value of Assets is equal to the Market value of assets with unanticipated gains/losses recognized over five years (beginning with gains/losses in 2011).

6 - A.53

Actuarial Assumptions in the Valuation Process

The contribution and benefit values of the Pension Fund are calculated by applying actuarial assumptions to the benefit provisions and census information furnished, using the actuarial cost methods described in the previous section.

The principal areas of financial risk which require assumptions about future experience are:

- Long-term Rates of Investment Return
- Patterns of Pay Increases for Members
- Rates of Mortality Among Members and Beneficiaries
- Rates of Withdrawal of Active Members
- Rates of Disability Among Members
- Age Patterns of Actual Retirement

Actual experience of the Pension Fund will not coincide exactly with assumed experience. Each valuation provides a complete recalculation of assumed future experience and takes into account all past differences between assumed and actual experience. The result is a continual series of adjustments to the computed contribution requirement.

From time to time it becomes appropriate to modify one or more of the assumptions, to reflect experience trends (but not random year-to-year fluctuations).

Actuarial Assumptions Utilized

Investment Return	Are Described in the Prior Sections of this Report
Salary Increases	Are Described in the Prior Sections of this Report
Inflation Rate Included	Are Described in the Prior Sections of this Report
Cost-of-Living Adjustments	Are Described in the Prior Sections of this Report

Actuarial Assumptions Utilized - Continued

Retirement Rates

100% of the L&A Assumption Study Cap Age 65 for Firefighters 2012. Sample Rates as Follows:

Age	Rate	Age	Rate
50	0.100	53	0.180
51	0.100	54	0.180
52	0.100	55	0.180

Withdrawal Rates

100% of the L&A Assumption Study for Firefighters 2012. Sample Rates as Follows:

Age	Rate	Age	Rate
25	0.049	40	0.008
30	0.030	45	0.004
35	0.016	50	0.002

Disability Rates

100% of the L&A Assumption Study for Firefighters 2012. Sample Rates as Follows:

Age	Rate	Age	Rate
25	0.000	40	0.004
30	0.000	45	0.007
35	0.002	50	0.012

Mortality Rates

L&A Assumption Study for Firefighters 2012. Sample Rates as Follows:

Age	Rate	Age	Rate
25	0.000	40	0.000
30	0.000	45	0.001
35	0.000	50	0.001

Married Participants

80% of Active Participants are Assumed to be Married. Male spouses are Assumed to be 3 years older..

6-A.55

SUMMARY OF PRINCIPAL PLAN PROVISIONS

Establishment of the Fund

The Firefighters' Pension Fund is established and administered as prescribed by "Article 4. Firefighters' Pension Fund – Municipalities 500,000 and Under" of the Illinois Pension Code.

Administration

The Firefighters' Pension Fund is administered by a Board of Trustees located in each municipality maintaining a pension fund for its firefighters. Its duties are to control and manage the pension fund, to hear and determine applications for pensions, to authorize payment of pensions, to establish rules, to pay expenses, to invest funds, and to keep records.

Employee Contributions

Employees contribute 9.455% of salary.

Normal Retirement Pension Benefit

Hired Prior to January 1, 2011

Eligibility: Age 50 with at least 20 years of creditable service and no longer a firefighter.

Benefit: 50% of final salary is payable commencing at retirement for 20 years of service. An additional 2.5% of final salary is added for each additional year of service (prorated monthly) in excess of 20 years of service (not to exceed 75% of final salary). "Final salary" is based on the pay rate for the firefighter at retirement.

Annual Increase in Benefit: A firefighter is entitled to an initial pension increase equal to 1/12 of 3% of the original monthly benefit for each full month that has passed since the pension began. The initial increase date will be the later of the first day of the month following the attainment of age 55, or the first anniversary of the date of retirement. Subsequent increases of 3% of the current pension amount will be provided in each January thereafter.

Normal Retirement Pension Benefit - Continued

Hired on or After January 1, 2011

Eligibility: Age 55 with at least 10 years of creditable service and no longer a firefighter.

Benefit: 2.5% of final average salary for each year of service is payable at retirement (not to exceed 75% of final average salary). "Final average salary" is determined by dividing the highest total salary over 96 consecutive months of service in the last 120 months of service by the total number of months of service in the period. Annual salary for this purpose will not exceed $106,800, indexed by the lesser of 3% or ½ of the CPI-U for the 12 months ending with the September preceding each November 1. The salary cap will not decrease.

Annual Increase in Benefit: The initial increase date will be the January 1st following the attainment of age 60, or the first anniversary of the date of retirement. Subsequent increases will occur on each subsequent January 1st. The first increase and subsequent increases will be the lesser of 3% of the original benefit or ½ of the CPI-U for the 12 months ending with the September preceding each November 1, applied to the original pension amount.

Early Retirement Pension Benefit

Hired Prior to January 1, 2011

None

Hired on or After January 1, 2011

Eligibility: Age 50 with at least 10 years of creditable service and no longer a firefighter.

Benefit: The normal retirement pension benefit reduced by ½ of 1% for each month that the firefighter's age is under age 55.

Annual Increase in Benefit: The initial increase date will be the January 1st following the attainment of age 60, or the first anniversary of the date of retirement. Subsequent increases will occur on each subsequent January 1st. The first increase and subsequent increases will be the lesser of 3% of the original benefit or ½ of the CPI-U for the 12 months ending with the September preceding each November 1, applied to the original pension amount.

Pension to Survivors

Hired Prior to January 1, 2011

Death - Line of Duty

Surviving spouse is entitled to 100% of the salary attached to the rank of the firefighter on the last day of service, payable immediately.

Death - Non-Duty

Current Pensioners (Including Disabled Pensioners): Surviving spouse to receive continuation of the pension at the time of death or 54% of pensionable salary at the time pension began, if greater.

Active Employee with 20+ Years of Service: Surviving spouse is entitled to the full pension earned by the firefighter at the time of death, or 54% of the pensionable salary at death if greater.

Active Employee with 10-20 Years of service: Surviving spouse is entitled to 54% of the salary attached to the rank of the firefighter on the last day of service, payable immediately

Annual Increase in Benefit: None.

Hired on or After January 1, 2011

Death - Line of Duty

Surviving spouse is entitled to 100% of the salary attached to the rank of the firefighter on the last day of service, payable immediately.

Death - Non-Duty

Current Pensioners (Including Disabled Pensioners), Active Employee with 20+ Years of Service, and Active Employee with 10-20 Years of service: Surviving spouse to receive 66 ⅔% of the firefighter's earned pension at the date of death.

Annual Increase in Benefit: The initial increase date will be the January 1st after the attainment of age 60 by the recipient of the survivor's pension. Subsequent increases will occur on each subsequent January 1st. The first increase and subsequent increases will be the lesser of 3% of the original benefit or ½ of the CPI-U for the 12 months ending with the September preceding each November 1, applied to the original survivor's pension amount.

6-A,58

Termination Benefit

Hired Prior to January 1, 2011

Eligibility: At least 10 years but less than 20 years of creditable service.

Benefit: An accrual factor times final salary for each year of service is payable beginning at age 60. "Accrual Factor" is a factor of 1.5% at 10 years of service, increasing ratably up to 2.4% at 19 years of service. "Final salary" is based on the pay rate for the firefighter on the date of separation.

Annual Increase in Benefit: A firefighter will receive an initial increase of 3% on the first anniversary of the date of start of payments. Subsequent increases of 3% of the current pension amount will be provided in each January thereafter.

Hired on or After January 1, 2011

Eligibility: At least 10 years but less than 20 years of creditable service.

Benefit: An accrual factor times final salary for each year of service is payable beginning at age 60. "Accrual Factor" is a factor of 1.5% at 10 years of service, increasing ratably up to 2.4% at 19 years of service. "Final salary" is based on the greater of salary during the last year of service prior to termination of employment or the pay rate for the firefighter at termination of employment. Annual salary for this purpose will not exceed $106,800, indexed by the lesser of 3% or ½ of the CPI-U for the 12 months ending with the September preceding each November 1. The salary cap will not decrease.

Annual Increase in Benefit: The initial increase date will be the January 1st following the first payment. Subsequent increases will occur on each subsequent January 1st. The first increase and subsequent increases will be the lesser of 3% of the original benefit or ½ of the CPI-U for the 12 months ending with the September preceding each November 1, applied to the original pension amount.

6-A.59

SUMMARY OF PRINCIPAL PLAN PROVISIONS - CONTINUED

Disability Benefit

Hired Prior to January 1, 2011

Eligibility: Disability (duty; or non-duty with 7 years of service).

Benefit: A firefighter who becomes disabled on duty is entitled to receive a pension equal to the greatest of 65% of final salary or the pension they would have been entitled to upon retirement at the time of disability. For a non-duty disability, the firefighter is entitled to 50% of final salary. "Final salary" is based on the pay rate for the firefighter at retirement.

Annual Increase in Benefit: The initial increase date will be the January 1st following the attainment of age 60. Subsequent increases will occur on each subsequent January 1st. The first increase is 3% of the original benefit for each full year that has passed since the pension began. Subsequent increases are 3% of the original pension benefit amount.

Hired on or after January 1, 2011

Eligibility: Disability (duty; or non-duty with 7 years of service).

Benefit: A firefighter who becomes disabled on duty is entitled to receive a pension equal to the greater of 65% of final salary or the pension they would have been entitled to upon retirement at the time of disability. For a non-duty disability, the firefighter is entitled to 50% of final salary. "Final salary" is based on the pay rate for the firefighter at last day of service.

Annual Increase in Benefit: The initial increase date will be the January 1st following the attainment of age 60. Subsequent increases will occur on each subsequent January 1st. The first increase and subsequent increases will be the lesser of 3% of the original benefit or ½ of the CPI-U for the 12 months ending with the September preceding each November 1, applied to the original pension amount.

6-A.60

GLOSSARY OF TERMS

GLOSSARY OF TERMS

Actuarial Accrued Liability –The actuarial present value of future benefits based on employees' service rendered to the measurement date using the selected actuarial cost method. It is that portion of the Actuarial Present Value of plan benefits and expenses allocated to prior years of employment. It is not provided for by future Normal Costs.

Actuarial Cost Method – The method used to allocate the projected obligations of the plan over the working lifetimes of the plan participants.

Actuarial Value of Asset – The value of the assets used in the determination of the Unfunded Actuarial Accrued Liability. The Actuarial Value of Assets is related to Market Value of Assets, with adjustments made to spread unanticipated gains and losses for a given year over a period of several years. Actuarial Value of Assets is generally equally likely to fall above or below the Market Value of Assets, and generally does not experience as much volatility over time as the Market Value of Assets.

Asset Valuation Method – A valuation method designed to smooth random fluctuations in asset values. The objective underlying the use of an asset valuation method is to provide for the long-term stability of employer contributions.

Funding Policy – A set of procedures for a Pension Fund that outlines the "best practices" for funding the pension benefits based on the goals of the plan sponsor. A Funding Policy discusses items such as assumptions, Actuarial Cost Method, assets, and other parameters that will best help the sponsor meet their goal of working in the best interest of the plan participant.

Market Value of Assets – The value of the cash, bonds, securities and other assets held in the pension trust as of the measurement date.

Normal Cost –The present value of future benefits earned by employees during the current fiscal year. It is that portion of the Actuarial Present Value of benefits and expenses which is allocated to a valuation year by the Actuarial Cost Method.

Unfunded Actuarial Accrued Liability – The excess of the Actuarial Accrued Liability over the Actuarial Value of Assets. The Unfunded Actuarial Accrued Liability is amortized over a period either in level dollar amounts or as a level percentage of projected payroll.

6-A.62

EXHIBIT 4

Lauterbach & Amen, LLP

Certified Public Accountants

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October 17, 2013

Members of the Pension Board of Trustees
La Grange Police Pension Fund
La Grange, IL

RE: Calculation of the Statutory Minimum Contribution

This letter documents results of the Actuarial valuation of the La Grange Police Pension Fund. The purpose is to report the Minimum Statutory Contribution under the Illinois Pension Code for the contribution year May 1, 2013 to April 30, 2014 using data as of April, 2013. This letter is not intended to document results under the Funding Policy endorsed by the Pension Board of Trustees for recommending contributions. Determinations for purposes other than documenting the Minimum Statutory Contribution may be significantly different than results herein.

Results

	Minimum Contribution
Contribution Requirement	$944,706
Expected Payroll	$2,218,788

Data, Assumptions, Plan Provisions

The data, assumptions and plan provisions used in the determination of the Statutory Minimum Contribution are the same as those found in the Actuary's Report dated October 17, 2013.

Actuarial Methods

Actuarial Cost Method	Projected Unit Credit (Level % of Pay)
Amortization Method:	90% Funded by 2040 (Level Percent of Pay, Closed)
Actuarial Value of Assets:	Market Value of Assets with gains/losses smoothed over 5 years beginning June 1, 2011.

Cordially,

LAUTERBACH & AMEN, LLP

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6-A.63

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EXHIBIT 5

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October 17, 2013

Members of the Pension Board of Trustees
La Grange Firefighters' Pension Fund
La Grange, IL

RE: Calculation of the Statutory Minimum Contribution

This letter documents results of the Actuarial valuation of the La Grange Firefighters' Pension Fund. The purpose is to report the Minimum Statutory Contribution under the Illinois Pension Code for the contribution year May 1, 2013 to April 30, 2014 using data as of April, 2013. This letter is not intended to document results under the Funding Policy endorsed by the Pension Board of Trustees for recommending contributions. Determinations for purposes other than documenting the Minimum Statutory Contribution may be significantly different than results herein.

Results

	Minimum Contribution
Contribution Requirement	$820,450
Expected Payroll	$1,557,504

Data, Assumptions, Plan Provisions

The data, assumptions and plan provisions used in the determination of the Statutory Minimum Contribution are the same as those found in the Actuary's Report dated October 17, 2013.

Actuarial Methods

Actuarial Cost Method	Projected Unit Credit (Level % of Pay)
Amortization Method:	90% Funded by 2040 (Level Percent of Pay, Closed)
Actuarial Value of Assets:	Market Value of Assets with gains/losses smoothed over 5 years beginning June 1, 2011.

Cordially,

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