

**Winnetka Village Council**  
**REGULAR MEETING**  
**Village Hall**  
510 Green Bay Road  
Tuesday, November 18, 2014  
7:00 p.m.

Emails regarding any agenda item are welcomed. Please email [contactcouncil@winnetka.org](mailto:contactcouncil@winnetka.org), and your email will be relayed to the Council members. Emails for the Tuesday Council meeting must be received by Monday at 4 p.m. Any email may be subject to disclosure under the Freedom of Information Act.

**AGENDA**

- 1) Call to Order
- 2) Pledge of Allegiance
- 3) Quorum
  - a) December 2, 2014 Regular Meeting
  - b) December 9, 2014 Study Session
  - c) December 16, 2014 Regular Meeting
- 4) Approval of Agenda
- 5) Consent Agenda
  - a) Approval of Village Council Minutes
    - i) October 27, 2014 Budget Meeting..... 3
    - ii) October 29, 2014 Budget Meeting..... 6
    - iii) November 6, 2014 Regular Meeting..... 8
  - b) Approval of Warrant List dated 10/31/2014 – 11/13/2014.....15
- 6) Ordinances and Resolutions
  - a) Public Hearing: 2015 Village Budget .....16
    - i) Resolution R-34-2014: Village Budget for 2015 Fiscal Year – Introduction.....18
  - b) Updated Fee and Rate Resolutions
    - i) Resolution R-35-2014: Water Rates – Introduction.....22
    - ii) Resolution R-36-2014: Electric Rates – Introduction .....27
    - iii) Resolution R-37-2014: Sanitary Sewer Rates – Introduction .....38
    - iv) Resolution R-38-2014: Refuse Rates – Introduction .....41
    - v) Resolution R-39-2014: Stormwater Rates – Introduction.....47
    - vi) Resolution R-40-2014: General Permit & License Fees (Information Only) .....51
    - vii) Resolution R-41-2014: Building, Zoning & Construction Fees (Information Only)....61

viii) Resolution R-42-2014: Fire Service Fees (Information Only).....	69
c) Property Tax Levy and Abatement Ordinances – Introduction .....	72
i) Ordinance M-11-2014: 2014 Tax Levy .....	75
ii) Ordinance M-12-2014: Tax Levy, SSA #3.....	78
iii) Ordinance M-13-2014: Tax Levy, SSA #4.....	80
iv) Ordinance M-14-2014: Tax Levy, SSA #5.....	82
v) Ordinance M-15-2014: 2014 Property Tax Abatement – Series 2013 GO Bonds .....	84
vi) Ordinance M-16-2014: 2014 Property Tax Abatement – Series 2014 GO Bonds .....	86
7) Public Comment	
8) Old Business: None.	
9) New Business	
a) Public Safety Pension Report.....	88
10) Appointments	
11) Reports	
12) Executive Session	
13) Adjournment	

**NOTICE**

All agenda materials are available at [villageofwinnetka.org](http://villageofwinnetka.org) (Government > Council Information > Agenda Packets & Minutes); the Reference Desk at the Winnetka Library; or in the Manager’s Office at Village Hall (2<sup>nd</sup> floor).

Broadcasts of the Village Council meetings are televised on Channel 10 and AT&T Uverse Channel 99 every night at 7 PM. Webcasts of the meeting may also be viewed on the Internet via a link on the Village’s web site: <http://winn-media.com/videos/>

The Village of Winnetka, in compliance with the Americans with Disabilities Act, requests that all persons with disabilities who require certain accommodations to allow them to observe and/or participate in this meeting or have questions about the accessibility of the meeting or facilities, contact the Village ADA Coordinator – Megan Pierce, at 510 Green Bay Road, Winnetka, Illinois 60093, 847-716-3543; T.D.D. 847-501-6041.

**MINUTES**  
**WINNETKA VILLAGE COUNCIL BUDGET MEETING**

**October 27, 2014**

(Approved: xx)

A record of a legally convened meeting of the Council of the Village of Winnetka, which was held in the Village Hall Council Chambers on Monday, October 27, 2014 at 7:00 p.m.

1) Call to Order. President Greable called the meeting to order at 7:04 p.m. Present: Trustees Carol Fessler, Richard Kates, and Marilyn Prodromos. Absent: Trustee Arthur Braun, Bill Krucks, and Stuart McCrary. Also in attendance: Village Manager Robert Bahan, Assistant to the Village Manager Megan Pierce, Finance Director Ed McKee, Community Public Works Director Steve Saunders, Assistant Public Works Director Jim Bernahl, and 1 person in the audience.

2) Budget Review Topic:

a) Public Works Funds. Mr. Saunders reviewed his department's operations and organization chart, and then explained that staffing was reorganized in 2014 to better manage the heavy workload anticipated over the next several years. In addition to its regular duties, the Public Works Department staffs the Environmental & Forestry Commission, manages the new stormwater utility, and responds to a customer support phone line.

Mr. Saunders said the total increase requested in the General Fund for 2015 is 4.76%. The increase is largely due to cost increases for employee salaries; services and supplies; payment of the Village's Stormwater Utility fee; and capital expenditures. He explained that the Street Rehabilitation Program accounts for over half of the capital outlay amount. He reviewed the process used to choose streets for each year's rehabilitation program, which is being coordinated with water main projects to save on repaving costs. After a thorough review of the 2015 Street Rehabilitation Program, he highlighted other large capital projects: (i) replace a dump truck, sidewalk tractor and mechanic's vehicle; (ii) residential sidewalk construction; (iii) Lincoln Avenue parking lot rehabilitation; and (iv) Village Yard Building B floor repairs. Mr. Saunders then addressed the individual funds that are overseen by Public Works.

- i) Sanitary Sewer Fund. The fund's net assets will be decreased for the next few years so more funds can be budgeted for sanitary system repairs; however, the net asset account should be back to reserve levels in 2019. A 10% sewer rate increase is proposed for 2015, keeping Winnetka's rates in the middle range of eight comparable communities. Sanitary sewer improvements planned for 2015 include manhole repair and replacement; pipe repair and lining; 71 private stormwater disconnections; and the ongoing sewer lining project.
- ii) Refuse Fund. The refuse fund will stay relatively flat since no capital outlay is proposed. There was a discussion about how to cut the cost of providing refuse service. Mr. Saunders explained that over the past decade or so reductions have been made in the number of weekly pickups and refuse routes, resulting in nearly 50% reduction in refuse collection staff. He noted that revenues do not support the cost of back-door service, and the Village has historically chosen to pay for the service out of property taxes; however,

the Council has the discretion to support the service with revenue instead of taxes if it so desires.

Manager Bahan said the issue is targeted for further discussion as part of the Council's strategic planning process.

Mr. Saunders said the current recycling contract was priced at a special rate for SWANCC communities, on the premise that many of them would sign up with Groot. As that did not happen, the contract will not be renewed when it expires next May; therefore, without the special rate from the previous contract, a 25% increase in costs can be expected next year on the open market. The Village is evaluating a joint contract with Glencoe to save costs, and a Request for Proposals will be sent in early 2015.

- iii) Storm Sewer Fund. Debt service has increased 33% based on the bond repayment schedule for the Series 2013 and 2014 bonds. Capital outlay funds are included for the Northwest Winnetka project; the next phase of engineering for the Willow Road Tunnel project; and the Ash Street Pump Station improvements. The cost estimate for the Northwest Winnetka project was increased to provide for utility and other conflicts that are anticipated during the construction process. An award of \$2 million from the Metropolitan Water Reclamation District offsets the increase in project costs.
- iv) Fleet Services Fund. Mr. Saunders explained that Fleet Services maintains and repairs the Village's vehicle stock. An increase of 1.4% is proposed to cover increases in salaries and supplies. The revenue for this fund comes from inter-fund transfers from each individual department to pay for vehicle services.

Mr. Saunders reviewed the Motor Fuel Tax Fund 2015 capital projects, which include repairs of the Cherry Street bridge, and engineering work for a rehabilitation project on Willow Road between Forest Way Drive and Provident Avenue. The Willow Road project includes intersection improvements and traffic signal modernization at Hibbard and Willow Roads, and a new traffic signal at Willow Road and Forest Way Drive. Phase 1 Engineering for the proposed project is complete, but until the limits of the proposed Willow Road tunnel are known, pavement improvements cannot be planned. In addition, the Village is exploring a jurisdictional transfer of Willow Road from the State in exchange for the Illinois Department of Transportation paying for the Village's share of the project.

There was a discussion about the benefits of taking over control of State roads, and Mr. Saunders explained that over the long term, the Village will spend more money to maintain the road; therefore, a jurisdictional transfer is only requested when there is an issue over local control of the road's design.

Finally, Mr. Saunders reviewed the Business District Fund and the Facilities Fund.

The Business District Fund includes proposed sidewalk/tree grate/paver repair projects and a lighting upgrade for the Indian Hill train station. In addition, funding is included for a downtown master plan process, implementation of ULI recommendations, and a Post Office site evaluation. President Greable suggested discussing these latter items at the Budget Follow-up meeting on Wednesday.

Projects in the Facilities Fund include a generator and storm windows for Village Hall, as well as refurbishment of the exterior doors.

Trustee Krucks arrived at 9:20 p.m.

- v) Follow-up Issues. The Council briefly discussed the overall Budget with Finance Director McKee, who noted that downtown revitalization and fund balances would be discussed at the last Budget meeting on October 29.
- 3) Public Comment. None.
- 4) Adjournment. Trustee Fessler, seconded by Trustee Prodromos, moved to adjourn the meeting. By voice vote, the motion carried. The meeting adjourned at 9:29 p.m.

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Deputy Clerk

**MINUTES**  
**WINNETKA VILLAGE COUNCIL BUDGET MEETING**

**October 29, 2014**

(Approved: xx)

A record of a legally convened meeting of the Council of the Village of Winnetka, which was held in the Village Hall Council Chambers on Wednesday, October 29, 2014 at 7:00 p.m.

- 1) Call to Order. President Greable called the meeting to order at 7:00 p.m. Present: Trustees Arthur Braun, Carol Fessler, Richard Kates, William Krucks, Stuart McCrary and Marilyn Prodromos. Absent: None. Also in attendance: Village Manager Robert Bahan, Assistant to the Village Manager Megan Pierce, Finance Director Ed McKee and 0 persons in the audience.
- 2) Budget Review Follow-up Items. Mr. McKee asked for the Council's guidance on whether to preserve funds in the budget for downtown revitalization, noting that Council approval would be necessary before any of the money will be spent. After a short discussion, the Council reached a consensus to keep downtown revitalization funds in the 2015 Budget.

There was a discussion of alternative revenue sources employed by other communities, such as a Home Rule sales tax, food and beverage tax, or real estate transfer tax. President Greable noted that the Council does not intend at this time to increase any of the Village's other tax revenue sources; the discussion was purely for information purposes.

- 3) Review Fund Balances and Materials. Mr. McKee explained that Winnetka's Fund Balance / Net Asset Policy serves as a guideline, not a mandate. The purpose of the Policy is to provide financial stability, cash flow for operations, and ensure that the Village has resources for responding to emergencies.

Mr. McKee explained that a Special Revenue, Debt Service or Capital Projects Funds are designated for a specific purpose; however, the earmarked money can be moved back to the General Fund at the Council's discretion. Enterprise funds are run similar to a business, except that the focus is less on making a profit and more on breaking even.

Mr. McKee reviewed a summary of all of the fund balances, and explained that there is approximately \$8 million in liquid funds available to be used for other initiatives, at the Council's discretion.

The Council briefly discussed pension funding, after which approval was given for the 2014 tax levy request. The increase of 0.6% is expected to be offset by 0.8% projected growth in the tax base from new development; therefore, the typical resident should see a 0.2% decrease in the portion of their property taxes levied by the Village. Mr. McKee explained that the Village is standing by its intention to hold the line on property taxes since the Stormwater Utility was implemented in 2014.

- 4) Public Comment. None.
- 5) Adjournment. Trustee Fessler, seconded by Trustee McCrary, moved to adjourn the meeting. By voice vote, the motion carried. The meeting adjourned at 8:30 p.m.

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Deputy Clerk

**MINUTES  
WINNETKA VILLAGE COUNCIL  
RESCHEDULED REGULAR MEETING  
November 6, 2014**

(Approved: xx)

A record of a legally convened rescheduled regular meeting of the Council of the Village of Winnetka, which was held in the Village Hall Council Chambers on Thursday, November 6, at 7:00 p.m.

- 1) Call to Order. President Greable called the meeting to order at 7:01 p.m. Present: Trustees Arthur Braun, Carol Fessler, Richard Kates, William Krucks, Stuart McCrary, and Marilyn Prodromos. Absent: None. Also present: Village Manager Robert Bahan, Assistant to the Village Manager Megan Pierce, Village Attorney Peter M. Friedman, Public Works Director Steve Saunders, Director of Community Development Mike D'Onofrio, Assistant Community Development Director Brian Norkus, and approximately 12 persons in the audience.
- 2) Pledge of Allegiance. President Greable led the group in the Pledge of Allegiance.
- 3) Quorum.
  - a) November 11, 2014 Study Session. All of the Council members present indicated that they expected to attend.
  - b) November 18, 2014 Regular Meeting. All of the Council members present indicated that they expected to attend.
  - c) December 2, 2014 Regular Meeting. All of the Council members present indicated that they expected to attend.
- 4) Approval of the Agenda. Trustee McCrary, seconded by Trustee Fessler, moved to approve the final form of the Agenda. By roll call vote, the motion carried. Ayes: Trustees Braun, Fessler, Kates, Krucks, McCrary and Prodromos. Nays: None. Absent: None.
- 5) Consent Agenda
  - a) Village Council Minutes.
    - i) October 14, 2014 Budget Meeting.
    - ii) October 20, 2014 Budget Meeting.
    - iii) October 21, 2014 Regular Meeting.
  - b) Warrant List. Approving the amended Warrant List dated 10/17/2014 – 10/30/2014 in the amount of \$545,110.00.

Trustee McCrary, seconded by Trustee Fessler, moved to approve the foregoing items on the Consent Agenda by omnibus vote. By roll call vote, the motion carried. Ayes: Trustees Braun, Fessler, Kates, Krucks, McCrary and Prodromos. Nays: None. Absent: None.

6) Stormwater.

- a) Northwest Winnetka Stormwater Improvements – Authorization to Award Contract for Construction Services. Mr. Saunders explained that this project was conceived last fall, when Christopher B. Burke Engineering, Ltd. (CBBEL) was awarded a contract to complete detailed plans and specifications for drainage improvements in the Greenwood Avenue/Forest Glen Study Area in northwest Winnetka. CBBEL conducted a drainage study of the area to identify storm sewers that surcharge in heavy rains, which revealed a need to significantly increase the size of storm pipes in several areas: (i) Forest Glen (North, West and South); (ii) Tower Road west to the Skokie Lagoons; and (iii) laterals along Grove Street, Edgewood Avenue and Greenwood Avenues.

Mr. Saunders said the discharge point for the new storm system will be the Cook County Forest Preserve District (CCFPD) pond southeast of Tower Road and Forest Way Drive. To ensure that nearby homes are not affected, CBBEL performed modeling to confirm that there is capacity in the pond to receive the extra water. Baxter & Woodman (B&W) reviewed and verified these calculations.

Mr. Saunders noted that permits to use the pond as an outlet have been secured from the U.S. Army Corps of Engineers, Illinois EPA and CCFPD. Erosion control measures will be put in place around the pond to satisfy conditions of the CCFPD permit; this is a separate project from the storm sewer work. In addition, landscaping berms will be placed in the Forest Glen subdivision to channel overland flow away from homes.

Mr. Saunders explained that the construction bid was structured around the base project, with figures added for three alternate project configurations: (1) adding a new storm sewer pipe between Vernon and Greenwood Avenues; (2) repaving Tower Road with concrete; and (3) costs a combination of the first two alternates. Staff recommends that the bid for the base project plus Alternate #2 be awarded to A Lamp Concrete, a contractor known to the Village for being reliable. The original cost estimate has grown, due to changes in the scope of the project, as well as a recent increase in construction costs. However, this increase will be offset by a \$2 million award from the Metropolitan Water Reclamation District (MWRD).

The Council discussed the project and received assurances from Mr. Saunders that the residents near the pond are satisfied with the project. He also confirmed that the project is designed to provide flood protection for up to a 100-year storm.

Trustee Fessler pointed out that project costs for curb replacement and street paving are typically funded by Public Works, and she expressed concern about breaking the community's trust by using the Stormwater Utility Fund for these purposes.

Mr. Saunders said the Council can pay for the project in whichever way it sees fit; however, using the Stormwater Fund is beneficial because that will spend down the bond proceeds more quickly.

President Greable called for public comment.

Kristin Ziv, 605 Arbor Vitae Road. Ms. Ziv asked if a bike lane could be added to Tower Road when it is repaved. Mr. Saunders said the road would need to be considerably expanded, as it is not wide enough for a bike lane.

After a final discussion, the Council agreed with Mr. Saunders' recommendation to award the contract to A Lamp Concrete.

President Greable asked that the accounting for the project be examined, and Trustee Fessler reiterated that the Stormwater Utility Fee account is specifically for stormwater expenses.

Manager Bahan said an analysis can be made, but he cautioned that the bond proceeds need to be spent down.

Trustee Braun, seconded by Trustee McCrary, moved to award a contract to A Lamp Concrete for construction services including Alternate #2 for the Northwest Winnetka Stormwater Improvements, for an amount not to exceed \$6,117,230. By roll call vote, the motion carried. Ayes: Trustees Braun, Fessler, Kates, Krucks, McCrary and Prodromos.

7) Ordinances and Resolutions.

a) Resolution R-30-2014: Amending Council Rules of Order & Procedure – Adoption.

Attorney Friedman reviewed events at the October 21 Council meeting, where two amendments were proposed to the Subject Resolution. The first one clarified which address information could be required, to allow identification of Village residents. This revision was voted on and approved. The second amendment dealt with preparation of the agenda for Council meetings in Section 2.1, and after a motion to amend was made and seconded, discussion was deferred until the full Council could be in attendance.

Attorney Friedman said the second motion to amend is up for discussion and can be voted on, after which a motion to approve the Resolution as amended would need to be passed.

Trustee Fessler asked Trustee Kates what specific problem needs to be fixed and how his motion to amend Section 2.1 would address it.

Trustee McCrary said he would be more in favor of the amendment if it required a majority of Trustees to set the Agenda.

Trustee Kates said he felt there is no mechanism for the Trustees to add an item to the Agenda, as the current Council Rules state that only the Village President and Manager may set the Agenda. He noted that he did not feel he could best represent the interests of all constituents in the Village without Agenda input.

Trustee Krucks said he was surprised that Trustees don't have any input on the setting of the Agenda, and he added that he is in favor of anything that allows the Trustees to act in a more representative capacity for the residents.

Trustee Fessler said the Trustees are meant to act as a body, as it is the Village President's job to run the Council, and she cited the strategic planning process as a good mechanism for planning the Council's work flow. She expressed concern that a Trustee with pet projects or politically motivated issues can force them on the Council, as well as take time from Village staff.

Trustee Braun agreed with Trustee McCrary's suggestion that three and not two Trustees should have the power to add an Agenda item.

Attorney Friedman explained that the Open Meetings Act (OMA) would not be violated by having a majority of the Trustees agree on an Agenda item if it is handled appropriately. For example, the OMA does not prohibit three Council members from submitting a request or signing a piece of paper. Vigilance would be required to guard against a potential violation of the OMA.

President Greable opined that the proposed amendment would make the Council less efficient. The three regularly scheduled meetings take a lot of time and energy, and a potential addition to the workload could become overwhelming for Village staff. He noted that he has never denied a request for an agenda item, and he suggested tabling the matter.

Trustee Fessler, seconded by Trustee Prodromos moved to table the motion by Trustee Kates to amend Rule 2.1. By roll call vote, the motion carried. Ayes: Trustees Fessler, Krucks, Prodromos and President Greable. Nays: Trustees Braun, Kates and McCrary. Absent: None.

Attorney Friedman explained that now the Resolution is up for adoption as amended on October 21.

Trustee Braun moved to amend Rule 2.1 as originally proposed by Trustee Kates, except three instead of two Trustees are needed to place an Agenda item. By roll call vote, the motion carried. Ayes: Trustees Braun, Kates, Krucks and McCrary. Nays: Trustees Fessler and Prodromos. Absent: None.

Trustee Braun, seconded by Trustee Fessler, moved to adopt Resolution R-30-2014 as amended. By roll call vote, the motion carried. Ayes: Trustees Braun, Fessler, Kates, Krucks, McCrary and Prodromos. Nays: None. Absent: None.

- b) Resolution R-32-2014: Approving Class D and Class E-2 Liquor Licenses, Good Grapes – Adoption. Attorney Friedman reviewed this request for Good Grapes, at 821 Chestnut Street, to sell specialty wine and beer at the store and also through the mail, subject to the conditions in the Resolution.

The Council ascertained that the request is routine and that nothing is out of the ordinary.

Trustee Braun, seconded by Trustee Krucks, moved to adopt Resolution R-32-2014. By roll call vote, the motion carried. Ayes: Trustees Braun, Fessler, Kates, Krucks, McCrary and Prodromos. Nays: None. Absent: None.

- c) Resolution R-33-2014: Approving Class A-1 Liquor License and Sidewalk Service, Jerry's – Adoption. Attorney Friedman explained that Corner Cooks/Jerry's has been purchased by Chia's Restaurant Group, Inc. and they have applied for a Class A-1 liquor license. He said the lease has been submitted, and the other conditions of the Resolution will be met before the license is issued.

There being no questions or comments, Trustee Braun, seconded by Trustee McCrary, moved to adopt Resolution R-33-2014. By roll call vote, the motion carried. Ayes: Trustees Braun, Fessler, Kates, Krucks, McCrary and Prodromos. Nays: None. Absent: None.

8) Public Comment.

Nora Crumley, New Trier High School News. Ms. Crumley asked why there are not many chain stores and restaurants in Winnetka.

Manager Bahan explained that, while a majority of Winnetka's businesses are locally owned and operated, there is no formal Village policy against national chains in Winnetka, and all of the Village's business districts have national chain presence.

9) Old Business. None.

10) New Business.

a) Advisory Board Recommendations for Commercial Zoning Modifications.

Mr. D'Onofrio explained that the 2013 Urban Land Institute (ULI) report for revitalizing Winnetka's downtown business districts included examination of potential zoning modifications to the Retail Overlay District, building height limits, and parking requirements. In late 2013 and early 2014, the Council heard recommendations from the Business Community Development Commission (BCDC), Plan Commission (PC), and Zoning Board of Appeals (ZBA) on the three issues. While the BCDC recommended specific changes in to the Overlay District, both the ZBA and PC advised against making any modifications in this area until a downtown revitalization plan has been adopted.

Mr. Norkus reviewed recommendations from the advisory bodies pertaining to building height and parking modifications in the commercial districts. He noted that the BCDC's recommended increase in building height is a return to the maximum height provision prior to 1998, at which time it was reduced to the current level. The PC expressed concern with the 4-story maximum height in certain "transition" areas where the commercial districts abut residential areas. It recommends a two-tier building height system, which includes an upper story setback provision to minimize the mass of the building at street level, and lowered height provisions in the transition areas near single-family homes.

Mr. Norkus said other advisory board recommendations include elimination of: (i) limits on unit density and the number of occupants per unit; (ii) the 90% lot coverage provision; and (iii) "inner court/outer court" requirements. Suggested changes to parking provisions include: (i) eliminate requirement of variation process for a change of use; (ii) change intensity of use provisions for calculating parking requirements; (iii) require new developments to provide parking for certain large tenant spaces (exempt existing buildings); (iv) amend provisions for off-site parking; and (v) reduce parking requirements for downtown residential units.

Mr. Norkus explained that staff needs direction about whether the Village should implement the recommendations outlined in the agenda report.

The Council discussed the various recommendations, especially in light of potential new development at the Packard Building, Post Office, or Fell Site. Mr. D'Onofrio noted that any development over 10,000 square feet would be subject to the Planned Development Ordinance, which provides flexibility for developers.

President Greable suggested that a decision matrix would be a helpful tool for the Council in considering complex zoning issues.

Penny Lanphier, 250 Birch Street and former Trustee. Ms. Lanphier explained that in 1998 the reduction in height limitation was made after it became clear that if the commercial districts were built out to maximum limits, it would change the look of the downtowns and add to the parking burden. At that time, a master planning process was called for, which has still not been done. She said a vision needs to be agreed upon, and then employ regulations to fit the vision.

Gwen Trindl, 800 Oak Street, former Village President. Ms. Trindl stated that the League of Women Voters supports a master planning process that considers the needs of the community as a whole and that allows for community engagement. The changes being recommended do not provide a sound basis for planning, and if put in place become the plan by default. She added that the Planned Development Ordinance is a negotiating tool, and should not by right exempt developers from zoning requirements.

Jim Sayegh, BCDC Commissioner and owner of Winnetka Galleria on Lincoln Avenue. Mr. Sayegh commented that reductions in the density potential of buildings reduces the incentive for redevelopment and also lowers the value of those properties. He said while he supports planning, he also backs taking action.

Louise Holland, 545 Oak, former Village President, Plan Commissioner. Ms. Holland said she had been a member of the Post Office Committee which was charged with doing research and making recommendations for the site. She said the south portion of that parcel is the perfect place for surface parking, which would give the adjacent single family homes some light and air, as well as provide hardscape for community events. She suggested the Council review the Post Office Report, which was the result of 2 ½ years of work.

The Council discussed the options of implementing some of the advisory board recommendations or holding off until a downtown plan has been finished; however, no consensus was reached.

Mr. D’Onofrio reviewed the process for enacting zoning amendments, which includes notice and public hearing requirements, and takes a minimum of two months.

Manager Bahan noted that the next Study Session will include a discussion about the master planning process. He suggested that the Council continue tonight’s discussion about specific recommendations in conjunction with that agenda item.

11) Appointments. None.

12) Reports.

a) Village President. None.

b) Trustees.

i) Trustee Kates reported on the status of the ticket agent at the Hubbard Woods Metra station.

ii) Trustee Krucks reported on the last Landmark Preservation Commission meeting.

c) Attorney. None.

d) Manager. None.

13) Executive Session. None.

14) Adjournment. Trustee Braun, seconded by Trustee Kates, moved to adjourn the meeting. By voice vote, the motion carried. The meeting adjourned at 10:31 p.m.

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Deputy Clerk



## Agenda Item Executive Summary

**Title:** Warrant List

**Presenter:** Robert M. Bahan, Village Manager

**Agenda Date:**

11/18/2014

**Consent:**

YES

NO

Ordinance

Resolution

Bid Authorization/Award

Policy Direction

Informational Only

**Item History:**

None.

**Executive Summary:**

The Warrant List for the November 18, 2014 Regular Council Meeting was emailed to each Village Council member.

**Recommendation:**

Consider approving the Warrant List for the November 18, 2014 Regular Council Meeting.

**Attachments:**

None.



## Agenda Item Executive Summary

**Title:** Resolution No. R-34-2014: Village Budget - Public Hearing and Resolution (Introduction)

**Presenter:** Edward McKee, Finance Director

**Agenda Date:** 11/18/2014

**Consent:**  YES  NO

Ordinance  
 Resolution  
 Bid Authorization/Award  
 Policy Direction  
 Informational Only

### Item History:

The Village Council held meetings on October 14, 20, 27, and 29, 2014 to review the proposed budget.

The Resolution adopting the budget is distributed one meeting prior to adoption so the public has an opportunity to review the materials.

### Executive Summary:

A Public Hearing on the budget was advertised in the November 6, 2014 edition of the Winnetka Current for November 18, 2014 at 7:00 p.m. The budget will result in an approximately 2.9% increase in costs for municipal services for a typical homeowner consisting of a:

0.2% decrease in property taxes (\$7 reduction on the 13% Village portion)

2.0% increase in water rates (\$17 annual cost on a \$860 annual bill)

10.0% increase in sanitary sewer rates (\$28 annual cost on a \$288 annual bill)

Payment for a full year of the stormwater utility fee that became effective 7/1/2014; the rate is unchanged and customers will pay the fee for the entire year (a \$131 increase)

2.3% increase in electric costs (\$54 annual cost on a \$2,358 annual bill)

Vehicle license fees, and most other fees and taxes remain unchanged. The Village will consider adoption of this Resolution at the December 2, 2014 Council Meeting.

### Recommendation:

Conduct a public hearing on the 2015 Village of Winnetka Budget.

Provide the public with notice of the proposed budget Resolution to be considered by the Village Council on December 2, 2014.

### Attachments:

- 1) 2015 Budget follow-up memo dated 11/11/2014
- 2) Resolution No. R-34-2014, adopting the annual budget for the fiscal year beginning January 1, 2015 and ending December 31, 2015
- 3) Village of Winnetka Budget Summary - 2015

To: Robert M. Bahan, Village Manager  
From: Ed McKee, Finance Director  
Date: November 11, 2014  
Re: 2015 Budget Follow-Up

The Village Council reviewed the budget on October 13, 20, 27 and 29<sup>th</sup>. At the Budget Meeting on October 29<sup>th</sup>, Staff was directed to document the following decisions:

- 1) The 2014 property tax levy amount was confirmed at \$14,302,483. This is an \$80,006 or 0.6% increase from the prior year. Because of projected growth in the tax base of 0.8% from new development, it is estimated that the typical resident will see a 0.2% reduction in the amount of property taxes paid to the Village.

This slight decline in property tax revenues for the typical resident is consistent with the information distributed last year when the stormwater utility was established. The Council indicated that they were planning on keeping the amount of property taxes paid by residents flat for two years to offset the stormwater operating costs moved from the General Fund to the user fee based Stormwater Utility Fund.

- 2) The Council would evaluate the budget for the Stormwater capital projects once the bids for the Northwest Winnetka drainage project were analyzed. The original 2015 draft budget contained \$5,100,000 for the Northwest Winnetka drainage project in account number 580.75.01.675. The Council may elect to revise the \$5,100,000 amount for this project before the budget is adopted.
- 3) The expenditures in the budget related to the Post Office Site evaluation (\$50,000), downtown sidewalk, grate, and paver repairs (\$100,000), and downtown master planning (\$150,000) were to remain in the budget. Because these items are of concern to the Council and are over the Manager's \$25,000 expense authority level, these projects will be brought back to the Council for specific authorization before proceeding.

Longer-term ideas to be evaluated during calendar 2015 include the following:

- 1) Continue to explore inter-governmental cooperation with our neighbors to reduce costs and / or increase our revenue base. This includes the possibility of selling water to Glencoe, creation of a combined police dispatch center, annexation of the Woodley Road area, and joint projects with other local taxing districts.
- 2) Evaluate the financing and service delivery model for refuse and recycling services provided by the Village.
- 3) Re-evaluate the possible jurisdictional transfer of Willow Road as included in the cash-flow projections for the Motor Fuel Tax Fund in 2016.
- 4) Evaluate with the Council the fire suppression options available at the Water and Electric Plant.

If there are any questions about these materials, please direct them to my attention.

**RESOLUTION NO. R-34-2014**

**A RESOLUTION  
ADOPTING THE ANNUAL BUDGET FOR THE FISCAL YEAR  
BEGINNING JANUARY 1, 2015  
AND ENDING DEEMBER 31, 2015**

**WHEREAS**, the corporate authorities of the Village of Winnetka (“Village Council”) have previously adopted Sections 8-2-9.1 through 8-2-9.10 of the Illinois Municipal Code, establishing the office of budget officer and authorizing the adoption of the annual budget in lieu of an annual appropriation ordinance; and

**WHEREAS**, on October 9, 2014, the Village Council placed the proposed, tentative annual budget for the fiscal year beginning January 1, 2015, and ending December 31, 2015, on file at the office of the Village Manager, at the Winnetka Public Library, and on the Village of Winnetka web site (www.villageofwinnetka.org), and has made the proposed, tentative annual budget available for public inspection since that date; and

**WHEREAS**, on November 18, 2014, pursuant to notice published on Thursday, November 6, 2014, in the Winnetka Talk, a newspaper published and in general circulation in the Village of Winnetka, the Village Council held a public hearing on the proposed tentative annual budget; and

**WHEREAS**, the Village of Winnetka is a home rule municipality in accordance with Article VII, Section 6 of the Constitution of the State of Illinois of 1970, pursuant to which it has the authority, except as limited by said Section 6 of Article VII, to exercise any power and perform any function pertaining to the government and affairs of the Village, including, but not limited to, the powers (i) to regulate for the protection of the public health, safety, morals and welfare, (ii) to license, (iii) to tax, and (iv) to incur debt; and

**WHEREAS**, the Village Council finds that establishing an annual budget for the Village, including estimating revenues and recommending expenditures, is a matter pertaining to the affairs of the Village.

**NOW, THEREFORE**, be it resolved by the Council of the Village of Winnetka as follows:

**SECTION 1:** The Annual Budget for the Village of Winnetka, which is attached hereto as Exhibit A and is incorporated by reference as if fully set forth herein, is hereby adopted as the Annual Budget for the Village of Winnetka for the Fiscal Year beginning January 1, 2015 and ending December 31, 2015.

**SECTION 2:** The adoption of the foregoing annual budget shall be in lieu of the appropriation ordinance required in Section 8-2-9 of the Illinois Municipal Code.

**SECTION 3:** **Home Rule.** This Resolution is adopted by the Council of the Village of Winnetka in the exercise of its home rule powers pursuant to Section 6 of Article VII of the Illinois Constitution of 1970.

**SECTION 4:** **Effective Date.** This resolution shall be in full force and effect immediately upon its adoption.

**ADOPTED** this \_\_\_ day of \_\_\_\_\_, 2014, pursuant to the following roll call vote:

AYES:

NAYS:

ABSENT: .

Signed:

Village President

Countersigned:

Village Clerk

Introduced: November 18, 2014

Adopted:

**NOTE:**

**EXHIBIT A IS THE COMPLETE BUDGET DOCUMENT, WHICH, DUE TO ITS SIZE, CANNOT BE REPRODUCED IN FULL IN THESE AGENDA MATERIALS.**

**THE FOLLOWING PAGE PROVIDES A SUMMARY OF THE BUDGETED REVENUES AND EXPENDITURES BY FUND CATEGORY, AND IS PROVIDED HERE FOR EASE OF REFERENCE.**

**THE COMPLETE BUDGET REMAINS AVAILABLE FOR INSPECTION IN THE VILLAGE MANAGER'S OFFICE, THE WINNETKA PUBLIC LIBRARY, AND ON THE VILLAGE OF WINNETKA WEBSITE ([WWW.VILLAGEOFWINNETKA.ORG](http://WWW.VILLAGEOFWINNETKA.ORG)). THE COMPLETE, FINAL BUDGET WILL BE APPROPRIATELY LABELED AND WILL BE ATTACHED TO AND MAINTAINED WITH THE ORIGINAL BUDGET RESOLUTION FOLLOWING ITS ADOPTION.**

**Exhibit A**

**Village of Winnetka Budget Summary**

**Village of Winnetka  
2015 Budget  
Expense Amounts Include Capital and Depreciation  
(Amounts in millions)**

Fund	Revenues	Expenses	Difference	12/31/13 Fund Balance	F.B. Policy Minimum
General	\$ 24.13	\$ 25.88	\$ (1.75)	\$ 16.61	\$ 9.98
Motor Fuel Tax	\$ 0.36	\$ 0.36	\$ -	\$ 1.87	\$ 0.16
Foreign Fire	\$ 0.08	\$ 0.08	\$ -	\$ -	\$ -
Debt Service	\$ -	\$ -	\$ -	\$ 0.34	\$ 0.34
Special Service Areas	\$ 0.04	\$ -	\$ 0.04	\$ (0.19)	\$ (0.19)
Village Facilities	\$ 0.15	\$ 0.34	\$ (0.19)	\$ 0.44	\$ 0.44
Downtown Revitalization	\$ 0.30	\$ 0.46	\$ (0.16)	\$ 0.33	\$ 0.33
Worker's Compensation	\$ 0.53	\$ 0.70	\$ (0.17)	\$ 0.73	\$ 0.87
Liability	\$ 0.01	\$ 0.31	\$ (0.30)	\$ 2.48	\$ 1.60
Health Insurance	\$ 3.21	\$ 3.53	\$ (0.32)	\$ 2.24	\$ 1.15
Data Processing	\$ 0.33	\$ 0.46	\$ (0.13)	\$ 0.82	\$ 0.21
Fleet Services	\$ 1.15	\$ 0.91	\$ 0.24	\$ 0.15	\$ 0.27
General Government	\$ 30.29	\$ 33.03	\$ (2.74)	\$ 25.82	\$ 15.16
Electric	\$ 15.57	\$ 18.70	\$ (3.13)	\$ 7.56	\$ 5.28
Water	\$ 4.12	\$ 4.46	\$ (0.34)	\$ 1.30	\$ 1.16
Sanitary Sewer	\$ 1.18	\$ 1.40	\$ (0.22)	\$ 0.76	\$ 0.31
Refuse	\$ 2.19	\$ 2.48	\$ (0.29)	\$ 0.41	\$ 0.82
Storm Sewer	\$ 4.11	\$ 8.10	\$ (3.99)	\$ 16.53	\$ 16.53
Business Operations	\$ 27.17	\$ 35.14	\$ (7.97)	\$ 26.56	\$ 24.10
II. Municipal Retirement			\$ -	\$ 23.16	\$ 33.81
Police Pension	\$ 3.04	\$ 2.10	\$ 0.94	\$ 22.59	\$ 32.77
Fire Pension	\$ 3.08	\$ 2.22	\$ 0.86	\$ 20.74	\$ 33.63
Pensions	\$ 6.12	\$ 4.32	\$ 1.80	\$ 43.33	\$ 66.40
Grand Total	\$ 63.58	\$ 72.49	\$ (8.91)	\$ 95.71	\$ 105.66



## Agenda Item Executive Summary

**Title:** Resolution No. R-35-2014: Water Rates (Introduction)

**Presenter:** Edward McKee, Finance Director

**Agenda Date:**

11/18/2014

**Consent:**

YES

NO

Ordinance

Resolution

Bid Authorization/Award

Policy Direction

Informational Only

**Item History:**

The Village Council held meetings on October 14, 20, 27, and 29, 2014 to review the proposed budget.

The proposed budget includes a 2.0% water rate increase for incorporated customers and a 4.0% water rate increase for unincorporated customers. The wholesale water rate for sales to the Village of Northfield is set by contract.

**Executive Summary:**

Because of the projected capital needs of the water system, a water rate increase is proposed for incorporated and unincorporated customers.

The 2.0% water rate increase for residents is estimated to cost a typical water customer \$17 more per year, or a total of \$877 per year for municipal water use.

The Village Code requires that this Resolution be introduced at a meeting and the adopted at a subsequent meeting.

The Village will consider adoption of this Resolution at the December 2, 2014 Council Meeting.

**Recommendation:**

Consider introduction of Resolution No. R-35-2014.

**Attachments:**

1) Resolution No. R-35-2014, a resolution establishing water rates.

**RESOLUTION NO. 35-2014**

**A RESOLUTION ESTABLISHING RATES AND FEES  
RELATED TO WATER SERVICE, SERVICE TAPS AND METERS**

**WHEREAS**, the Village of Winnetka is a home rule municipality in accordance with Article VII, Section 6 of the Constitution of the State of Illinois of 1970, pursuant to which it has the authority, except as limited by said Section 6 of Article VII, to exercise any power and perform any function pertaining to the government and affairs of the Village, including, but not limited to, the powers (i) to regulate for the protection of the public health, safety, morals and welfare, (ii) to license, (iii) to tax, and (iv) to incur debt; and

**WHEREAS**, the Village of Winnetka owns and operates a water utility that provides all water service within the Village of Winnetka; and

**WHEREAS**, the Village of Winnetka’s Water and Electric Department is responsible for the day-to-day operations of the Village’s water utility; and

**WHEREAS**, the Council finds that all matters pertaining to the operation of the Village’s water utility, including but not limited to establishing rates for water service, are matters pertaining to the affairs of the Village.

**NOW, THEREFORE**, be it resolved by the Council of the Village of Winnetka as follows:

**SECTION 1: Water Rates.** Each customer using water furnished by the Village of Winnetka Water and Electric Department shall be charged for such service in accordance with the following Schedule of Water Rates, as provided in Section 13.04.040 of the Winnetka Village Code.

**SCHEDULE OF WATER RATES**

<b><u>Type of Customer</u></b>	<b><u>Rate</u></b>
Service within corporate limits	<del>\$32.83</del> <u>\$33.49</u> per 1,000 cubic feet, as metered
Service outside of corporate limits	<del>\$57.58</del> <u>\$59.88</u> per 1,000 cubic feet, as metered
Service to Village of Northfield:	Rate shall be as established by agreement approved by resolution of the Village Council
Special Service	<del>\$24.62</del> <u>\$25.11</u> per 1,000 cubic feet, as metered

**SECTION 2: Disconnection/Reconnection Fees.** The following fees shall be charged and collected for service calls to either disconnect or reconnect service as the result of nonpayment, as provided in Section 13.04.060 of the Winnetka Village Code:

**SERVICE DISCONNECTION OR RECONNECTION FEE**

<b><u>Time of Service Call</u></b>	<b><u>Fee</u></b>
During regular business hours (Monday through Friday, except for holidays, from 7:30 a.m. to 3:00 p.m.)	\$95.00 per service dispatch
All other times (evenings, nights, weekends and holidays)	\$265.00 per service dispatch

**SECTION 3: Water Service Tap Fees.** The following fees shall be charged for the installation of water connections, as provided in Section 13.04.100 of the Winnetka Village Code:

**WATER SERVICE TAP FEES**

<u>Water Tap Size</u>	<u>Water Main Size</u>	<u>Fee</u>	<u>Service Included in Fee</u>
1 1/2" or less	All	\$852	Making tap, tapping sleeve, corp. stop, curb stop and box, and inspection
2"	All	\$960	Making tap, tapping sleeve, corp. stop, curb stop and box, and inspection
4"	4"	\$1,535	Making tap, tapping sleeve and valve, and inspection
4"	6"	\$1,775	Making tap, tapping sleeve and valve, and inspection
6"	6"	\$1,880	Making tap, tapping sleeve and valve, and inspection
4"	8"	\$1,880	Making tap, tapping sleeve and valve, and inspection
6"	8"	\$1,985	Making tap, tapping sleeve and valve, and inspection
8"	8"	\$2,300	Making tap, tapping sleeve and valve, and inspection
4"	10"	\$2,400	Making tap, tapping sleeve and valve, and inspection
6"	10"	\$2,500	Making tap, tapping sleeve and valve, and inspection
8"	10"	\$2,900	Making tap, tapping sleeve and valve, and inspection
4"	12"	\$2,400	Making tap, tapping sleeve and valve, and inspection
6"	12"	\$2,500	Making tap, tapping sleeve and valve, and inspection
8"	12"	\$2,925	Making tap, tapping sleeve and valve, and inspection

For all taps 4" and larger, valve vaults meeting Water and Electric Department specifications must be furnished by the customer's plumber, at the customer's cost. Other size taps may be made only with the consent of the Water and Electric Department, at the customer's cost.

**SECTION 4: Water Meter Fees.** The following fees shall be charged for the water meters provided by the Village, as provided in Sections 13.04.030 and 13.04.100 of the Winnetka Village Code:

**WATER METER FEES**

<u>Meter Size</u>	<u>Cost</u>
5/8"	\$475
3/4"	\$525
1"	\$625
1 1/2"	\$890
2"	\$990

Spreader and valves on both sides of meter must be installed by the customer's plumber, at the customer's cost. Other sizes of meters may be required or permitted, as determined by the Water and Electric Department, based on the characteristics of the proposed service. Such other installations shall require the written approval of the Water and Electric Department and the entire cost of the purchase and installation shall be borne by the customer.

**SECTION 5: Replacement of Touchpad.** The following fees shall be charged for replacement of removed touchpads and replacement of the touchpad wiring.

Replacement of Touchpad	\$95.00
Replacement of Touchpad Wiring	\$265.00

**SECTION 6: Temporary Water Service.** Pursuant to Section 13.04.150 of the Winnetka Village Code, temporary water service provided during building construction shall be billed at the rate applicable to the use specified in the building permit.

**SECTION 7: Construction Temporary Water Service.** Bulk water provided from the fire hydrant located at the Village's Public Works Facility for construction projects will be billed at the unincorporated water rate. The minimum daily charge will be \$50. At the discretion of the Water and Electric Director, the water rate can be waived for contractors performing Village work.

**SECTION 78: Fee for Returned Payments.** A fee of \$30.00 shall be charged for any payment that is returned to the Village for any reason, including, but not limited to, insufficient funds, account closed, or referred to maker.

**SECTION 89: Payment Period; Late Fees.** All bills issued for water service shall be paid in full by the time specified in the bill. The time of payment shall be established by the Director of Finance, provided that the payment period for charges made pursuant to Section 1 of this Resolution shall be no less than 21 nor more than 30 days from the date of the issuance of the bill. Pursuant to Section 13.04.040 of the Winnetka Village Code, if any bill for any change made pursuant to this Resolution is not paid within the specified payment period, a late payment penalty of 5% of the amount due shall be added to the bill and collected from the user.

**SECTION 910: Home Rule.** This Resolution is adopted by the Council of the Village of Winnetka in the exercise of its home rule powers pursuant to Section 6 of Article VII of the Illinois Constitution of 1970.

**SECTION 1011: Effect of Resolution.** The rates established herein shall apply to all bills issued on or after January 1, 2015, and this resolution shall supersede Resolution R-32-2013.

**SECTION 11: Effective Date.** This resolution shall be in full force and effect immediately upon its adoption.

**ADOPTED** this \_\_\_\_ day of \_\_\_\_\_, 2014, pursuant to the following roll call vote:

AYES: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

Signed:

\_\_\_\_\_

Village President

Countersigned:

\_\_\_\_\_  
Village Clerk

Introduced: November 18, 2014

Adopted:



## Agenda Item Executive Summary

**Title:** Resolution No. R-36-2014: Electric Rates (Introduction)

**Presenter:** Edward McKee, Finance Director

**Agenda Date:** 11/18/2014

**Consent:**  YES  NO

- |                                     |                         |
|-------------------------------------|-------------------------|
| <input type="checkbox"/>            | Ordinance               |
| <input checked="" type="checkbox"/> | Resolution              |
| <input type="checkbox"/>            | Bid Authorization/Award |
| <input type="checkbox"/>            | Policy Direction        |
| <input type="checkbox"/>            | Informational Only      |

### Item History:

The Village Council held meetings on October 14, 20, 27, and 29, 2014 to review the proposed budget.

The proposed budget anticipates a 1.5% increase in electric rates. Additionally, a purchased power recovery factor of 0.8% is proposed. The revenue generated from the purchased power recovery factor makes the Village whole (though one year in arrears) for wholesale power unit costs that are estimated to be 0.8% more than budgeted in 2014.

### Executive Summary:

Because of higher wholesale power costs and capital investments, the budget reflects a 1.5% increase in retail electric rates effective 1/1/2015.

There was no purchased power recovery adjustment in calendar year 2014. This was due to the nine month fiscal year ending 12/31/2013. Staff estimates that in 2014 the Village's wholesale power costs will be \$125,000 higher than anticipated. Therefore, the the purchase power recovery adjustment is proposed to be 0.8% in order to generate the \$125,000 needed.

The Village Code requires that this Resolution be introduced at a meeting and the adopted at a subsequent meeting.

The Village will consider adoption of this Resolution at the December 2, 2014 Council Meeting.

### Recommendation:

Consider introduction of Resolution No. R-36-2014.

### Attachments:

1) Resolution No. R-36-2014, a resolution establishing electric rates.

**A RESOLUTION ESTABLISHING RATES AND FEES  
FOR ELECTRIC SERVICE**

**WHEREAS**, the Village of Winnetka is a home rule municipality in accordance with Article VII, Section 6 of the Constitution of the State of Illinois of 1970, pursuant to which it has the authority, except as limited by said Section 6 of Article VII, to exercise any power and perform any function pertaining to the government and affairs of the Village, including, but not limited to, the powers (i) to regulate for the protection of the public health, safety, morals and welfare, (ii) to license, (iii) to tax, and (iv) to incur debt; and

**WHEREAS**, the Village of Winnetka owns and operates an electric utility that provides all electric service within the Village of Winnetka; and

**WHEREAS**, the Village of Winnetka's Water and Electric Department is responsible for the day-to-day operations of the Village's electric utility; and

**WHEREAS**, the Council finds that all matters pertaining to the operation of the Village's electric utility, including but not limited to establishing rates for electric service, are matters pertaining to the affairs of the Village.

**NOW, THEREFORE**, be it resolved by the Council of the Village of Winnetka as follows:

**SECTION 1:** As used in this Resolution, the following terms, phrases and words and their derivations shall have the meanings given in this section, unless the context or use clearly indicates another or different meaning is intended:

*Customer Charge:* A fixed charge based on the type of service rather than the amount of electricity used.

*Demand Charge:* A charge based on the rate at which electric energy is delivered, expressed in kilowatts (kW), averaged over a 30-minute period.

*Energy Charge:* A volume based charge for energy used.

*Load Factor:* The ratio of energy used to the maximum energy consumption for a given monthly peak demand.

*On-peak Demand:* A peak demand that occurs between the hours of 3:00 p.m. and 9:00 p.m.

*Off-peak Demand:* A peak demand that occurs between after 9:00 p.m. and before 3:00 p.m.

*Primary Lines:* High voltage power lines

*Secondary Lines:* Low voltage power lines that extend from the high voltage Primary Lines and distribute electricity to individual property lines.

*Service Lines:* The power lines that extend from the Secondary Lines to the individual meter connections located on each parcel of property that receives electric service.

**SECTION 2: Seasonal Rates.** Separate summer and winter rates shall be established for demand charges and energy charges. Pursuant to Section 13.08.150 of the Winnetka Village Code, summer rates shall be in effect for each of the four consecutive months with ending metered dates on or after June 1 of each year.

**SECTION 3: Electric Rates.** Each customer using electricity furnished by the Village of Winnetka Water and Electric Department shall be charged for such service in accordance with the following schedule of electric rates, as provided in Section 13.08.040 of the Winnetka Village Code.

A. **Customer Charge:** Each customer shall be charged a monthly customer charge of \$9.46 for Single Phase Service or \$15.76 for Three Phase Service, except that this Customer Charge does not apply to customers subject to Energy and Demand Charges under Rate 18.

B. **Energy and Demand Charges:** In addition to the Customer Charge, each customer shall pay energy and demand charges at the rates set forth in the following Schedule of Energy and Demand Charges.

**SCHEDULE OF ENERGY AND DEMAND CHARGES**

**Rate 1 - Residential:** (Section 13.08.080 of the Winnetka Village Code)

Energy Charge

Summer Rate	<del>\$0.1233 per kWh</del> <u>\$0.1251 per kWh</u>
Winter Rate	<del>\$0.1083 per kWh</del> <u>\$0.1099 per kWh</u>

**Rate 2 - Space Heating Customers:** (Section 13.08.090 of the Winnetka Village Code)

Energy Charge

Summer Rate	<del>\$0.1230 per kWh</del> <u>\$0.1248 per kWh</u>
Winter Rate	
First 750 kWh	<del>\$0.1109 per kWh</del> <u>\$0.1126 per kWh</u>
All over 750 kWh	<del>\$0.0754 per kWh</del> <u>\$0.0765 per kWh</u>

**Rate 3 - Commercial:** (Section 13.08.100 of the Winnetka Village Code)

Demand Charge

Summer Rate	
First 50 kW	\$0.00 per kW
All over 50 kW	\$11.27 per kW
Winter Rate	
First 50 kW	\$0.00 per kW
All over 50 kW	\$9.91 per kW

Energy Charge

Summer Rate	
First 15,000 kWh	<del>\$0.1205 per kWh</del> <u>\$0.1223 per kWh</u>
All over 15,000 kWh	<del>\$0.0918 per kWh</del> <u>\$0.0932 per kWh</u>
Winter Rate	
First 15,000 kWh	<del>\$0.1068 per kWh</del> <u>\$0.1084 per kWh</u>
All over 15,000 kWh	<del>\$0.0817 per kWh</del> <u>\$0.0829 per kWh</u>

**Rate 4 - School and Government:** (Section 13.08.110 of the Winnetka Village Code)

**(a) With an annual peak demand of up to 1,000 kW:**

Demand Charge

Summer Rate \$10.82 per kW  
Winter Rate \$ 9.01 per kW

Energy Charge

Summer Rate  
First 100,000 kWh ~~\$0.0743 per kWh~~ \$0.0754 per kWh  
Over 100,000 kWh ~~\$0.0678 per kWh~~ \$0.0688 per kWh  
Winter Rate  
First 100,000 kWh ~~\$0.0688 per kWh~~ \$0.0698 per kWh  
Over 100,000 kWh ~~\$0.0634 per kWh~~ \$0.0644 per kWh

**(b) With an annual peak demand exceeding 1,000 kW:**

Demand Charge

Summer Rate

On Peak \$10.82 per kW  
Off Peak \$ 6.62 per kW in excess of On Peak Demand

Winter Rate

On Peak \$ 9.01 per kW  
Off Peak \$ 6.76 per kW in excess of On Peak Demand

Energy Charge

Summer Rate

First 100,000 kWh ~~\$0.0743 per kWh~~ \$0.0754 per kWh  
Over 100,000 kWh ~~\$0.0678 per kWh~~ \$0.0688 per kWh

Winter Rate

First 100,000 kWh ~~\$0.0688 per kWh~~ \$0.0698 per kWh  
Over 100,000 kWh ~~\$0.0634 per kWh~~ \$0.0644 per kWh

Load Factor Credit

(\$0.005) per kWh for kWh in excess of 50% based upon the on peak demand

**Rate 6 - Water Heating:** (Section 13.08.120 of the Winnetka Village Code)

Energy Charge

Summer Rate ~~\$0.1088 per kWh~~ \$0.1104 per kWh  
Winter Rate ~~\$0.1088 per kWh~~ \$0.1104 per kWh

[Remainder of this page intentionally left blank.]

**Rate 7 - Large Residential:** (Section 13.08.130 of the Winnetka Village Code)

Demand Charge	
Summer Rate	\$ 9.91 per kW
Winter Rate	\$ 8.33 per kW
Energy Charge	
Summer Rate	<del>\$0.0926 per kWh</del> \$0.0940 per kWh
Winter Rate	<del>\$0.0817 per kWh</del> \$0.0829 per kWh

**Rate 18 - Street Lights:** (Section 13.08.140 of the Winnetka Village Code)

Energy Charge	
Summer Rate	<del>\$0.1029 per kWh</del> \$0.1044 per kWh
Winter Rate	<del>\$0.1029 per kWh</del> \$0.1044 per kWh

**SECTION 4: Wholesale Power Purchase Cost Adjustment.**

A. **Wholesale Power Purchase Cost Adjustment formula.** The electric system's cost of purchasing power shall be estimated at least once per year. The estimated annual purchase cost adjustment shall be prorated among all rate classes by establishing the cost of purchase per kWh, which cost shall be added to or subtracted from the base rates set by Village Council resolution. The actual annual cost of purchasing power shall be determined after the close of each fiscal year. Pursuant to Section 13.08.160 of the Winnetka Village Code, the Wholesale Power Purchase Cost Adjustment shall be calculated as the difference between the estimated annual cost per kWh of purchasing power and the actual annual purchase power cost per kWh incurred during the prior fiscal year. If the actual annual cost per kWh of purchasing power exceeds the estimated cost, the shortage shall be annualized and shall be recovered by billing all customers at the same amount per kWh, beginning with all bills issued on or after February 1 of the new fiscal year. If the estimated annual cost per kWh of purchasing power exceeds the actual cost, the excess shall be annualized and shall be credited to all customers at the same amount per kWh, beginning with all bills issued on or after February 1 of the new fiscal year.

~~B. **Transition to Calendar-Based Fiscal Year.** Notwithstanding the foregoing, because the current fiscal year must be shortened to 9 months, so that it will end on December 31, 2013, and the new fiscal year will begin on January 1, 2014, as provided in Section 1.04.050 of the Winnetka Village Code, as amended by Ordinance MC 3-2013, the purchased power cost adjustment for the fiscal year that begins on January 1, 2014 shall be \$0.0000.~~

**SECTION 5: Renewable Energy Production Credit**

**A. Terms.**

1. Eligible Customer. A customer of the Village's Electric Utility who satisfies all of the requirements of Section 13.08.260 of the Winnetka Village Code.

2. Renewable Energy Production Credit, or REPC, means the actual credit as calculated pursuant to the formula in subsection B, below.

3. Renewable Energy, or RE, means the amount of energy, measured in kWh, delivered to the Village by an Eligible Customer.

4. Wholesale Purchase Power Cost, or WPPC, means the allocation on a per kilowatt hour basis of the total annual cost of purchasing power shown in the annual budget line item for “Purchased Power – Contractual Services.”

**B. Calculation of REPC**

$$\text{REPC} = (\text{RE} \times \text{WPPC})$$

**C. REPC Carry-forward.** If the REPC exceeds the cost of the power and energy billed to the Eligible Customer by the Village in a billing period, the excess REPC will be carried forward from one billing period to the next, except that no amount shall be carried forward past the end of the calendar year and that any amount of energy in kWh reflected in carry-forward credits remaining at the end of the calendar year shall be deemed to have been provided to the Village at no charge.

**D. No refunds or transfers.** No Eligible Customer whose electric service is terminated shall be entitled to a refund of any REPC balance, regardless of the reason for the termination of service. Nor shall any Eligible Customer be entitled to transfer any REPC balance to a succeeding customer upon the termination of the Eligible Customer’s electrical service, regardless of the reason for the termination of service. Upon the termination of an Eligible Customer’s electric service, the Eligible Customer’s account shall be closed and any amount of kWh reflected in any REPC balance in existence at the time the account is closed will be deemed to have been provided to the Village, at no charge.

**SECTION 6: Undergrounding Surcharge.** Pursuant to Section 13.08.240 of the Winnetka Village Code, the following surcharges are hereby established for the undergrounding of transmission and distribution lines:

**RATE U - UNDERGROUNDING SURCHARGE**

(a) **Surcharge.** Except as provided in subsection (c), each customer located in a Project Area within which the Primary Lines and Secondary Lines are placed underground pursuant to Section 13.08.230 of the Winnetka Village Code shall be subject to an undergrounding surcharge. The surcharge shall be charged monthly until the Applicable Project Cost, plus interest on the unpaid balance at a rate of 7% per annum, is fully paid. The surcharge shall not be charged for more than 60 consecutive months. The surcharge amount shall be as follows:

Surcharge UA Monthly surcharge of \$100 if Applicable Project Cost equals \$5,000 or less.

Surcharge UB Monthly surcharge of \$150 if Applicable Project Cost is greater than \$5,000 but does not exceed \$7,500.

Surcharge UC Monthly surcharge of \$200 if Applicable Project Cost is greater than \$7,500 but does not exceed \$10,000.

Surcharge UD Monthly surcharge of \$250 if Applicable Project Cost is greater than \$10,000 but does not exceed \$12,500.

- (b) **Definitions.** The following definitions shall be used in determining the undergrounding surcharge:

*Project Area:* The service area covered by a petition for undergrounding, as determined by the Director of Water and Electric, and shall include the Primary Lines, Secondary Lines and Service Lines within that service area.

*Project Costs:* All direct costs of undergrounding the Primary Lines and Secondary Lines in the Project Area (“Cost 1”). For customers with overhead Service Lines, the direct costs of undergrounding overhead Service Lines in the Project Area (“Cost 2”) shall be included in the Project Costs in addition to Cost 1. Direct costs shall include, but not be limited to, labor, materials, recording of easements and the cost of relocating all related electric utility facilities and equipment, such as pad mount transformers and switch gear.

*Project Cost<sub>UG</sub>:* The Project Cost per customer with underground Service Lines, which shall be determined by dividing Cost 1 by the number of customers in the Project Area.

*Project Cost<sub>OH</sub>:* The Project Cost per customer with overhead electric service, which shall be determined by dividing Cost 2 by the number of customers in the Project Area with overhead electric service and adding the resulting amount to Project Cost<sub>UG</sub>.

*Applicable Project Cost:* The Project Costs as allocated to the individual customers in the Project Area. The Applicable Project Cost for each customer with underground Service Lines shall be Project Cost<sub>UG</sub>. The Applicable Project Cost for each customer with overhead Service Lines shall be Project Cost<sub>OH</sub>.

- (c) **Exceptions to Surcharge.** The undergrounding surcharge shall not be charged to any customer in the Project Area who pays the Applicable Project Costs in full before the project begins.

**SECTION 7: Disconnection or Reconnection Fee.** The following fees shall be charged and collected for service calls to disconnect or reconnect service as the result of nonpayment, as provided in Section 13.08.060 of the Winnetka Village Code:

**SERVICE DISCONNECTION OR RECONNECTION FEE**

<b><u>Time of Service Call</u></b>	<b><u>Fee</u></b>
During regular business hours (Monday through Friday, except for holidays, from 7:30 a.m. to 3:00 p.m.)	\$95.00 per service dispatch
All other times (Evenings, nights, weekends and holidays)	\$265.00 per service dispatch

**SECTION 8: Replacement of Touchpad.** The following fees shall be charged for replacement of removed touchpads and replacement of the touchpad wiring.

Replacement of Touchpad	\$95.00
Replacement of Touchpad Wiring	\$265.00

**SECTION 9: Removal and Reinstallation of Overhead Service Connection.** The following fee shall be charged and collected for costs to disconnect, remove and reconnect an overhead service conductor for construction activities.

<u>Time of Service Call</u>	<u>Fee</u>
During regular business hours (Monday through Friday, except for holidays, from 7:30 a.m. to 3:00 p.m.)	\$300.00
All other times (Evenings, nights, weekends and holidays)	\$771.00

**SECTION 109: Costs of Adding, Upgrading and Undergrounding Electric Services.** The costs of installing new electric service, upgrading electric service to increase capacity and converting overhead service to underground service shall be allocated as follows:

**Installation and Ownership of Facilities:** All existing facilities and equipment, and all facilities and equipment related to new service, upgraded service and underground conversions, up to the meter, shall be owned, operated and maintained by the Village of Winnetka Water and Electric Department. The meter pedestal or meter enclosure shall be provided by the customer, at the customer's expense, and shall be owned and maintained by the customer. The Water and Electric Department shall install all new electrical service lines, all meters, all service upgrades and all conversions of overhead service to underground service, regardless of the party initiating the conversion, except that the Water and Electric Department shall not perform any work on the customer's side of the meter.

**New Service or Increased Load:** The following fees shall be charged for installing new or larger electric services:

Installation of a 200 Amp service (Includes conduits for communication conductors)	\$ 9,800
Installation of a 400 Amp service (Includes conduits for communication conductors)	\$18,000

#### Installation of three phase service

The costs of providing three phase electric service, including the cost of any necessary relocation, replacement or extension of the primary, secondary lines and transformers to which the service line is connected, shall be paid for by the customer requesting the new or increased three phase service.

If a primary or secondary line must be relocated, replaced or extended in order to install a new service or to increase the load capacity of an existing service, any customer who connects to such primary or secondary line within five years after the its installation may be required to pay that customer's pro rata share of such costs. The Village Manager, in the exercise of his discretion, may enter into a written agreement with the initial requesting customer and establish terms for the payment of such costs, which may include a recapture provision that provides for the Village to refund such pro rata costs, less administrative costs in the amount of 10% of the recaptured amount, to the initial requesting customer.

**Service Lines – Scheduled Conversion to Underground Service:** A customer may choose either to maintain overhead service or to convert his service line from overhead service to underground service in conjunction with the Water and Electric Department's planned conversion undergrounding of the primary and secondary lines to which the customer's service line is connected. If the customer elects to maintain overhead service, the Water and Electric Department will install, at no additional cost to the customer, a new pole as close to the service connection as the Department deems possible, placing the service line underground to the pole, installing a service riser to the top of the pole, and connecting an overhead line to the existing service connection. If the customer elects to place the service line underground, the Water and Electric Department will do so, at no additional cost to the customer, provided the customer purchases the meter enclosure or meter pedestal and makes, at the customer's expense, all alterations necessary to relocate the meter and building service so as to connect to the underground service line in the location specified by the Water and Electric Department.

**Underground Service – Customer Requested Conversion:** All costs of converting overhead electrical service to underground electrical service, including the cost of any necessary relocation of the primary and secondary lines to which the service line is connected, shall be paid by the customer if it is requested by the customer and the conversion is not done as part of the Water and Electric Department’s undergrounding program. If the customer is increasing the size of the service entrance equipment, the customer shall be charged in accordance with rates for New Service or Increased Load for the service connection work. Existing rear lot residential services will be relocated to the front of the building and the service connection shall be at a location specified by the Water & Electric Department. As part of the conversion, an electric meter located within the structure shall be relocated to the outside.

**SECTION 1140: Temporary Electric Service.** Pursuant to Section 13.08.210 of the Winnetka Village Code, temporary electric service provided during building construction shall be billed at the rate applicable to the use specified in the building permit.

**SECTION 1244: Fee for Returned Payments.** A fee of \$30.00 shall be charged for any payment that is returned to the Village for any reason, including, but not limited to, insufficient funds, account closed, or referred to maker.

**SECTION 1342: Payment Period; Late Fees.** All bills issued for electric service shall be paid in full within the payment period specified in the bill. The payment period shall be established by the Director of Finance, and shall be no less than 21 no more than 30 days from the date of the issuance of the bill. Pursuant to Section 13.08.040.B of the Winnetka Village Code, if any bill for electric service is not paid within the payment period prescribed by resolution, a late payment penalty of 5% of the amount due shall be added to the bill and collected from the user.

**SECTION 1413: Home Rule.** This Resolution is adopted by the Council of the Village of Winnetka in the exercise of its home rule powers pursuant to Section 6 of Article VII of the Illinois Constitution of 1970.

**SECTION 1514: Effect of Resolution.** The rates established herein shall apply to all bills issued on or after January 1, 2015, and this resolution shall supersede Resolution R-33-2013.

**SECTION 1615: Effective Date.** This resolution shall be in full force and effect immediately upon its adoption.

**ADOPTED** this \_\_\_\_ day of \_\_\_\_\_, 2014, pursuant to the following roll call vote:

AYES: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

Signed:

\_\_\_\_\_  
Village President

Countersigned:

\_\_\_\_\_  
Village Clerk

Introduced: November 18, 2014

Adopted:



## Agenda Item Executive Summary

**Title:** Resolution No. R-37-2014: Sanitary Sewer Rates (Introduction)

**Presenter:** Edward McKee, Finance Director

**Agenda Date:** 11/18/2014

**Consent:**  YES  NO

- |                                     |                         |
|-------------------------------------|-------------------------|
| <input type="checkbox"/>            | Ordinance               |
| <input checked="" type="checkbox"/> | Resolution              |
| <input type="checkbox"/>            | Bid Authorization/Award |
| <input type="checkbox"/>            | Policy Direction        |
| <input type="checkbox"/>            | Informational Only      |

### Item History:

The Village Council held meetings on October 14, 20, 27, and 29, 2014 to review the proposed budget.

The 2015 budget proposes a 10% sanitary sewer rate increase to pay for capital repairs to the sanitary sewer system.

### Executive Summary:

Because of the projected capital needs of the sanitary sewer system, a rate increase is proposed. The projected capital plan contains \$1,050,000 of sanitary sewer repairs that are anticipated to be completed over the next three years.

The 10% sanitary sewer rate increase is projected to cost a typical customer about \$29 more per year.

The Village Code requires that this Resolution be introduced at a meeting and the adopted at a subsequent meeting.

The Village will consider adoption of this Resolution at the December 2, 2014 Council Meeting.

### Recommendation:

Consider introduction of Resolution No. R-37-2014.

### Attachments:

1) Resolution No. R-37-2014, a resolution establishing the sanitary sewer rate.

**A RESOLUTION ESTABLISHING RATES AND FEES  
FOR SEWER SERVICE**

**WHEREAS**, the Village of Winnetka is a home rule municipality in accordance with Article VII, Section 6 of the Constitution of the State of Illinois of 1970, pursuant to which it has the authority, except as limited by said Section 6 of Article VII, to exercise any power and perform any function pertaining to the government and affairs of the Village, including, but not limited to, the powers (i) to regulate for the protection of the public health, safety, morals and welfare, (ii) to license, (iii) to tax, and (iv) to incur debt; and

**WHEREAS**, the Village of Winnetka maintains a public sewer system that serves all premises within the Village; and

**WHEREAS**, the Council finds that all matters pertaining to the operation and maintenance of the Village's public sewers, including but not limited to establishing rates for sewer service, are matters pertaining to the affairs of the Village.

**NOW, THEREFORE**, be it resolved by the Council of the Village of Winnetka as follows:

**SECTION 1: Sewer Service Rates.** Any person owning or occupying premises which are connected to the public sewers within the Village of Winnetka shall pay for such services, as provided in Section 13.12.010 of the Winnetka Village Code, at the rate of ~~\$12.56~~ **\$13.82** per 1,000 cubic feet of water supplied to those premises.

**SECTION 2: Fee for Returned Payments.** A fee of \$30.00 shall be charged for any payment that is returned to the Village for any reason, including, but not limited to, insufficient funds, account closed, or referred to maker.

**SECTION 3: Payment Period; Late Fees.** All bills issued for sewer service shall be paid in full within the payment period specified in the bill. The payment period shall be established by the Director of Finance, and shall be no less than 21 nor more than 30 days from the date of the issuance of the bill. Pursuant to Section 13.12.010.B of the Winnetka Village Code, if any bill for sewer service is not paid within the specified payment period, a late payment penalty of 5% of the amount due shall be added to the bill and collected from the user.

**SECTION 4: Home Rule.** This Resolution is adopted by the Council of the Village of Winnetka in the exercise of its home rule powers pursuant to Section 6 of Article VII of the Illinois Constitution of 1970.

**SECTION 5: Effect of Resolution.** The rates established herein shall apply to all bills issued on or after January 1, 2015, and this resolution shall supersede Resolution R-34-2013.

[Remainder of this page intentionally left blank.]

**SECTION 6: Effective Date.** This resolution shall be in full force and effect immediately upon its adoption.

**ADOPTED** this \_\_\_\_ day of \_\_\_\_\_, 2014, pursuant to the following roll call vote:

AYES: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

Signed:

\_\_\_\_\_

Village President

Countersigned:

\_\_\_\_\_

Village Clerk

Introduced: November 18, 2014

Adopted:



## Agenda Item Executive Summary

**Title:** Resolution No. R-38-2014: Refuse Rates (Introduction)

**Presenter:** Edward McKee, Finance Director

**Agenda Date:**

11/18/2014

**Consent:**

YES

NO

Ordinance

Resolution

Bid Authorization/Award

Policy Direction

Informational Only

**Item History:**

The Village Council held meetings on October 14, 20, 27, and 29, 2014 to review the proposed budget.

The proposed budget has a 2% increase in commercial collection charges and no changes to the residential collection fees.

**Executive Summary:**

There is a proposed 2% increase in commercial collection charges.

The residential collection charge for twice a week service remains \$25 per month. The cost of a yardwaste bag or a yardwaste collection sticker remains \$2 each.

The Village Code requires that this Resolution be introduced at a meeting and the adopted at a subsequent meeting.

The Village will consider adoption of this Resolution at the December 2, 2014 Council Meeting.

**Recommendation:**

Consider introduction of Resolution No. R-38-2014.

**Attachments:**

1) Resolution No. R-38-2014, a resolution establishing refuse rates.

**RESOLUTION NO. R-38-2014**

**A RESOLUTION ESTABLISHING RATES AND FEES  
FOR REFUSE SERVICE**

**WHEREAS**, the Village of Winnetka is a home rule municipality in accordance with Article VII, Section 6 of the Constitution of the State of Illinois of 1970, pursuant to which it has the authority, except as limited by said Section 6 of Article VII, to exercise any power and perform any function pertaining to the government and affairs of the Village, including, but not limited to, the powers (i) to regulate for the protection of the public health, safety, morals and welfare, (ii) to license, (iii) to tax, and (iv) to incur debt; and

**WHEREAS**, the Village of Winnetka, through its Public Works Department, operates a municipal waste system that provides for the collection, transportation and disposal of refuse and yard waste within the Village; and

**WHEREAS**, the Council finds that all matters pertaining to the operation of the Village's municipal waste system, including but not limited to establishing rates and fees for refuse and yard waste services, are matters pertaining to the affairs of the Village.

**NOW, THEREFORE**, be it resolved by the Council of the Village of Winnetka as follows:

**SECTION 1: Definitions.** All terms defined in Section 8.16.010 of Chapter 8.16 of the Winnetka Village Code, "Garbage and Refuse," shall have the same meaning when used in this resolution.

**SECTION 2: Commercial Refuse Service Fees.** Pursuant to Section 8.16.050 of the Winnetka Village Code, the following monthly fees are hereby established for commercial refuse service, including apartments in commercial buildings:

**SCHEDULE OF MONTHLY COMMERCIAL REFUSE SERVICE FEES**

Container Volume per Pick-up	Number of Pickups Per Week						
	1	2	3	4	5	6	7
1 Cu.Yd.	<del>\$33</del>	<del>\$59</del>	<del>\$82</del>	<del>\$107</del>	<del>\$128</del>	<del>\$153</del>	<del>\$179</del>
	<del>\$32</del>	<del>\$57</del>	<del>\$80</del>	\$104	\$125	\$150	\$175
1.5 Cu.Yd.	<del>\$41</del>	<del>\$74</del>	<del>\$109</del>	<del>\$141</del>	<del>\$176</del>	<del>\$208</del>	<del>\$241</del>
	<del>\$40</del>	<del>\$72</del>	\$106	\$138	\$172	\$203	\$236
2 Cu.Yd.	<del>\$49</del>	<del>\$91</del>	<del>\$135</del>	<del>\$178</del>	<del>\$220</del>	<del>\$263</del>	<del>\$304</del>
	<del>\$48</del>	<del>\$89</del>	\$132	\$174	\$215	\$257	\$298
3 Cu.Yd.	<del>\$66</del>	<del>\$123</del>	<del>\$181</del>	<del>\$238</del>	<del>\$296</del>	<del>\$353</del>	<del>\$412</del>
	<del>\$64</del>	\$120	\$177	\$233	\$290	\$346	\$403
4 Cu.Yd.	<del>\$85</del>	<del>\$148</del>	<del>\$226</del>	<del>\$296</del>	<del>\$368</del>	<del>\$437</del>	<del>\$507</del>
	<del>\$83</del>	\$145	\$221	\$290	\$360	\$428	\$497
5 Cu.Yd.	<del>\$104</del>	<del>\$187</del>	<del>\$271</del>	<del>\$353</del>	<del>\$437</del>	<del>\$521</del>	<del>\$603</del>
	\$101	\$183	\$265	\$346	\$428	\$510	\$591

Container Volume per Pick-up	Number of Pickups Per Week						
	1	2	3	4	5	6	7
6 Cu.Yd.	<u>\$123</u>	<u>\$220</u>	<u>\$316</u>	<u>\$412</u>	<u>\$507</u>	<u>\$603</u>	<u>\$700</u>
	<del>\$120</del>	<del>\$215</del>	<del>\$309</del>	<del>\$403</del>	<del>\$497</del>	<del>\$591</del>	<del>\$686</del>
1-99 Gal.	<u>\$15</u> - <del>\$14</del>	<u>\$21</u> - <del>\$20</del>	<u>\$26</u> - <del>\$25</del>	<u>\$33</u> - <del>\$32</del>	<u>\$38</u> - <del>\$37</del>	<u>\$44</u> - <del>\$43</del>	<u>\$50</u> - <del>\$49</del>
100-180 Gal.	<u>\$21</u> - <del>\$20</del>	<u>\$33</u> - <del>\$32</del>	<u>\$44</u> - <del>\$43</del>	<u>\$59</u> - <del>\$57</del>	<u>\$70</u> - <del>\$68</del>	<u>\$83</u> - <del>\$81</del>	<u>\$95</u> - <del>\$93</del>

[**Note:** Individual accounts will be charged a share of the monthly fees charged based upon the account's proportionate use of the container(s), as determined by the Winnetka Public Works Department.]

**SECTION 3: Residential Refuse Service Fees.** Pursuant to Section 8.16.050 of the Winnetka Village Code, the following fees and charges are hereby established for residential refuse service:

**SCHEDULE OF RESIDENTIAL REFUSE SERVICE FEES**

<u>Service</u>	<u>Charge</u>
One pick-up per week of no more than two garbage cans of household rubbish	No charge
Collection of household rubbish or garbage in excess of two garbage cans per pick-up	\$2.00 per sticker (one sticker required for each container)
Subscription service for one additional pick-up each week	\$25.00 per month

**SECTION 4: Charges for Special Refuse Collections.** Pursuant to Section 8.16.050 of the Winnetka Village Code, the following rates are hereby established for special refuse collections:

**SCHEDULE OF FEES FOR SPECIAL REFUSE COLLECTIONS**

<u>Service</u>	<u>Charge</u>
Base Fee for special collections	\$30.00
Bulk pick-ups [ <b>Note:</b> Bulk pick-ups are for light refuse other than liquids and yard waste.]	
Up to 1.0 cubic yards	Base Fee
Over 1.0 cubic yards	Base Fee plus \$11.00 for each additional cubic yard or fraction thereof
White goods and other large items [ <b>Note:</b> Includes appliances, sofas, etc.]	Base Fee plus \$10.00 for each item

**Service**

**Charge**

Hard-to-handle refuse

Base Fee plus \$15.00 per cubic yard

[*Note:* Hard-to-handle refuse includes such miscellaneous rubbish as wood, fencing, carpeting, multiple pieces of furniture and cabinets, and construction materials such as wallboard, plaster and flooring, but shall not include liquids, soil, concrete and asphalt.]

Tires and/or tire rims

Base Rate plus Charge per Tire

Charge per tire

Tire without rim

Base Rate plus \$10.00

Tire with rim

Base Rate plus \$15.00

Truck tire without rim

Base Rate plus \$20.00

Truck tire with rim

Base Rate plus \$25.00

**SCHEDULE OF FEES FOR SPECIAL REFUSE COLLECTIONS (cont'd)**

**Service**

**Charge**

Carts and roll-off boxes

[*Note:* Charge is based on container size. Contents shall not include concrete, soil, asphalt or liquids]

1.0 cubic yard

\$40.00

1.5 cubic yard

\$50.00

2.0 cubic yard

\$60.00

6.0 cubic yard

\$165.00

**SECTION 5: Yard Waste.** Pursuant to Section 8.16.050 of the Winnetka Village Code, the following rates are hereby established for the removal of certain yard waste:

[Remainder of this page intentionally left blank.]

**SCHEDULE OF YARD WASTE REMOVAL FEES**

<b><u>Service</u></b>	<b><u>Charge</u></b>
Removal of yard waste	
Village yard waste bag	\$2.00 per bag
Other bags (one sticker required per bag)	\$2.00 per sticker
Removal of brush, trees, logs and limbs	
Diameter of 4 inches or less	
First 10 minutes	\$30.00
Each additional minute	\$1.00
Diameter over 4 inches	Charged as hard-to-handle item (See Section 4)

**SECTION 6: Charges for Miscellaneous Refuse Services.** Pursuant to Section 8.16.050 of the Winnetka Village Code, the following rates are hereby established for miscellaneous refuse services and for the purchase of miscellaneous items for use in disposing of refuse:

**SCHEDULE OF MISCELLANEOUS FEES**

<b><u>Service or Item</u></b>	<b><u>Charge</u></b>
Small Recycling Carts	\$50.00 each
Large Recycling Carts	\$67.00 each

**SECTION 7: Fee for Returned Payments.** A fee of \$30.00 shall be charged for any payment that is returned to the Village for any reason, including, but not limited to, insufficient funds, account closed, or referred to maker.

**SECTION 8: Payment Period.** All bills issued for refuse service shall be paid in full within the payment period specified in the bill. The payment period shall be established by the Director of Finance, and shall be no less than 21 no more than 30 days from the date of the issuance of the bill.

**SECTION 9: Home Rule.** This Resolution is adopted by the Council of the Village of Winnetka in the exercise of its home rule powers pursuant to Section 6 of Article VII of the Illinois Constitution of 1970.

**SECTION 10: Effect of Resolution.** The rates established herein shall apply to all bills issued on or after January 1, 2015, and this resolution shall supersede Resolution R-35-2013.

**SECTION 11: Effective Date.** This resolution shall be in full force and effect immediately upon its adoption.

[Remainder of this page intentionally left blank.]

**ADOPTED** this \_\_\_ day of \_\_\_\_\_, 2014, pursuant to the following roll call vote:

AYES: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

Signed:

\_\_\_\_\_  
Village President

Countersigned:

\_\_\_\_\_  
Village Clerk

Introduced: November 18, 2014

Adopted:



## Agenda Item Executive Summary

**Title:** Resolution No. R-39-2014: Stormwater Rates (Introduction)

**Presenter:** Edward McKee, Finance Director

**Agenda Date:** 11/18/2014

**Consent:**  YES  NO

Ordinance  
 Resolution  
 Bid Authorization/Award  
 Policy Direction  
 Informational Only

### Item History:

The Village Council held meetings on October 14, 20, 27, and 29, 2014 to review the proposed budget.

The 2015 budget proposes no change to the stormwater utility fee that became effective 7/1/2014. The Village will begin billing in arrears effective January 1, 2015, to match the billing cycle for the other utilities billed by the Village.

### Executive Summary:

The Village established a stormwater utility fee of \$21.83 per month (\$261.96 per year) per Equivalent Runoff Unit (ERU), effective July 1, 2014. The stormwater utility fee, plus existing reserves, are adequate to pay for the debt service and operating costs of this fund. Therefore, no change to the stormwater utility rate is proposed.

The stormwater utility fee is currently billed for specific months of service. The first stormwater utility fee charged all bi-weekly utility customers covered service for July 2014 and August 2014, regardless of when the bill was issued (billing in advance). Effective January 1, 2015, Staff is proposing to skip one billing cycle for the stormwater utility service to convert to billing in arrears (after the service is provided), to be consistent with how the other utilities (water, electric, and sanitary sewer) are billed. Customers will see a \$0 stormwater utility fee in January or February during this transition period. Thereafter, the \$21.83 per month per ERU fee will apply. Attached is a schedule showing the impact of this change.

The Village Code requires that this Resolution be introduced at a meeting and be adopted at a subsequent meeting.

The Village will consider adoption of this Resolution at the December 2, 2014 Council Meeting.

### Recommendation:

Consider introduction of Resolution No. R-39-2014.

### Attachments:

- 1) Resolution No. R-39-2014, a resolution establishing the stormwater utility rate.
- 2) Schedule of Stormwater Utility Billing

**A RESOLUTION  
ESTABLISHING RATES AND FEES  
FOR STORMWATER UTILITY SERVICE**

**WHEREAS**, the Village of Winnetka is a home rule municipality in accordance with Article VII, Section 6 of the Constitution of the State of Illinois of 1970, pursuant to which it has the authority, except as limited by said Section 6 of Article VII, to exercise any power and perform any function pertaining to the government and affairs of the Village, including, but not limited to, the powers (i) to regulate for the protection of the public health, safety, morals and welfare, (ii) to license, (iii) to tax, and (iv) to incur debt; and

**WHEREAS**, the Village of Winnetka (“Village”) operates and maintains a public stormwater utility to provide stormwater management services to all properties within the Village; and

**WHEREAS**, the Council finds that all matters pertaining to the operation and maintenance of the Village’s stormwater system, including but not limited to establishing rates for sewer service, are matters pertaining to the affairs of the Village.

**NOW, THEREFORE**, be it resolved by the Council of the Village of Winnetka as follows:

**SECTION 1: Stormwater Service Fee.** The fee for stormwater utility service provided in the Village of Winnetka pursuant to Chapter 13.16 of the Winnetka Village Code is hereby established at \$21.83 per month per Equivalent Runoff Unit (ERU), as defined in Section 13.16.04 of the Winnetka Village Code.

**SECTION 2: Fee for Returned Payments.** A fee of \$30.00 shall be charged for any payment that is returned to the Village for any reason, including, but not limited to, insufficient funds, account closed, or referred to maker.

**SECTION 3: Payment Period; Late Fees.** All bills issued for sewer service shall be paid in full within the payment period specified in the bill. The payment period shall be established by the Director of Finance, and shall be no less than 21 nor more than 30 days from the date of the issuance of the bill. Pursuant to Section 13.12.010.B of the Winnetka Village Code, if any bill for sewer service is not paid within the specified payment period, a late payment penalty of 5% of the amount due shall be added to the bill and collected from the user.

**SECTION 4: Home Rule.** This Resolution is adopted by the Council of the Village of Winnetka in the exercise of its home rule powers pursuant to Section 6 of Article VII of the Illinois Constitution of 1970.

**SECTION 5: Effect of Resolution.** The rates established herein shall apply to all bills issued for stormwater utility service on or after January 1, 2015.

[Remainder of this page intentionally left blank.]

**SECTION 6: Effective Date.** This resolution shall be in full force and effect immediately upon its adoption.

**ADOPTED** this \_\_\_\_ day of \_\_\_\_\_, 2014, pursuant to the following roll call vote:

AYES: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

Signed:

\_\_\_\_\_  
Village President

Countersigned:

\_\_\_\_\_  
Village Clerk

Introduced: November 18, 2014

Adopted:

Schedule of Stormwater Utility Billing  
For Typical Bi-Monthly Billed Residential Customer  
With 1 ERU

\$21.83 per month

\$43.66 bi-monthly

Month First Billed	Amount Billed Customer by Month												Total Paid
	July	August	September	October	November	December	January	February	March	April	May	June	
July	Billed in Advance						Billed in Arrears with other utilities						\$ 218.30
	\$ 43.66	\$ -	\$ 43.66	\$ -	\$ 43.66	\$ -	no charge	\$ -	\$ 43.66	\$ -	\$ 43.66	0	
August	Billed in Advance						Billed in Arrears with other utilities						\$ 218.30
	\$ -	\$ 43.66	\$ -	\$ 43.66	\$ -	\$ 43.66	\$ -	no charge	\$ -	\$ 43.66	\$ -	\$ 43.66	
Service Period	July & August	July & August	Sept. & Oct.	Sept. & Oct.	Nov. & Dec.	Nov. & Dec.	Jan. & Feb.	Jan. & Feb.	March & April	March & April	May & June	May & June	



## Agenda Item Executive Summary

**Title:** Resolution No. R-40-2014: General Permit & License Fees (Info only)

**Presenter:** Edward McKee, Finance Director

**Agenda Date:** 11/18/2014

**Consent:**  YES  NO

- |                                     |                         |
|-------------------------------------|-------------------------|
| <input type="checkbox"/>            | Ordinance               |
| <input checked="" type="checkbox"/> | Resolution              |
| <input type="checkbox"/>            | Bid Authorization/Award |
| <input type="checkbox"/>            | Policy Direction        |
| <input type="checkbox"/>            | Informational Only      |

### Item History:

The Village Council held meetings on October 14, 20, 27, and 29, 2014 to review the proposed budget.

There are no changes proposed to the general permit and license fees for 2015. This Resolution is distributed prior to adoption so the public has an opportunity to review the materials.

### Executive Summary:

The Village will consider adoption of this Resolution at the December 2, 2014 Council Meeting.

### Recommendation:

Informational only.

### Attachments:

1) Resolution No. R-40-2014, a resolution amending general permit and license fees.

**RESOLUTION NO. R-40-2014**

**A RESOLUTION  
AMENDING GENERAL PERMIT, LICENSE AND REGISTRATION FEES,  
PARKING AND TOWING FEES AND  
MISCELLANEOUS SERVICE FEES**

**WHEREAS**, the Village of Winnetka (“Village”) is a home rule municipality in accordance with Article VII, Section 6 of the Constitution of the State of Illinois of 1970, with the authority and, except as limited by said Section 6 of Article VII, is authorized to exercise any power and perform any function pertaining to the government and affairs of the Village, including, but not limited to, the powers (i) to regulate for the protection of the public health, safety, morals and welfare, (ii) to license, (iii) to tax, and (iv) to incur debt; and

**WHEREAS**, the Council of the Village of Winnetka finds that setting of rates and fees for various permits, licenses and services is a matter pertains to the government and affairs of the Village.

**NOW, THEREFORE**, be it resolved by the Council of the Village of Winnetka as follows:

**SECTION 1: Permit, License and Registration Fees.** Fees are hereby established for certain permits, licenses and registrations, in the amounts and for the purposes set forth in the following Schedule of General Permit, License and Registration Fees, pursuant to the sections of the Winnetka Village Code (“Code”) referred to therein.

**SCHEDULE OF GENERAL PERMIT, LICENSE AND REGISTRATION FEES**

**Note:** Unless otherwise specifically provided in the following Schedule of General Permit, License and Registration Fees (“Schedule”), all annual permits, licenses and registrations provided for in this Schedule are due and payable on or before the beginning of the fiscal year (January 1) of each year, and remain in effect until the end of the fiscal year (December 31).

<b><u>Type of Permit, License or Registration</u></b>	<b><u>Amount of Fee</u></b>	<b><u>Code Section</u></b>
<i>Amusement Devices</i>		5.12.010
Daily	\$15.00	
Annual	\$25.00	
<i>Animals</i>		6.08.010
Dog License (Annual)		
Unspayed Female	\$15.00	
All Other Dogs	\$10.00	
<i>Animals (cont'd)</i>		6.08.010
Replacement License	\$2.00	
Taking up or Impounding Dog	\$55.00	
<i>Bicycle Registration</i>	No Fee	10.32.060

<u>Type of Permit, License or Registration</u>	<u>Amount of Fee</u>	<u>Code Section</u>
<i>Billiard Rooms &amp; Pool Rooms</i>		5.52.020
Annual License (per table)	\$10.00	
<i>Bowling Alleys</i>		5.52.030
Annual License (per alley)	\$10.00	
<i>Coin Operated Musical Devices</i>		5.16.010
Annual License (per device)	\$25.00	
<i>Charitable and Political Solicitation</i>	None	5.48.010
<i>Circuses and Carnivals (Daily)</i>	\$100.00	5.52.040
<i>Drug Paraphernalia Sales</i>		9.04.070
Annual Registration Fee	\$25.00	
<i>Film Production Application Fees</i>		
Basic Application Processing Fee	\$1,000.00	5.20.070
Additional Application Processing Fee (Per Hour)	\$250.00	5.20.070
<i>Food Dealers</i>		
Restaurant Permit: (Annual, based on seating capacity)		5.24.010
1-20	\$35.00	
21-50	\$45.00	
51-100	\$50.00	
More than 100	\$75.00	
Fast Food/Drive-In	\$75.00	
Food Store Permit (Annual, per cash register)	\$25.00	5.24.010
Itinerant Food Vendor Permit (Annual)	\$15.00	5.24.010
Vending Machine Operator Permit (Annual, per machine)	\$15.00	5.24.010
<i>Foresters, Tree Surgeons</i>		5.72.010
Annual License	\$15.00	
<i>Garbage and Refuse Scavenger</i>		8.16.040
Annual License	\$500.00	
<i>Junk Dealers (Annual)</i>		5.32.010
License, Base Fee	\$50.00	

<u>Type of Permit, License or Registration</u>	<u>Amount of Fee</u>	<u>Code Section</u>
Vehicle Fee (per vehicle)	\$25.00	
<i>Laundries</i>		5.36.010
Annual Fee	\$15.00	
<i>Liquor Licenses</i>		5.09.100
Class A-1 Restaurant (Annual)	\$1,000.00	
Class A Restaurant (Annual)	\$750.00	
Packaged Meal Rider (Take-out; Annual)	\$150.00	
Class B - Grocery Store (Annual)	\$750.00	
Class C - Special Event (Daily)	\$25.00	
Maximum per event more than 2 days	\$75.00	
Class D – Package delivery service/mail	\$150.00	
Class E - Limited Food Products Store (Wine)	\$500.00	
Class E-1 - Limited Food Products Store (Wine or Beer)	\$500.00	
Class P - Park District (Annual)	\$500.00	
Sidewalk Restaurant Rider	\$150.00	
<i>Money Changers</i>		5.40.010
Annual Fee, per location	\$25.00	
<i>Parades and Processions</i>	None	10.08.060
<i>Pawnbrokers</i>		5.44.010
Annual Fee, per location	\$100.00	
<i>Peddlers</i>		5.48.010
License, if NO vehicle used		
Per year	\$25.00	
Per month	\$10.00	
Per day	\$3.00	
License, if vehicle used		
Per year, per vehicle	\$50.00	
Per month, per vehicle	\$15.00	
Per day, per vehicle	\$5.00	
<i>Public Dance Halls</i>		5.56.010
Per year	\$100.00	
Per Day	\$20.00	
<i>Public Garage and Service Station</i>		5.60.010
Base fee, annual	\$50.00	
For each fuel pump	\$5.00	
<i>Raffle, per event</i>	\$25.00	9.04.040

<u>Type of Permit, License or Registration</u>	<u>Amount of Fee</u>	<u>Code Section</u>
<i>Second Hand Dealers</i>		5.64.010
Annual Fee, per location	\$25.00	
<i>Taxicab Operator's License</i>	\$2.00	5.68.050
<i>Vehicle (Motor) Licenses</i>		10.12.030
Annual Fee	\$40.00	
Semi-Annual Fee (if purchased after 6/30)	\$20.00	
Transfer Fee	\$1.00	

**SECTION 2: Parking Permit Fees.** Pursuant to Chapter 10.24 of the Winnetka Village Code, titled, "Parking," the following fees are hereby established for parking permits:

**SCHEDULE OF PARKING PERMIT FEES**

**Semi-Annual Parking Permits (Commuter Parking Permits)**

**Note:** Semi-annual parking permits are issued for the periods of January through June and July through December. Purchase and refund amounts are prorated based on the month in which the purchase or refund request is made. Only persons who reside in the Village of Winnetka, and who have a current Village vehicle sticker for a vehicle registered with the State to a Winnetka address, are eligible for the resident fee.

<b>Month of Purchase or Refund</b>	<b>Purchase Cost</b>		<b>Refund Amount</b>	
	<b>Resident</b>	<b>Non-Resident</b>	<b>Resident</b>	<b>Non-Resident</b>
January or July	\$100.00	\$220.00	\$83.33	183.33
February or August	83.33	183.33	66.67	146.67
March or September	66.67	146.67	50.00	110.00
April or October	50.00	110.00	33.33	73.33
May or November	33.33	73.33	16.67	36.67
June or December	16.67	36.67	–	–

**Annual Parking Permits (Not refundable)**

Business District Employee Parking Permit \$10.00

**Daily Parking Permits (Not refundable)**

Commuter Parking Lots \$3.00

Business District Employee Parking \$3.00

**Remote Lot Parking Permits (Public Works Yards)**

Semi-annual charge per vehicle \$120.00

**Note:** The Village Manager may issue permits to allow parking on a limited basis at the Village's landfill site, 1390 Willow Road, by businesses located in the Village of Winnetka, including but not limited to the United

States Postal Service, for parking of their fleet vehicles, and by businesses located in the Village of Winnetka that are engaged in the retail sale of automobiles, for parking of their sales inventory. The Village Manager shall determine the number and location of such spaces that may be made available on the site may vary from time to time. Such space shall be limited to areas of the site that the Village Manager determines will not interfere with the Village’s use of the site. Requests for such parking shall be made directly to the Village Manager. Remote parking spaces shall not be available for the general public.

**SECTION 3: Fees for Vehicle Impoundment and Towing.** Fees and charges are hereby established for the impoundment, towing and storage of vehicles upon the issuance of a final notice for unpaid parking tickets, as set forth in the following Impoundment and Towing Fee Schedule, pursuant to the sections of the Winnetka Village Code (“Code”) referred to therein.

**IMPOUNDMENT AND TOWING FEES**

<b><u>Type of Fee</u></b>	<b><u>Fee Amount</u></b>	<b><u>Conditions for Payment or Refund</u></b>
<i>Impoundment</i>	\$200.00	Payment is required prior to release of vehicle. Payment will be refunded if the hearing officer determines that the impoundment was not conducted in accordance with the procedural requirements of Village Code Section 10.24.130.
<i>Towing and/or Storage - Private Contractor</i>	Actual cost as billed by the towing or impounding facility	Payment is required prior to release of towed, removed, relocated and/or stored vehicle. Payment will be refunded if the hearing officer determines that the towing, removal, relocation and/or storage was not conducted in accordance with the procedural requirements of Village Code Section 10.24.130.
<i>Storage on Village Property</i>	\$10.00 per day, per vehicle	Payment is required prior to release of stored vehicle. Payment will be refunded if the hearing officer determines that the storage was not conducted in accordance with the procedural requirements of Village Code Section 10.24.130.
<i>Collateral</i>	100% of the amount of all outstanding fines due, as stated in the final notice.	Payment is required prior to release of impounded, towed, removed, relocated and/or stored vehicle. Payment is also required before a request for a judicial proceeding made pursuant to a “final notice” is processed. Payment will be refunded if, as the result of the dismissal of outstanding or unsettled traffic violation notices, judgments and/or warrants by a court of competent jurisdiction, the impounded or removed vehicle is subject to fewer than five unsatisfied fines for violation of any parking ordinance of the Village.

**SECTION 4: Miscellaneous Service Fees.** Fees are hereby established for certain miscellaneous services and purchase items in the amounts and for the purposes set forth in the following Schedule of General Permit, License and Registration Fees, pursuant to the sections of the Winnetka Village Code (“Code”) referred to therein.

**SCHEDULE OF GENERAL PERMIT, LICENSE AND REGISTRATION FEES**

<u>Miscellaneous Service Fees</u>	<u>Amount of Fee</u>	<u>Code Section</u>
<i>Ambulance Services - Residents</i>		2.52.040
Advanced Life Support	\$675.00	
Basic Life Support	\$525.00	
Mileage Charge (per loaded patient mile)	\$12.00	
 <i>Ambulance Services – Non-Residents</i>		
Advanced Life Support	\$850.00	
Basic Life Support	\$650.00	
Mileage Charge (per loaded patient mile)	\$12.00	
 <i>Audit (Print copy)</i>	\$35.00	
 <i>Annual Budget (Print copy)</i>	\$35.00	
 <i>Certified copies (per certification)</i>	\$1.00	
 <i>Comprehensive Plan</i>		
With Maps	\$35.00	
Without Maps	\$8.50	
 <i>Copying, Scanning and Printing Charges</i>		
In-house copying		
Black & White, 8½” x 11” (per side)	\$0.15	
Black & White, 8½” x 14” (per side)	\$0.15	
Black & White, 11” x 17” (per side)	\$0.50	
Color, 8½” x 11” (per side)	\$0.50	
Color, 8½” x 14” (per side)	\$1.00	
Color, 11” x 17” (per side)	\$1.00	
Out-sourced copying	Actual Cost	
Oversize documents (plats, etc.)	Actual Cost	
CD-ROM (per disk)	\$5.00	
DVD recordings of meetings (per DVD)	\$20.00	
 <i>Fire Alarm Monitoring Services</i>	\$55.00	
(direct connections to Village’s fire alarm monitoring system only)	per month	

<u>Miscellaneous Service Fees</u>	<u>Amount of Fee</u>	<u>Code Section</u>
<i>Other, Unspecified Services</i>	Actual Cost	
<i>Street Cleaning</i>	\$550.00	
<i>Unincorporated Fire Service</i>	(See Resolution R-15-2013)	13.040.120
<i>Winnetka Village Code</i>	\$200.00	
<i>Winnetka Zoning Ordinance</i>	\$10.00	

**SECTION 5: Fees for Special Services, Film Production and Special Events.**  
 Services provided or performed in conjunction with film production permits issued pursuant to Chapter 5.20 of the Winnetka Village Code and in conjunction with special event permits issued pursuant to Chapter 5.66 of the Winnetka Village Code shall be subject to the following fee schedule.

**SCHEDULE OF SPECIAL SERVICE FEES**

**Note:** The following hourly rates shall be assessed for: (i) all services provided in conjunction with film production and film production permits issued pursuant to Chapter 5.20 of the Village Code; (ii) all services provided in conjunction with film special events and events subject to special events permits issued pursuant to Chapter 5.66 of the Village Code; and (iii) all other non-standard services provided by Village personnel and all other uses of Village equipment not subject to specific fees set out in either this resolution R-36-2013 or resolution R-37-2013.

<u>Department</u>	<u>Hourly Rate</u>
<i>Village Administration &amp; Finance Departments</i>	
Village Manager	\$350
Assistant to the Village Manager	\$290
Village Attorney	\$350
Department Head	\$290
Supervisory Personnel	\$190
Clerical/Support Staff	\$190
<i>Police Department</i>	
Command Staff (Deputy Chief, Commanders)	\$240
Sergeants	\$190
Patrol Officers	\$160
Support Staff	\$140
Vehicles	\$50
<i>Fire Department</i>	
Command Staff (Deputy Chief, Captains)	\$240
Lieutenants	\$190
Fire Medics	\$160
Support Staff	\$140
Light Vehicles	\$60

<u>Department</u>	<u>Hourly Rate</u>
<i>Fire Department</i>	
Ambulance	\$110
Fire Truck / Engine	\$460
<i>Public Works</i>	
Supervisory	\$190
Engineers	\$190
Maintenance Workers	\$140
Light Trucks	\$60
Medium Trucks	\$90
Heavy Trucks, Refuse Trucks, Street Sweepers	\$130
<i>Community Development</i>	
Assistant Director	\$240
Planners, Architect	\$190
Inspectors	\$160
Clerical / Support Staff	\$140
Vehicles	\$50
<i>Water &amp; Electric</i>	
Deputy Director, Chief Engineer	\$240
Supervisory	\$190
Plant Operators	\$160
Linesmen	\$160
Clerical / Support Staff	\$130
Light Trucks	\$60
Medium Trucks	\$90
Heavy Trucks, Boom Trucks	\$130

**SECTION 6: Fee for Returned Payments.** A fee of \$30.00 shall be charged for any payment that is returned to the Village for any reason, including, but not limited to, insufficient funds, account closed, or referred to maker.

[Remainder of this page intentionally left blank.]

**SECTION 7:** This Resolution is adopted by the Council of the Village of Winnetka in the exercise of its home rule powers pursuant to Section 6 of Article VII of the Illinois Constitution of 1970.

**SECTION 8: Effect of Resolution.** This resolution supersedes Resolution R-36-2013.

**SECTION 9: Effective Date.** This resolution shall be in full force and effect immediately upon its adoption.

**ADOPTED** this \_\_\_ day of \_\_\_\_\_, 2014, pursuant to the following roll call vote:

AYES: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

Signed:

\_\_\_\_\_  
Village President

Countersigned:

\_\_\_\_\_  
Village Clerk

Introduced: November 18, 2014

Adopted:



## Agenda Item Executive Summary

**Title:** Resolution No. R-41-2014: Building, Zoning & Construction Fees (Info only)

**Presenter:** Edward McKee, Finance Director

**Agenda Date:** 11/18/2014

**Consent:**  YES  NO

- |                                     |                         |
|-------------------------------------|-------------------------|
| <input type="checkbox"/>            | Ordinance               |
| <input checked="" type="checkbox"/> | Resolution              |
| <input type="checkbox"/>            | Bid Authorization/Award |
| <input type="checkbox"/>            | Policy Direction        |
| <input type="checkbox"/>            | Informational Only      |

### Item History:

The Village Council held meetings on October 14, 20, 27, and 29, 2014 to review the proposed budget.

The proposed budget has no changes to the existing fees. This Resolution is distributed prior to adoption so the public has an opportunity to review the materials.

### Executive Summary:

The Village will consider adoption of this Resolution at the December 2, 2014 Council Meeting.

### Recommendation:

Informational only.

### Attachments:

1) Resolution No. R-41-2014, a resolution amending building, zoning, and construction fees.

**RESOLUTION NO. R-41-2014**

**A RESOLUTION  
AMENDING THE SCHEDULE OF FEES FOR  
BUILDING, ZONING AND CONSTRUCTION ACTIVITY**

**WHEREAS**, the Village of Winnetka is a home rule municipality in accordance with Article VII, Section 6 of the Constitution of the State of Illinois of 1970, pursuant to which it has the authority, except as limited by said Section 6 of Article VII, to exercise any power and perform any function pertaining to the government and affairs of the Village, including, but not limited to, the powers (i) to regulate for the protection of the public health, safety, morals and welfare, (ii) to license, (iii) to tax and (iv) to incur debt; and

**WHEREAS**, the Council of the Village of Winnetka finds that all matters pertaining to the regulation of building, zoning and construction activities within the Village of Winnetka, including but not limited to establishing fees for permits for such activities, are matters pertaining to the affairs of the Village.

**NOW, THEREFORE**, be it resolved by the Council of the Village of Winnetka as follows:

**SECTION 1: Permit, License and Registration Fees.** Pursuant to the sections of the Winnetka Village Code (“Code”) referred to in the following Schedule Building, Zoning and Construction Activity Fees (“Fee Schedule”), there are hereby established certain permit, license and registration fees, in the amounts and for the purposes set forth in said Fee Schedule:

**SCHEDULE OF BUILDING, ZONING AND CONSTRUCTION ACTIVITY FEES**

**WORK PERFORMED WITHOUT PERMITS**

**All permit fees for work performed without a required permit shall be double the amount of the fees for the required permits.**

**PERMIT DEPOSITS (Section 15.32.020)**

[**Note:** Deposits must be submitted with permit applications. The Village’s costs, including plan review and reinspections, will be deducted from deposits. Deposit balances will be retained by the Village until a final certification of occupancy is approved.]

<b>For Building Demolition Permits with site restoration plans</b>	<b>\$3,000</b>
<b>For Installation of New Security, Fire Detection or other Fire and Life Safety Systems (Chapters 8.04 and 15.16)</b>	<b>\$1,500</b>
<b>For Temporary Certificate of Occupancy</b>	<b>\$3,000</b>
<b>For Tree Replacement (for each inch of DBH)</b>	<b>\$250</b>

[Remainder of this page intentionally left blank.]

**PLAN REVIEW FEES (Sec. 15.32.020)**

**For all Building Permits, other than restrictive building permits:**

- 15% of building permit fee, \$70 minimum.

**For review of Construction Document Revisions**

- \$15 for each review where original building permit was subject to minimum fee, building permit is not required, or revision is for a restrictive building permit.
- \$100 for all reviews of any revision to building permit construction documents that do **not** require zoning, engineering, and/or forestry reviews.
- \$130 for all reviews of any revision to building permit construction documents that require zoning, engineering, and/or forestry reviews for minor revisions (as determined by the Director of Community Development).
  - 25% of original plan review fee for all reviews of any major revision to building permit construction documents (as determined by the Director of Community Development).

**For engineering review required for building in the flood plain:**

- Flood plain development review \$500.00
- LOMR review \$500.00

**For plan reviews required for fire and life safety systems (Sec. 15.16.070) (deducted from any deposits)**

- Fire Department review \$100.00
  - Technical review services Actual cost
- [Note: Variable fee, based on actual costs charged to Village.]

**CONTRACTOR PERMIT BOND (Sec. 15.32.060) \$20,000**

[Note: Bond to be payable to the Village of Winnetka; required of all contractors. Pursuant to the Contractor Unified License and Permit Bond Act of 1998, contractor may provide a certified copy of his/its current unified contractor bond in amount of no less than \$50,000, as on file with Cook County Clerk.]

**BUILDING PERMIT FEES (Sec. 15.32.020)**

**Renovations, including remodeling and additions, to Existing Structures and for other construction activity not specified by Resolution of the Council**

- \$30.00 per \$1,000.00 or fraction thereof of the estimated total project cost, \$70.00 minimum.

[Remainder of this page intentionally left blank.]

**BUILDING PERMIT FEES (cont'd)**

**Construction** [as defined in Title 17, for all primary structures and additions thereto, including basement and attic areas, whether finished or unfinished, crawl space, attached garages and detached accessory structures, all without deducting for zoning allowances, bonuses or other exceptions]

- \$1.30 per horizontal square foot, but not less than \$70.00

**Below Grade Parking Facilities**

- \$0.80 per Gross Floor Area square foot.

**RESTRICTIVE PERMITS**

[**Note:** Includes initial plan review fee.]

**Canopy/Awning** (Sec. 15.44.030) \$70 each  
[**Note:** Certificate of Appropriateness of Design may be required.]

**Construction Trailers** (Sec. 15.32.020) \$220 each

**Demolition** (Sec. 15.52.010)

- For each accessory structure \$45
- For demolition with building permit application and complete construction documents. \$16,070
- For demolition with site restoration plan and schedule. \$16,070
- Reimbursement of payment made by Village of Winnetka to Winnetka Historical Society for research related to demolition of a primary structure \$600

**Fences** (Sec. 15.44.060) \$65 each

**Roofing** (Sec. 15.32.020 and 15.44.100) \$65 each

**Signs** (Sec. 15.60.140)

[**Note:** Signs may require Certificate of Appropriateness of Design.]

- For each non-illuminated signs \$60
- For each illuminated sign (includes electrical permit fee) \$195

**Swimming Pools** (Sec. 15.56.020) \$515

[**Note:** Includes electrical, plumbing and fence permits]

**Tree Enhancement/Tree Protection Plan Review** (Sec. 15.28.070)

- For each review per lot in development site \$90

**Landscape/Tree Replacement Plan Review** (Sec. 15.28.050 and 15.28.060)

- For each review per lot in development site \$90

**Tree Removal Permit Fee** (Sec. 15.28.040)

- For each tree \$60

**ELECTRICAL PERMITS (Sec. 15.32.020 and 15.44.050)**

[Note: Includes initial plan review fee.]

<b>Base Fee for All Permits</b>	\$70
<b>Electrical Fixtures, per fixture</b>	\$1.10
<b>Heating/Air Conditioning/Ventilation (HVAC), per unit</b> [Note: Requires HVAC permit.]	\$25
<b>Motors over 0.5 hp, per motor</b>	\$25
<b>New Service or Modifications to Existing Service Entrance Equipment</b> [Note: Permit fees are waived if modifications result from Water & Electric Department's scheduled undergrounding program.]	
• Less than 200 amps, per new service or modification	\$50
• 200 amps or more, per new service or modification	\$60
<b>Outlets, per outlet</b>	\$1.10
<b>Temporary Service, per service</b>	\$340

**PLUMBING AND MECHANICAL (HVAC) PERMITS (Sec. 15.32.020 and 15.44.050)**

[Note: Includes initial plan review fee.]

**Plumbing**

- Base Fee for All Plumbing Permits (includes 5 fixtures) \$70
- Plumbing Fixtures (beginning with the sixth fixture), per fixture \$10
- Process Piping for Heating System, per unit \$100

**Lawn Sprinklers**

- Base Fee \$80
- Per Sprinkler Head \$0.90

**HVAC**

[Note: Exterior installations require zoning approval.]

- Base Fee for all HVAC Permits \$70
- For replacement of duct work only, per unit \$45
- For totally new system, per unit \$90
- For each roof-top unit, new or replacement \$100
- For each new or replacement AC unit, if total capacity on the property is 8 tons or more. \$100

[Remainder of this page intentionally left blank.]

**MISCELLANEOUS FEES**

<b>Development Agreement — Base Fee</b> (Sec. 15.32.080(K))	\$1,500
[Note: Base Fee includes standard staff review time and 3 hours of Village Attorney time.]	
<b>Development Agreement — Supplemental Fee</b> (Sec.15.32.080(K))	Variable,
All Village costs in excess of those included in the Base Fee shall be based upon the actual time spent by the Village, plus costs incurred, and shall be incorporated into the Development Agreement.	
	based on Staff time spent and rates set by R-36-2013
<b>Fire Prevention Permit</b> (Sec. 15.16.040)	\$100
<b>Partial Permits</b> (Sec. 15.32.110)	\$150
<b>Permit Renewal</b> (Sec. 15.32.200)	50% of total original permit fees
<b>Stop Work Order</b> (Sec. 15.04.080)	
• 1 <sup>st</sup> Stop Work Order	\$250
• 2 <sup>nd</sup> Stop Work Order	\$500
• 3 <sup>rd</sup> Stop work Order	\$750
<b>Temporary Certificate of Occupancy</b> (Sec. 15.36.010)	\$275
<b>Village Attorney Services</b> (Sec. 5.66.040)	\$350 per hour,
For non-standard services related to post-approval implementation or amendment of development agreements, subdivisions and planned developments	
	½ hour increments

**PETITION FILING FEES**

<b>Administrative Appeals</b>	
• Building Code Appeals (Sec. 15.72.010)	\$350
• Zoning Appeals (Sec. 17.72.010)	\$450
<b>Certificate of Appropriateness of Design</b> (Sec. 15.40.010)	
• For each new primary structure or addition thereto	\$450
• For each application for signs, canopies, or awnings	\$55
• All other requests	\$110
<b>Consolidation of Land into single parcel</b> (Sec. 16.08.010)	\$550
<b>Driveway Variation</b> (Sec. 12.12.010 and 15.44.040)	\$265
<b>Flood Plain Variation</b> (Sec. 15.68.100)	\$715
<b>Sign Variation</b> (Sec. 15.60.250)	\$220
<b>Special Use Permit</b> (Sec. 17.56.010)	\$935

**PETITION FILING FEES (cont'd)**

<b>Subdivision of Land</b> – Base Fee (Sec. 16.04.040)	\$935
[Note: Base Fee includes standard staff review time and 3 hours of Village Attorney time.]	
<b>Subdivision of Land – Supplemental Fee</b> (Sec. 15.32.080(K))	Variable,
All Village costs in excess of those included in the Base Fee shall be based upon the actual time spent by the Village, plus costs incurred. For projects requiring a Development Agreement, the supplemental fee shall be incorporated into the Development Agreement.	based on Staff time spent and rates set by R-36-2013
<b>Zoning Map Amendment</b> (Sec. 17.72.040)	\$800
<b>Zoning Planned Development</b> (Chapter 17.58)	\$935
<b>Zoning Special Use</b> (Chapter 17.56)	\$935
<b>Zoning Text Amendment</b> (Sec. 17.72.040)	\$800
<b>Zoning Variation by Zoning Administrator</b> (Minor Variation) (Sec. 17.60.015)	\$250
<b>Zoning Variation by Ordinance</b> (Major Variation)(Sec. 17.60.030)	\$800
<b>Zoning Variation by Zoning Board of Appeals</b> (Standard Variation) (Sec. 17.60.020)	\$400

**STREETS, SIDEWALKS, DRIVEWAYS AND OTHER IMPERMEABLE SURFACES**  
(Sec. 12.04.110)

<b>Driveway curb cut, new or enlarged</b> (Sec. 12.12.010)	\$75
[Note: Requires street excavation/occupancy permit and right-of-way deposit]	
<b>Right-of-way Excavation and/or Occupation</b> (Sec. 12.16.010)	\$125
<b>Sewer</b> (Sec. 15.24.090)	\$150
<b>Impermeable Surfaces (including driveways, sidewalks, patios, etc.)</b> (Sec. 12.08.010)	\$75
<b>Street Replacement</b> (Sec. 12.04.20)	
• Base fee - Streets resurfaced 5 or fewer years prior to the date of permit application	\$2,000
• Base Fee - Streets resurfaced more than 5 years prior to the date of permit application	\$1,000
• Per square yard of base (any type of base)	\$125

**SECTION 2: Determination of Construction Costs.** In setting any fee based on the cost of construction, the Director of Community Development may use any of the following methods:

- A. an estimate furnished by the permit applicant;
- B. a certification of the cost of construction from a licensed architect or a registered structural or professional engineer;
- C. an affidavit from the owner or the owner's agent setting forth the estimated cost of the proposed work; or
- D. a calculation to be made by the Director of Community Development, based on the most current edition of the RS Means Square Foot Costs Book.

**SECTION 3: Fee for Returned Payments.** A fee in the amount of \$150.00 or 5% of the permit fee, whichever is greater, shall be charged for any payment that is returned to the Village for any reason, including, but not limited to, insufficient funds, account closed, or referred to maker.

**SECTION 4: Home Rule.** This Resolution is adopted by the Council of the Village of Winnetka in the exercise of its home rule powers pursuant to Section 6 of Article VII of the Illinois Constitution of 1970.

**SECTION 5: Effect of Resolution.** This resolution supersedes Resolution R-37-2013.

**SECTION 6: Effective Date.** This resolution shall be in full force and effect immediately upon its adoption.

**ADOPTED** this \_\_\_\_ day of \_\_\_\_\_, 2014, pursuant to the following roll call vote:

AYES: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

Signed:

\_\_\_\_\_  
Village President

Countersigned:

\_\_\_\_\_  
Village Clerk

Introduced: November 18, 2014

Adopted:



## Agenda Item Executive Summary

**Title:** Resolution No. R-42-2014: Fire Service Fees (Info only)

**Presenter:** Edward McKee, Finance Director

**Agenda Date:**

11/18/2014

**Consent:**

YES

NO

Ordinance

Resolution

Bid Authorization/Award

Policy Direction

Informational Only

**Item History:**

The Village Council held meetings on October 14, 20, 27, and 29, 2014 to review the proposed budget.

The Village annually calculates an unincorporated fire service fee based on a formula. This Resolution is distributed prior to adoption so the public has an opportunity to review the materials.

**Executive Summary:**

The unincorporated fire service fee is assessed based on a formula that takes into account the equalized assessed value of the area served, calls for service, and fire department expense data. This formula is designed to ensure an equitable charge for unincorporated customers.

The data needed to calculate the fire services fees will not be available until February 2015. A Resolution will be prepared for the Council's consideration at that time.

The Village will consider adoption of this Resolution at the December 2, 2014 Council Meeting.

**Recommendation:**

Informational only.

**Attachments:**

1) Resolution No. R-42-2014, a resolution establishing unincorporated fire service fees.

**A RESOLUTION  
ESTABLISHING THE ANNUAL FEE  
FOR THE MAINTENANCE AND AVAILABILITY OF  
FIRE SUPPRESSION AND RESCUE SERVICES  
TO CERTAIN PREMISES IN UNINCORPORATED NEW TRIER TOWNSHIP**

**WHEREAS**, the Village of Winnetka is a home rule municipality in accordance with Article VII, Section 6 of the Constitution of the State of Illinois of 1970, pursuant to which it has the authority, except as limited by said Section 6 of Article VII, to exercise any power and perform any function pertaining to the government and affairs of the Village, including, but not limited to, the powers (i) to regulate for the protection of the public health, safety, morals and welfare, (ii) to license, (iii) to tax, and (iv) to incur debt; and

**WHEREAS**, the Village of Winnetka (“Village”) owns and operates a water utility that provides all water service within the Village of Winnetka; and

**WHEREAS**, the Village’s water utility also provides water service to certain customers located in unincorporated areas outside the corporate limits; and

**WHEREAS**, the Council finds that all matters pertaining to the operation of the Village’s water utility, including but not limited to providing water service to residents in nearby unincorporated areas and establishing the rates, terms and conditions for such service, are matters pertaining to the affairs of the Village; and

**WHEREAS**, Section 13.04.120 of the Winnetka Village Code, “Charges for the maintenance and availability of fire suppression and emergency paramedical and rescue services,” provides for the establishment of an annual fee for providing such services to any customer of the Village of Winnetka water utility located outside of the corporate limits of the Village and in the vicinity of one or more fire hydrants maintained by the Village for fire protection purposes; and

**WHEREAS**, Section 13.04.120 of the Winnetka Village Code establishes the formula for determining that annual fee; and

**WHEREAS**, calculations performed by Village staff pursuant to Section 13.04.120 of the Winnetka Village Code previously established that, beginning on April 1, 2014, the monthly amount to be charged to each of the premises in unincorporated New Trier Township that receives fire suppression and rescue services from the Village of Winnetka should be Ninety Dollars and Thirteen Cents (\$90.13); and

**WHEREAS**, on March 4, 2014, the Village Council adopted Resolution R-3-2014, setting the monthly amount to be charged to each of the premises in unincorporated New Trier Township that receives fire suppression and rescue services from the Village of Winnetka at Ninety Dollars and Thirteen Cents (\$90.13); and

**WHEREAS**, the Council finds that it is fair and reasonable to maintain the monthly charges for non-resident fire suppression and rescue services at Ninety Dollars and Thirteen Cents (\$90.13), beginning January 1, 2015.

**NOW, THEREFORE,** be it resolved by the Council of the Village of Winnetka as follows:

**SECTION 1:** The foregoing recitals are hereby adopted as the findings of the Council of the Village of Winnetka, as if fully set forth herein.

**SECTION 2:** Effective January 1, 2015, the monthly amount to be charged to each premises that is located in unincorporated New Trier Township and that is receiving fire suppression and rescue services from the Village of Winnetka is hereby established in the amount of Ninety Dollars and Thirteen Cents (\$90.13).

**SECTION 3:** All non-resident water customers who are subject to the foregoing fire suppression fee shall pay for emergency medical services on a per call basis, at the rates established in the Village's general fee and rate resolutions.

**SECTION 4: Home Rule.** This Resolution is adopted by the Council of the Village of Winnetka in the exercise of its home rule powers pursuant to Section 6 of Article VII of the Illinois Constitution of 1970.

**SECTION 5: Effect of Resolution.** This resolution supersedes Resolution R-3-2014.

**SECTION 6: Effective Date.** This resolution shall be in full force and effect immediately upon its adoption.

**ADOPTED** this \_\_\_ day of \_\_\_\_\_, 2014, pursuant to the following roll call vote:

AYES: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

Signed:

\_\_\_\_\_  
Village President

Countersigned:

\_\_\_\_\_  
Village Clerk

Introduced: November 18, 2014

Adopted:



## Agenda Item Executive Summary

**Title:** Property Tax Levy and Abatement Ordinances (Introduction)

**Presenter:** Ed McKee, Finance Director

**Agenda Date:** 11/18/2014

**Consent:**  YES  NO

<input checked="" type="checkbox"/>	Ordinance
<input type="checkbox"/>	Resolution
<input type="checkbox"/>	Bid Authorization/Award
<input type="checkbox"/>	Policy Direction
<input type="checkbox"/>	Informational Only

### Item History:

The Council has reviewed the proposed 2015 calendar year budget and the funding provided by property taxes to balance the budget. The proposed 2014 property tax levy will generate \$14.30 million for Village operations, an increase of \$80,006 or 0.6%. Because new development is estimated at 0.8%, most residents will see a 0.2% decrease in Village property taxes.

### Executive Summary:

The 2014 property tax levy sets the amount of revenue to be raised from property taxes to fund Village operations. In Illinois, property taxes are paid a year in arrears. This means that the amount of money requested for the 2014 property tax levy will be received by the Village in calendar year 2015.

In addition to the tax levy ordinance for general operations, the Village has three special service areas with a separate tax levy paid only by persons in the designated area. These special service areas have been used to make roadway improvements.

The Village issued General Obligation bonds in the amount of \$9.0 million in 2013 and \$7.5 million in 2014 to fund stormwater improvements. It is the current intention of the Village to abate the property tax levy each year for these bonds and to pay the principal and interest from stormwater utility fees collected by the Village. There are adequate funds on hand to allow for the abatement of the 2014 property tax levy related to these General Obligation bond issues.

### Recommendation / Suggested Action:

Staff recommends Introduction of the following attached items: the general property tax levy (Ordinance No. M-11-2014), the three special service area tax levies (Ordinances Nos. M-12 to 14-2014), and the two tax abatement ordinances (Ordinances Nos. M-15 and M-16-2014).

### Attachments:

Property Tax Levy Calculations Spreadsheet  
Schedule of Special Service Area Financing  
Ordinance No. M-11-2014 2014 Tax Levy Ordinance  
Ordinance No. M-12-2014 SSA No. 3 Tax Levy Ordinance  
Ordinance No. M-13-2014 SSA No.4 Tax Levy Ordinance  
Ordinance No. M-14-2014 SSA No. 5 Tax Levy Ordinance  
Ordinance No. M-15-2014 2014 Tax Abatement Ordinance (2013 - \$9.0 million bond issue)  
Ordinance No. M-16-2014 2014 Tax Abatement Ordinance (2014 - \$7.5 million bond issue)

# Village of Winnetka

## Schedule of Property Tax Levy Calculations

2014.08.28

<u>Tax Levy Category</u>	<u>Column A 2013 Actual Tax Levy</u>	<u>Column B 2014 Proposed Tax Levy</u>	<u>Column C (Column B - A) Dollar Change</u>	<u>C/A*100 Percent Change</u>
<u>General Fund:</u>				
Corporate	\$10,578,861	\$10,675,483	\$96,622	0.9%
<u>Other Funds:</u>				
Police Pension	\$1,090,000	\$1,145,000	\$55,000	5.0%
Fire Pension	\$1,316,000	\$1,382,000	\$66,000	5.0%
Refuse Utility	\$1,100,000	\$1,100,000	\$0	0.0%
Debt Service - Resurfacing 1999	\$137,616		(\$137,616)	-100.0%
<b>Total Village-wide Tax Levy</b>	<b>\$14,222,477</b>	<b>\$14,302,483</b>	<b>\$80,006</b>	<b>0.6%</b>
Less: Projected New Development				
@ 0.8%		(\$113,780)	(\$113,780)	-0.8%
<b>Existing Tax Payer Increase</b>	<b>\$14,222,477</b>	<b>\$14,188,703</b>	<b>(\$33,774)</b>	<b>-0.2%</b>

<b>Increase (Decrease) Based on Total Property Tax Bill</b>
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Total Property Taxes Paid 100.00%	Other Taxing Distr. 86.53%	Village 13.47%	-0.2% Change / Village
\$10,000	\$8,653	\$1,347	-\$3
\$15,000	\$12,979	\$2,021	-\$4
\$20,000	\$17,306	\$2,694	-\$5
\$25,000	\$21,632	\$3,368	-\$7
\$30,000	\$25,959	\$4,041	-\$8

**Village of Winnetka**  
**Schedule of Special Service Area Financing**  
**Interest Rate**

4.00%

2014.09.04

	SSA #3 Trapp Lane	SSA # 4 Elm, Oak, Locust, Rosewood	SSA # 5 Elm, Oak Rosewood, Glendale
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	est cost	final cost	final cost
SSA Principal Amount for Homeowners	\$ 255,000.00	\$ 20,795.00	\$ 17,664.00
Limit in Ordinances Approving SSA	\$ 315,947.50	\$ 37,000.00	\$ 40,312.50
Term of Repayments in Years	10	5	5

**Debt Retirement Schedule**

<b>2011 Tax Levy</b>			
Beginning Principal	\$ 255,000.00	\$ 20,795.00	\$ 17,664.00
Interest @ 4%	\$ 10,200.00	\$ 832.00	\$ 707.00
Principal repaid	\$ 25,500.00	\$ 4,159.00	\$ 3,533.00
<b>Interest and Principal for YR</b>	<b>\$ 35,700.00</b>	<b>\$ 4,991.00</b>	<b>\$ 4,240.00</b>

Ending Principal	\$ 229,500.00	\$ 16,636.00	\$ 14,131.00
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<b>2012 Tax Levy</b>			
Beginning Principal	\$ 229,500.00	\$ 16,636.00	\$ 14,131.00
Interest @ 4%	\$ 9,180.00	\$ 665.00	\$ 565.00
Principal repaid	\$ 25,500.00	\$ 4,159.00	\$ 3,533.00
<b>Interest and Principal for YR</b>	<b>\$ 34,680.00</b>	<b>\$ 4,824.00</b>	<b>\$ 4,098.00</b>

Ending Principal	\$ 204,000.00	\$ 12,477.00	\$ 10,598.00
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<b>2013 Tax Levy</b>			
Beginning Principal	\$ 204,000.00	\$ 12,477.00	\$ 10,598.00
Interest @ 4%	\$ 8,160.00	\$ 499.00	\$ 424.00
Principal repaid	\$ 25,500.00	\$ 4,159.00	\$ 3,533.00
<b>Interest and Principal for YR</b>	<b>\$ 33,660.00</b>	<b>\$ 4,658.00</b>	<b>\$ 3,957.00</b>

Ending Principal	\$ 178,500.00	\$ 8,318.00	\$ 7,065.00
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<b>2014 Tax Levy</b>			
Beginning Principal	\$ 178,500.00	\$ 8,318.00	\$ 7,065.00
Interest @ 4%	\$ 7,140.00	\$ 333.00	\$ 283.00
Principal repaid	\$ 25,500.00	\$ 4,159.00	\$ 3,533.00
<b>Interest and Principal for YR</b>	<b>\$ 32,640.00</b>	<b>\$ 4,492.00</b>	<b>\$ 3,816.00</b>

Ending Principal	\$ 153,000.00	\$ 4,159.00	\$ 3,532.00
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**ORDINANCE NO. M-11-2014**

**AN ORDINANCE LEVYING TAXES FOR THE YEAR 2014**

**WHEREAS**, the Village of Winnetka (“Village”) is a home rule municipality in accordance with Article VII, Section 6 of the Constitution of the State of Illinois of 1970 and, pursuant thereto, has the authority, except as limited by said Section 6 of Article VII, to exercise any power and perform any function pertaining to the government and affairs of the Village, including the power to tax; and

**WHEREAS**, on November 19, 2013, the Council of the Village of Winnetka (“Village Council”) adopted Resolution No. R-31-2013, which budgeted \$31,383,906 to meet the expenses and liabilities of the Village for general corporate purposes, refuse collection and disposal, and retirement fund contributions for the fiscal year beginning January 1, 2014, and ending December 31, 2014; and

**WHEREAS**, pursuant to page 94 of the budget approved on November 19, 2013, the Village Council has made its preliminary estimate of the 2014 levy, estimating that it is necessary to raise Fourteen Million Three Hundred Two Thousand Four Hundred Eighty-Three Dollars (\$14,302,483) by taxation of taxable property within the Village for general corporate purposes, for refuse collection and disposal, and for retirement fund contributions for the fiscal year beginning January 1, 2014, and ending December 31, 2014; and

**WHEREAS**, at its October 29, 2014 meeting, the Village Council directed the staff to present a 2014 property tax levy for consideration at the December 2, 2014 Village Council meeting, said property tax levy to be in the amount of Fourteen Million Three Hundred Two Thousand Four Hundred Eighty-Three Dollars (\$14,302,483), as was estimated to be necessary to be raised by taxation of taxable property within the Village for general corporate purposes, for refuse collection and disposal, and for retirement fund contributions for the fiscal year beginning January 1, 2014, and ending December 31, 2014; and

**NOW, THEREFORE**, be it ordained by the President and Board of Trustees of the Village of Winnetka, as follows:

**SECTION 1:** That the foregoing recitals are hereby adopted as the findings of the Council of the Village of Winnetka, as fully set forth herein.

**SECTION 2:** That in order to meet the expenses and liabilities of the Village of Winnetka for the fiscal year beginning January 1, 2014, and ending December 31, 2014, for general corporate purposes, for refuse collection and disposal, and for retirement fund contributions, there is hereby levied upon all of the taxable property within the corporate limits of the Village of Winnetka subject to taxation for the current year, as assessed and equalized for the year 2014, the sum of Fourteen Million Three Hundred Two Thousand Four Hundred Eighty-Three Dollars (\$14,302,483), which is to be collected from the levy of the Village of Winnetka for the year 2014 for all purposes heretofore budgeted.

<b><u>2013 TAX LEVY SUMMARY</u></b>		
<b>General Fund</b>	<b>Amount Budgeted</b>	<b>Amount To Be Raised By Tax Levy</b>
<b>For General Corporate Purposes</b>		
Public Affairs	\$ 244,500	\$ 140,000
Manager's Office	\$ 763,153	\$ 340,000
Finance Department	\$ 1,889,560	\$ 739,000
Police	\$ 6,704,909	\$ 3,875,000
Fire	\$ 5,084,115	\$ 2,475,000
Community Development	\$ 1,655,800	\$ -
Public Works	\$ 3,616,153	\$ 2,229,483
Capital Expenses	\$ 3,009,000	\$ 877,000
General Fund Transfers	\$ 1,740,500	-0-
<b>Totals for General Fund</b>	<b>\$ 24,707,690</b>	<b>\$ 10,675,483</b>
<b>For Refuse Collection and Disposal</b>		
<b>Totals for Refuse Fund</b>	<b>\$ 2,517,216</b>	<b>\$ 1,100,000</b>
<b>For Retirement Fund Contributions</b>		
For Police Pension Fund	\$ 2,079,500	\$ 1,145,000
For Fire Pension Fund	\$ 2,079,500	\$ 1,382,000
<b>Totals for Retirement Fund Contributions</b>	<b>\$ 4,159,000</b>	<b>\$ 2,527,000</b>
<b>Total Amount Budgeted</b>	<b>\$ 31,383,906</b>	
<b>Total Amount of Levy</b>		<b>\$ 14,302,483</b>

**SECTION 3:** That there is hereby certified to the County Clerk of Cook County, Illinois, the several sums above, constituting said total amount, and the total amount of Fourteen Million Three Hundred Two Thousand Four Hundred Eighty-Three Dollars (\$14,302,483), which is the total amount the Village of Winnetka requires to be raised by taxation for the current fiscal year of the Village, and that, on or before the time required by law, the Village Clerk shall file a certified copy of this Ordinance with the County Clerk of Cook County, Illinois, whereupon it shall be the duty of said County Clerk to levy taxes for the year 2014 on all properties subject to taxation within the Village of Winnetka, in accordance with the provisions of this Ordinance.

**SECTION 4:** This Ordinance is adopted by the Council of the Village of Winnetka in the exercise of its home rule powers pursuant to Section 6 of Article VII of the Illinois Constitution of 1970.

**SECTION 5:** This Ordinance shall take effect immediately upon its passage, approval and posting as provided by law.

**PASSED** this \_\_\_ day of \_\_\_\_\_, 2014, pursuant to the following roll call vote:

AYES:

NAYS:

ABSENT:

**APPROVED** this \_\_\_ day of \_\_\_\_\_, 2014.

Signed:

Village President

Countersigned:

Village Clerk

[Seal]

Published by authority of the President and Board of Trustees of the Village of Winnetka, Illinois, this \_\_\_ day of \_\_\_\_\_, 2014.

Introduced: November 18, 2014

Passed and Approved:

**AN ORDINANCE  
LEVYING TAXES FOR THE YEAR 2014  
FOR VILLAGE OF WINNETKA, COOK COUNTY, ILLINOIS  
SPECIAL SERVICE AREA NO. 3**

**WHEREAS**, the Village of Winnetka (“Village”) is a home rule municipality in accordance with Article VII, Section 6 of the Constitution of the State of Illinois of 1970 and, pursuant thereto, has the authority, except as limited by said Section 6 of Article VII, to exercise any power and perform any function pertaining to the government and affairs of the Village, including the power to tax; and

**WHEREAS**, Village of Winnetka Special Service Area No. 3 has been established pursuant to Ordinance M-6-2011, adopted by the Council of the Village of Winnetka (“Village Council”) on April 20, 2010, and Ordinance M-13-2010, adopted by the Village Council on July 20, 2010, to provide for certain special services within the territory described in said ordinances, such special services consisting of the construction of a storm sewer, the reconstruction and repaving of Trapp Lane, the construction of a cul-de-sac at the terminus of Trapp Lane and the construction of related appurtenances (“Special Services”), all in conjunction with the dedication of Trapp Lane as a public right of way; and

**WHEREAS**, the Village Council have determined that, in the interest of the health, safety and welfare of the Village and its residents, it is appropriate to adopt an ordinance levying taxes within Special Service Area No. 3; and

**WHEREAS**, the construction of the improvements in Special Service Area No. 3 were in excess of Two Hundred Fifty-Five Thousand Dollars (\$255,000.00); and

**WHEREAS**, the total term of repayment of the project costs for Special Service Area No. 3 is 10 years and the 2014 Tax Levy is for Year Four of Ten; and

**WHEREAS**, the Village Council have determined that the total amount to be raised by the levy of taxes on taxable property within Special Service Area No. 3 for the cost of providing such Special Services for the fiscal year beginning January 1, 2014, and ending December 31, 2014 is Thirty-Two Thousand Six Hundred Forty Dollars (\$32,640).

**NOW, THEREFORE**, be it ordained by the President and Board of Trustees of the Village of Winnetka, as follows:

**SECTION 1:** That the foregoing recitals are hereby adopted as the findings of the Council of the Village of Winnetka, as fully set forth herein.

**SECTION 2:** That in order to meet the cost of providing the above-described Special Services within Special Service Area No. 3 for the fiscal year beginning January 1, 2014, and ending December 31, 2014, there is hereby levied upon all of the taxable property within Village of Winnetka Special Service Area No. 3 subject to taxation for the current year, as assessed and equalized for the year 2014, the sum of Thirty-Two Thousand Six Hundred Forty Dollars (\$32,640), which is to be collected from the levy of the Village of Winnetka for the year 2014 for the purposes heretofore budgeted.

**SECTION 3:** That there is hereby certified to the County Clerk of Cook County, Illinois, the several sums above, constituting said total amount, and the total amount of Thirty-Two Thousand Six Hundred Forty Dollars (\$32,640), which is the total amount the Village of Winnetka requires to be raised by taxation to meet the costs of Special Service Area No. 3 for the current fiscal year of the Village, and that, on or before the time required by law, the Village Clerk shall file a certified copy of this Ordinance with the County Clerk of Cook County, Illinois, whereupon it shall be the duty of said County Clerk to levy taxes for the year 2014 on all properties subject to taxation within Village of Winnetka Special Service Area No. 3, in accordance with the provisions of this Ordinance.

**SECTION 4:** Each provision of this Ordinance is severable. If any provision of this Ordinance or the application of any provision of this Ordinance to any person or circumstance is held invalid, then the remainder of this Ordinance and the application of the provisions of this Ordinance to other persons or circumstances shall not be affected thereby and shall remain valid, enforceable and otherwise in full force and effect.

**SECTION 5:** This Ordinance is adopted by the Council of the Village of Winnetka in the exercise of its home rule powers pursuant to Section 6 of Article VII of the Illinois Constitution of 1970.

**SECTION 6:** This Ordinance shall take effect immediately upon its passage, approval and posting as provided by law.

**PASSED** this \_\_\_ day of \_\_\_\_\_, 2014, pursuant to the following roll call vote:

AYES:

NAYS:

ABSENT:

**APPROVED** this \_\_\_ day of \_\_\_\_\_, 2014.

Signed:

Village President

Countersigned:

Village Clerk

[Seal]

Published by authority of the President and Board of Trustees of the Village of Winnetka, Illinois, this \_\_\_ day of \_\_\_\_\_, 2014.

Introduced: November 18, 2014

Passed and Approved:

**AN ORDINANCE  
LEVYING TAXES FOR THE YEAR 2014  
FOR VILLAGE OF WINNETKA, COOK COUNTY, ILLINOIS  
SPECIAL SERVICE AREA NO. 4**

**WHEREAS**, the Village of Winnetka (“Village”) is a home rule municipality in accordance with Article VII, Section 6 of the Constitution of the State of Illinois of 1970 and, pursuant thereto, has the authority, except as limited by said Section 6 of Article VII, to exercise any power and perform any function pertaining to the government and affairs of the Village, including the power to tax; and

**WHEREAS**, Village of Winnetka Special Service Area No. 4 has been established pursuant to Ordinance M-2-2011, adopted by the Council of the Village of Winnetka (“Village Council”) on April 26, 2011, and Ordinance M-13-2011, adopted by the Village Council on September 6, 2011, to provide for certain special services within the territory described in said ordinances, such special services consisting of the construction of a storm sewer and a new concrete alley, and the construction of related appurtenances (“Special Services”) in the single family residential area consisting of properties bounded by Elm Street, Oak Street, Locust Street, and Rosewood Avenue; and

**WHEREAS**, the Village Council have determined that, in the interest of the health, safety and welfare of the Village and its residents, it is appropriate to adopt an ordinance levying taxes within Special Service Area No. 4; and

**WHEREAS**, the construction of the improvements in Special Service Area No. 4 has been completed and the total project cost for the Special Services provided to Special Service Area No. 4 is Twenty Thousand Seven Hundred Ninety-Five Dollars (\$20,795.00); and

**WHEREAS**, the total term of repayment of the project costs for Special Service Area No. 4 is five years and the 2014 Tax Levy is for Year Four of Five; and

**WHEREAS**, the Village Council have determined that the total amount to be raised by the levy of taxes on taxable property within Special Service Area No. 4 for providing such Special Services for the fiscal year beginning January 1, 2014, and ending December 31, 2014 is Four Thousand Four Hundred Ninety-Two Dollars (\$4,492.00).

**NOW, THEREFORE**, be it ordained by the President and Board of Trustees of the Village of Winnetka, as follows:

**SECTION 1:** That the foregoing recitals are hereby adopted as the findings of the Council of the Village of Winnetka, as fully set forth herein.

**SECTION 2:** That in order to meet the cost of providing the above-described Special Services within Special Service Area No. 4 for the fiscal year beginning January 1, 2014, and ending December 31, 2014, there is hereby levied upon all of the taxable property within Village of Winnetka Special Service Area No. 4 subject to taxation for the current year, as assessed and equalized for the year 2014, the sum of Four Thousand Four Hundred Ninety-Two Dollars (\$4,492.00), which is to be collected from the levy of the Village of Winnetka for the year 2014 for the purposes heretofore budgeted.

**SECTION 3:** That there is hereby certified to the County Clerk of Cook County, Illinois, the several sums above, constituting said total amount, and the total amount of Four Thousand Four Hundred Ninety-Two Dollars (\$4,492.00), which is the total amount the Village of Winnetka requires to be raised by taxation to meet the costs for Special Service Area No. 4 for the current fiscal year of the Village, and that, on or before the time required by law, the Village Clerk shall file a certified copy of this Ordinance with the County Clerk of Cook County, Illinois, whereupon it shall be the duty of said County Clerk to levy taxes for the year 2014 on all properties subject to taxation within Village of Winnetka Special Service Area No. 4, in accordance with the provisions of this Ordinance.

**SECTION 4:** Each provision of this Ordinance is severable. If any provision of this Ordinance or the application of any provision of this Ordinance to any person or circumstance is held invalid, then the remainder of this Ordinance and the application of the provisions of this Ordinance to other persons or circumstances shall not be affected thereby and shall remain valid, enforceable and otherwise in full force and effect.

**SECTION 5:** This Ordinance is adopted by the Council of the Village of Winnetka in the exercise of its home rule powers pursuant to Section 6 of Article VII of the Illinois Constitution of 1970.

**SECTION 6:** This Ordinance shall take effect immediately upon its passage, approval and posting as provided by law.

**PASSED** this \_\_\_ day of \_\_\_\_\_, 2014, pursuant to the following roll call vote:

AYES:

NAYS:

ABSENT:

**APPROVED** this \_\_\_ day of \_\_\_\_\_, 2014.

Signed:

Village President

Countersigned:

Village Clerk

[Seal]

Published by authority of the President and Board of Trustees of the Village of Winnetka, Illinois, this \_\_\_ day of \_\_\_\_\_, 2014.

Introduced: November 18, 2014

Passed and Approved:

**AN ORDINANCE  
LEVYING TAXES FOR THE YEAR 2014  
FOR VILLAGE OF WINNETKA, COOK COUNTY, ILLINOIS  
SPECIAL SERVICE AREA NO. 5**

**WHEREAS**, the Village of Winnetka (“Village”) is a home rule municipality in accordance with Article VII, Section 6 of the Constitution of the State of Illinois of 1970 and, pursuant thereto, has the authority, except as limited by said Section 6 of Article VII, to exercise any power and perform any function pertaining to the government and affairs of the Village, including the power to tax; and

**WHEREAS**, Village of Winnetka Special Service Area No. 5 has been established pursuant to Ordinance M-3-2011, adopted by the Council of the Village of Winnetka (“Village Council”) on April 26, 2011, and Ordinance M-14-2011, adopted by the Village Council on September 6, 2011, to provide for certain special services within the territory described in said ordinances, such special services consisting of the construction of a storm sewer and a new concrete alley, and the construction of related appurtenances (“Special Services”) in the single family residential area consisting of properties bounded by Elm Street, Oak Street, Glendale Avenue, and Rosewood Avenue; and

**WHEREAS**, the Village Council have determined that, in the interest of the health, safety and welfare of the Village and its residents, it is appropriate to adopt an ordinance levying taxes within Special Service Area No. 5; and

**WHEREAS**, the construction of the improvements in Special Service Area No. 5 has been completed and the total project cost for the Special Services provided to Special Service Area No. 5 is Seventeen Thousand Six Hundred Sixty-Four Dollars (\$17,664.00); and

**WHEREAS**, the total term of repayment of the project costs for Special Service Area No. 5 is five years and the 2014 Tax Levy is for Year Four of Five; and

**WHEREAS**, the Village Council have determined that the total amount to be raised by the levy of taxes on taxable property within Special Service Area No. 5 for the cost of providing such Special Services for the fiscal year beginning January 1, 2014, and ending December 31, 2014 is Three Thousand Eight Hundred Sixteen Dollars (\$3,816.00).

**NOW, THEREFORE**, be it ordained by the President and Board of Trustees of the Village of Winnetka, as follows:

**SECTION 1:** That the foregoing recitals are hereby adopted as the findings of the Council of the Village of Winnetka, as fully set forth herein.

**SECTION 2:** That in order to meet the cost of providing the above-described Special Services within Special Service Area No. 5 for the fiscal year beginning January 1, 2014, and ending December 31, 2014, there is hereby levied upon all of the taxable property within Village of Winnetka Special Service Area No. 5 subject to taxation for the current year, as assessed and equalized for the year 2014, Three Thousand Eight Hundred Sixteen Dollars (\$3,816.00), which is to be collected from the levy of the Village of Winnetka for the year 2014 for the purposes heretofore budgeted.

**SECTION 3:** That there is hereby certified to the County Clerk of Cook County, Illinois, the several sums above, constituting said total amount, and the total amount of Three Thousand Eight Hundred Sixteen Dollars (\$3,816.00), which is the total amount the Village of Winnetka requires to be raised by taxation to meet the costs of Special Service Area No. 5 for the current fiscal year of the Village, and that, on or before the time required by law, the Village Clerk shall file a certified copy of this Ordinance with the County Clerk of Cook County, Illinois, whereupon it shall be the duty of said County Clerk to levy taxes for the year 2014 on all properties subject to taxation within Village of Winnetka Special Service Area No. 5, in accordance with the provisions of this Ordinance.

**SECTION 4:** Each provision of this Ordinance is severable. If any provision of this Ordinance or the application of any provision of this Ordinance to any person or circumstance is held invalid, then the remainder of this Ordinance and the application of the provisions of this Ordinance to other persons or circumstances shall not be affected thereby and shall remain valid, enforceable and otherwise in full force and effect.

**SECTION 5:** This Ordinance is adopted by the Council of the Village of Winnetka in the exercise of its home rule powers pursuant to Section 6 of Article VII of the Illinois Constitution of 1970.

**SECTION 6:** This Ordinance shall take effect immediately upon its passage, approval and posting as provided by law.

**PASSED** this \_\_\_ day of \_\_\_\_\_, 2014, pursuant to the following roll call vote:

AYES:

NAYS:

ABSENT:

**APPROVED** this \_\_\_ day of \_\_\_\_\_, 2014.

Signed:

Village President

Countersigned:

Village Clerk

[Seal]

Published by authority of the President and Board of Trustees of the Village of Winnetka, Illinois, this \_\_\_ day of \_\_\_\_\_, 2014.

Introduced: November 18, 2014

Passed and Approved:

**AN ORDINANCE  
ABATING THE TAX HERETOFORE LEVIED  
FOR THE YEAR 2014  
TO PAY THE PRINCIPAL OF AND INTEREST ON  
\$9,000,000 GENERAL OBLIGATION BONDS, SERIES 2013,  
OF THE VILLAGE OF WINNETKA, COOK COUNTY, ILLINOIS**

**WHEREAS**, the Village of Winnetka (“Village”) is a home rule municipality in accordance with Article VII, Section 6 of the Constitution of the State of Illinois of 1970 and, pursuant thereto, has the authority, except as limited by said Section 6 of Article VII, to exercise any power and perform any function pertaining to the government and affairs of the Village, including the power to tax; and

**WHEREAS**, the Council of the Village of Winnetka, Cook County, Illinois (the “Village Council”), by Ordinance Number M-15-2013, adopted on November 5, 2013 (the “Ordinance”), did provide for the issue of \$9,000,000 General Obligation Bonds, Series 2013 (the “Bonds”), for the financing of certain improvements to the stormwater system of the Village and for the levy and collection of a direct annual tax sufficient to pay the principal of and interest on the Bonds; and

**WHEREAS**, the Village has deposited sufficient funds in the appropriate fund pursuant to the Ordinance, for the purpose of paying the principal of and interest on the Bonds up to and including December 15, 2014; and

**WHEREAS**, it is necessary and in the best interests of the Village that the tax heretofore levied for the year 2014 to pay the principal of and interest on the Bonds be abated.

**NOW, THEREFORE**, be it ordained by the President and Board of Trustees of the Village of Winnetka, as follows:

**SECTION 1: Abatement of Tax.** The tax heretofore levied for the year 2014 of Nine Hundred Eighty-Seven Thousand Fifty Dollars (\$987,050.00) in Ordinance Number M-15-2013 to pay the principal of and interest on \$9,000,000 General Obligation Bonds, Series 2013, of the Village of Winnetka, Cook County, Illinois, is hereby abated in its entirety.

**SECTION 2: Filing of Ordinance.** Forthwith upon the adoption of this Ordinance, the Village Clerk shall file a certified copy hereof with the County Clerk of the County of Cook, Illinois, and it shall be the duty of said County Clerk to abate said tax levied for the year 2014 in accordance with the provisions hereof.

**SECTION 3: Home Rule.** This Ordinance is adopted by the Council of the Village of Winnetka in the exercise of its home rule powers pursuant to Section 6 of Article VII of the Illinois Constitution of 1970.

[Remainder of this page intentionally left blank.]

**SECTION 4: Effective Date.** That this Ordinance shall be in full force and effect from and its passage, approval, and posting as provided by law.

**PASSED** this \_\_\_ day of \_\_\_\_\_, 2014, pursuant to the following roll call vote:

AYES:

NAYS:

ABSENT:

**APPROVED** this \_\_\_ day of \_\_\_\_\_, 2014.

Signed:

Village President

Countersigned:

Village Clerk

[Seal]

Published by authority of the President and Board of Trustees of the Village of Winnetka, Illinois, this \_\_\_ day of \_\_\_\_\_, 2014.

Introduced: November 18, 2014

Passed and Approved:

**AN ORDINANCE  
ABATING THE TAX HERETOFORE LEVIED  
FOR THE YEAR 2014  
TO PAY THE PRINCIPAL OF AND INTEREST ON  
\$7,500,000 GENERAL OBLIGATION BONDS, SERIES 2014,  
OF THE VILLAGE OF WINNETKA, COOK COUNTY, ILLINOIS**

**WHEREAS**, the Village of Winnetka (“Village”) is a home rule municipality in accordance with Article VII, Section 6 of the Constitution of the State of Illinois of 1970 and, pursuant thereto, has the authority, except as limited by said Section 6 of Article VII, to exercise any power and perform any function pertaining to the government and affairs of the Village, including the power to tax; and

**WHEREAS**, the Council of the Village of Winnetka, Cook County, Illinois (the “Village Council”), by Ordinance Number M-16-2013, adopted on December 3, 2013 (the “Ordinance”), did provide for the issue of \$7,500,000 General Obligation Bonds, Series 2014 (the “Bonds”), for the financing of certain improvements to the stormwater system of the Village and for the levy and collection of a direct annual tax sufficient to pay the principal of and interest on the Bonds; and

**WHEREAS**, the Village has deposited sufficient funds in the appropriate fund pursuant to the Ordinance, for the purpose of paying the principal of and interest on the Bonds up to and including December 15, 2014; and

**WHEREAS**, it is necessary and in the best interests of the Village that the tax heretofore levied for the year 2014 to pay the principal of and interest on the Bonds be abated.

**NOW, THEREFORE**, be it ordained by the President and Board of Trustees of the Village of Winnetka, as follows:

**SECTION 1: Abatement of Tax.** The tax heretofore levied for the year 2014 of Three Hundred Forty-Five Thousand One-Hundred Dollars (\$345,100.00) in Ordinance Number M-16-2013 to pay the principal of and interest on \$7,500,000 General Obligation Bonds, Series 2014, of the Village of Winnetka, Cook County, Illinois, is hereby abated in its entirety.

**SECTION 2: Filing of Ordinance.** Forthwith upon the adoption of this Ordinance, the Village Clerk shall file a certified copy hereof with the County Clerk of the County of Cook, Illinois, and it shall be the duty of said County Clerk to abate said tax levied for the year 2014 in accordance with the provisions hereof.

**SECTION 3: Home Rule.** This Ordinance is adopted by the Council of the Village of Winnetka in the exercise of its home rule powers pursuant to Section 6 of Article VII of the Illinois Constitution of 1970.

[Remainder of this page intentionally left blank.]

**SECTION 4: Effective Date.** This Ordinance shall be in full force and effect from and its passage, approval, and posting as provided by law.

**PASSED** this \_\_\_ day of \_\_\_\_\_, 2014, pursuant to the following roll call vote:

AYES:

NAYS:

ABSENT:

**APPROVED** this \_\_\_ day of \_\_\_\_\_, 2014.

Signed:

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Village President

Countersigned:

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Village Clerk

[Seal]

Published by authority of the  
President and Board of Trustees  
of the Village of Winnetka,  
Illinois, this \_\_\_ day of \_\_\_\_\_,  
2014.

Introduced: November 18, 2014

Passed and Approved:



## Agenda Item Executive Summary

**Title:** Public Safety Pension Report

**Presenter:** Edward McKee, Finance Director

**Agenda Date:**

11/18/2014

**Consent:**

YES

NO

Ordinance

Resolution

Bid Authorization/Award

Policy Direction

Informational Only

**Item History:**

The Illinois legislature implemented public safety pension reforms in the fall of 2008. This law requires an annual report from the Police and Fire Pension Boards to the Village Council on the health and performance of the pension plans prior to adoption of the annual property tax levy.

**Executive Summary:**

The purpose of the law can be categorized into three broad areas, 1) improve dissemination of pension information, 2) encourage good business practices, and 3) strengthen ethics / increase enforcement. The materials presented here are designed to improve the dissemination of pension fund information as contemplated by the new law.

Both the Police and Fire Pension Boards have been made aware of this legislation and have directed the Village Treasurer to meet the annual reporting requirement on behalf of the Boards.

Attached are the Police and Fire Pension reports for 2014.

The fiscal year 2015 budget was prepared before this year's actuarial reports, therefore the recommended 2014 property tax levy amounts estimated by Staff for the Police and Firefighters' Pension Funds is slightly higher than the amounts noted in the attached reports. The proposed 2014 tax levy document contains a Police Pension Fund levy of \$1,145,000 and a Firefighters' Pension Fund levy of \$1,382,000.

I will be available at the November 18, 2014 Council Meeting to answer any questions.

**Recommendation:**

Informational only for Council review.

**Attachments:**

- 1) Winnetka Police Pension Fund compliance report for the fiscal year ended 12/31/2013
- 2) Winnetka Police Pension Fund - Investment Policy dated 4/24/2014
- 3) Winnetka Firefighters' Pension Fund compliance report for the fiscal year ended 12/31/2013
- 4) Winnetka Firefighters' Pension Fund - Investment Policy dated 2/13/2014
- 5) Timothy W. Sharpe Actuarial Report - Police Pension Fund for 2014
- 6) Timothy W. Sharpe Actuarial Report - Firefighters' Pension Fund for 2014

VILLAGE OF WINNETKA, ILLINOIS  
POLICE PENSION FUND

HOUSE BILL 5088 - MUNICIPAL COMPLIANCE REPORT

FOR THE FISCAL YEAR ENDED

DECEMBER 31, 2013



October 31, 2014

Members of the Pension Board of Trustees  
Winnetka Police Pension Fund  
Winnetka, Illinois

Enclosed please find a copy of your Municipal Compliance Report for the Winnetka Police Pension Fund for the year ended December 31, 2013. We have prepared the report with the most recent information available at our office. Should you have more current information, or notice any inaccuracies, we are prepared to make any necessary revisions and return them to you.

The President and Secretary of the Pension Fund are required to sign the report on page 3. If not already included with the enclosed report, please also include a copy of the Pension Fund's most recent investment policy.

The signed House Bill 5088 - Municipal Compliance Report must be provided to the Municipality before the tax levy is filed on the last Tuesday in December. We are sending the report via email to promote an environmentally-friendly work atmosphere.

If you have any questions regarding this report please contact Matt Beran at (515) 556-4052 or [mberan@lauterbachamen.com](mailto:mberan@lauterbachamen.com).

Respectfully submitted,

A handwritten signature in blue ink that reads "Lauterbach &amp; Amen LLP".

LAUTERBACH & AMEN, LLP

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

**House Bill 5088 (Public Act 95-950) - Municipal Compliance Report  
For the Fiscal Year Ending December 31, 2013**

The Pension Board certifies to the Board of Trustees of the Village of Winnetka, Illinois on the condition of the Pension Fund at the end of its most recently completed fiscal year the following information:

- 1) The total cash and investments of the fund and their current market value of those assets:

	<u>Current Fiscal Year</u>	<u>Preceding Fiscal Year</u>
Total Cash and Investments	<u>\$ 24,658,835</u>	<u>\$ 22,712,016</u>
Total Net Position	<u>\$ 24,445,682</u>	<u>\$ 22,592,558</u>

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

Estimated Receipts - Employee Contributions	<u>\$ 225,900</u>
Estimated Receipts - All Other Sources	
Investment Earnings	<u>\$ 1,541,200</u>
Municipal Contributions	<u>\$ 1,110,899</u>

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

(a) Pay all Pensions and Other Obligations	<u>\$ 1,678,700</u>
(b) Annual Requirement of the Fund as Determined by:	
Illinois Department of Insurance	<u>\$ 822,705</u>
Private Actuary - Timothy W. Sharpe, Actuary	
Recommended Municipal Contribution	<u>\$ 1,110,899</u>
Statutory Municipal Contribution	<u>\$ 850,511</u>

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

**House Bill 5088 (Public Act 95-950) - Municipal Compliance Report  
For the Fiscal Year Ending December 31, 2013**

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

	<u>Current Fiscal Year</u>	<u>Preceding Fiscal Year</u>
Net Income Received from Investment of Assets	\$ 2,241,508	\$ 1,749,883
Assumed Investment Return		
Illinois Department of Insurance	<u>6.75%</u>	<u>6.75%</u>
Private Actuary - Timothy W. Sharpe, Actuary	<u>6.25%</u>	<u>6.25%</u>
Actual Investment Return	<u>9.93%</u>	<u>8.25%</u>

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

Number of Active Members	<u>26</u>
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- 6) The total amount that was disbursed in benefits during the fiscal year, including the number of and total amount disbursed to (i) annuitants in receipt of a regular retirement pension, (ii) recipients being paid a disability pension, and (iii) survivors and children in receipt of benefits:

	<u>Number of</u>	<u>Total Amount Disbursed</u>
(i) Regular Retirement Pension	<u>24</u>	<u>\$ 1,168,748</u>
(ii) Disability Pension	<u>1</u>	<u>\$ 32,122</u>
(iii) Survivors and Child Benefits	<u>4</u>	<u>\$ 88,320</u>
Totals	<u>29</u>	<u>\$ 1,289,190</u>

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

**House Bill 5088 (Public Act 95-950) - Municipal Compliance Report  
For the Fiscal Year Ending December 31, 2013**

7) The Funded Ratio of the Fund:

	<u>Current Fiscal Year</u>	<u>Preceding Fiscal Year</u>
Illinois Department of Insurance	<u>70.06%</u>	<u>70.07%</u>
Private Actuary - Timothy W. Sharpe, Actuary	<u>71.09%</u>	<u>68.94%</u>

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

Unfunded Liability:

Illinois Department of Insurance	<u>\$ 10,018,036</u>
Private Actuary - Timothy W. Sharpe, Actuary	<u>\$ 9,939,542</u>

The accrued liability is the actuarial present value of the portion of the projected benefits that has been accrued as of the valuation date based upon the actuarial valuation method and the actuarial assumptions employed in the valuation. The unfunded accrued liability is the excess of the accrued liability over the actuarial value of assets.

9) The investment policy of the Pension Board under the statutory investment restrictions imposed on the fund.

Investment Policy - See Attached.

Please see Notes Page attached.

CERTIFICATION OF MUNICIPAL POLICE  
PENSION FUND COMPLIANCE REPORT

The Board of Trustees of the Pension Fund, based upon information and belief, and to the best of our knowledge, hereby certify pursuant to §3-143 of the Illinois Pension Code 40 ILCS 5/3-143, that the preceding report is true and accurate.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2014

President \_\_\_\_\_ Date \_\_\_\_\_

Secretary \_\_\_\_\_ Date \_\_\_\_\_

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

**House Bill 5088 (Public Act 95-950) - Municipal Compliance Report  
For the Fiscal Year Ending December 31, 2013**

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INDEX OF ASSUMPTIONS

- 1) Total Cash and Investments - as Reported at Market Value in the Audited Financial Statements for the Years Ended December 31, 2013 and 2013.

Total Net Position - as Reported at Market Value in the Audited Financial Statements for the Years Ended December 31, 2013 and 2013.

- 2) Estimated Receipts - Employee Contributions as Reported in the Audited Financial Statements for the Year Ended December 31, 2013 plus 5.5% Increase (Actuarial Salary Increase Assumption) Rounded to the Nearest \$100.

Estimated Receipts - All Other Sources

Investment Earnings - Cash and Investments as Reported in the Audited Financial Statements for the Year Ended December 31, 2013, times 6.25% (Actuarial Investment Return Assumption) Rounded to the Nearest \$100.

Municipal Contributions - Recommended Tax Levy Requirement as Reported by Timothy W. Sharpe, Actuary, Actuarial Valuation for the Year Ended December 31, 2013.

- 3) (a) Pay all Pensions and Other Obligations - Total Deductions as Reported in the Audited Financial Statements for the Year Ended December 31, 2013, plus a 25% Increase, Rounded to the Nearest \$100.

(b) Annual Requirement of the Fund as Determined by:

Illinois Department of Insurance - Suggested Amount of Tax Levy as Reported in the December 31, 2013 Actuarial Valuation.

Private Actuary - Timothy W. Sharpe, Actuary

Recommended Amount of Tax Levy as Reported by Timothy W. Sharpe, Actuary in the December 31, 2013 Actuarial Valuation.

Statutorily Required Amount of Tax Levy as Reported by Timothy W. Sharpe, Actuary in the December 31, 2013 Actuarial Valuation.

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

**House Bill 5088 (Public Act 95-950) - Municipal Compliance Report  
For the Fiscal Year Ending December 31, 2013**

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INDEX OF ASSUMPTIONS - Continued

- 4) Net Income Received from Investment of Assets - Investment Income (Loss) net of Investment Expense, as Reported in the Audited Financial Statements for the Years Ended December 31, 2013 and 2012.

Assumed Investment Return

Illinois Department of Insurance - Current and Preceding Fiscal Year Interest Rate Assumption as Reported in the December 31, 2013 and 2012 Actuarial Valuations.

Private Actuary - Current and Preceding Fiscal Year Interest Rate Assumption as Reported in the Timothy W. Sharpe, Actuary, December 31, 2013 and 2012 Actuarial Valuations.

Actual Investment Return - Net Income Received from Investments as Reported Above as a Percentage of the Average of the Beginning balance of the Cash and Investments and the Ending balance of the Cash and Investments, excluding the fiscal year net investment income, as Reported in the Audited Financial Statements for the Fiscal Years Ended December 31, 2013, 2012 and 2011.

- 5) Number of Active Members - Illinois Department of Insurance Annual Statement for December 31, 2013 - Schedule P.
- 6) (i) Regular Retirement Pension - Illinois Department of Insurance Annual Statement for December 31, 2013 - Schedule P for Number of Participants and Expense page 1 for Total Amount Disbursed.
- (ii) Disability Pension - Same as above.
- (iii) Survivors and Child Benefits - Same as above.

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

**House Bill 5088 (Public Act 95-950) - Municipal Compliance Report  
For the Fiscal Year Ending December 31, 2013**

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INDEX OF ASSUMPTIONS - Continued

7) The Funded Ratio of the Fund:

Illinois Department of Insurance - Current and Preceding Fiscal Year Net Present Assets as a percentage of Total Assets as Reported in the December 31, 2013 and 2013 Actuarial Valuations.

Private Actuary - Current and Preceding Fiscal Year Net Present Assets as a percentage of Total Assets as Reported in the Timothy W. Sharpe, Actuary, December 31, 2013 and March 31, 2013 Actuarial Valuations.

8) Unfunded Liability:

Illinois Department of Insurance - Deferred Asset (Unfunded Accrued Liability) as Reported in the December 31, 2013 Actuarial Valuation.

Private Actuary - Deferred Asset (Unfunded Accrued Liability) as Reported by Timothy W. Sharpe Actuary in the December 31, 2013 Actuarial Valuation.

**VILLAGE OF WINNETKA, ILLINOIS  
POLICE PENSION FUND  
INVESTMENT POLICY**

**SCOPE**

This Investment Policy applies to the investment activities of the Village of Winnetka Police Pension Fund.

**INVESTMENT OBJECTIVES**

The following investment objectives, in order of preference, will be applied in the management of the pension fund assets.

The primary objective of the Pension Fund investment activities is to safeguard assets needed to pay benefits.

The investment portfolio will remain sufficiently liquid to meet anticipated cash flow requirements such as pension payments, bills, and other uses of cash.

The portfolio will consist of fixed income and equity investments that shall be diversified. Because of the long-term nature of pension liabilities, the long-term rate of return for each class of investment will be considered when managing the Pension portfolio. Care will be taken to ensure that the overall portfolio is not subjected to unreasonable market risk.

The investment portfolio managed under this policy shall be designed with the objective of regularly meeting the appropriate benchmarks established under recognized professional standards for each type of investment, as established by the Board.

**PRUDENCE**

Investments shall be made with judgment and care which under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital and the probable income to be derived. Investment Managers, Investment consultants, and other entities and individuals retained by the fund to provide services to the Fund and shall meet the prudent expert standard of care.

## **INVESTMENT RESPONSIBILITY, LIQUIDITY, AND REPORTING**

The oversight of the investment program is hereby assigned to the Pension Board, which will perform the following responsibilities:

### At least annually:

- Review the asset allocation and target rate of return for the Pension Fund portfolio for appropriateness. The target return may be expressed as a desire to meet an index or benchmark.
- Review projected Pension Fund cash flows and projected Pension Fund liabilities as outlined in an actuarial report to ensure assets can be converted into cash with an acceptable amount of market risk to meet likely payments.

### At least twice a year:

- Evaluate the performance of the portfolio against the target rate of return.
- Formally review the holdings of the portfolio.
- Discuss an investment strategy to be applied until the next investment performance review.

The daily management of the Pension portfolio is hereby assigned to the Treasurer of the Pension Fund, within the guidelines established by the Pension Fund. The Treasurer shall be authorized to buy and sell Pension Fund investments, transfer balances between different investment types, prepare reports, and perform such other duties as are necessary to implement the directives of the Pension Fund. The Treasurer may also delegate responsibilities to Village staff or other professionals retained by the fund to assist in the performance of various duties.

The Treasurer or designee shall quarterly review with the Pension board a comprehensive investment report which shall include information regarding securities in the portfolio by class or type, income earned, and market value as of the report date.

No person may engage in an investment transaction except as provided under terms of this policy and the procedures established by the Treasurer. Performance of the portfolio shall be reported in the Village's Comprehensive Annual Financial Report (CAFR or audit) and shall include summary portfolio composition and performance information. Performance of the responsibilities enumerated above will be reflected in the minutes of the Pension Board Meetings.

If material deviations from projected investment strategies occur, they shall be reported promptly to the Secretary and President of the Pension Board.

## FINANCIAL INSTITUTIONS

The Pension Board shall select financial institutions, brokers and consultants in accordance with the requirements of 40 ILCS 5/1-113.5, and based on the following criteria:

The Pension Board shall use only financial institutions, brokers, and consultants listed in Appendix A. The Pension Board shall be responsible for adding to and deleting from this list as they deem appropriate.

Any financial institution, broker, or consultant may provide normal banking services, including, but not limited to: checking accounts, wire transfers, purchase and sale of investment securities and safekeeping services. Fees or compensating balances, if any, shall be mutually agreed to by an authorized representative of the depository institution and the Treasurer or designee.

The Treasurer or designee may transfer balances, open and close accounts, and transact Pension Fund business with any qualified financial institution, broker, or consultant. Such Pension Fund business will be consistent with the direction of the Pension Board and investment strategy. Investment advisors selected by the Pension Board shall acknowledge, in writing, that they are fiduciaries with respect to the Pension Fund. Any such written agreements shall be attached to this policy.

## INVESTMENTS

The Pension Fund may invest in any type of security allowed by this policy which shall be in compliance with the Illinois Pension Code (40 ILCS 5) and Illinois Public Funds Investment Act (30 ILCS 235/0.01), as amended.

The allocation of Pension Fund assets shall be diversified to minimize risk. The asset allocation shall be maintained according to the table below. Asset allocations are to be reviewed at least quarterly by the Board. Following the review, asset classes breaching either the maximum or minimum of the ranges shall be evaluated for rebalancing to restore the allocation within the specified range.

	Minimum	Target	Maximum
US Equity	43%	48%	53%
Large Cap	30%	35%	40%
Mid Cap	2%	5%	8%
Small Cap	4%	8%	12%
International Equity	6%	11%	16%
Real Estate	0%	5%	8%
Fixed Income	35%	36%	45%

The allocation target and ranges are to be formally reviewed at least every other year. The above ranges may be adjusted by revising this policy.

**INTERNAL CONTROLS**

The Treasurer shall establish a system of internal controls, which shall be documented in writing. The internal controls shall be reviewed by an independent certified public accountant in conjunction with the annual examination of the financial statements. The controls shall be designed to prevent losses of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent action by Village employees and officers.

One of the required elements of the system of internal controls shall be the timely reconciliation of all bank accounts. Bank reconciliations shall be performed on a monthly basis and shall be completed no later than sixty (60) days after the bank statement cutoff date.

The aforementioned policy is established as the standard for professional responsibility and shall be applied in the context of managing the Pension portfolio. Persons acting in accordance with this investment policy and established procedures while exercising due diligence in their duties shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided that deviations from expectations are reported in timely fashion, and appropriate action is taken to control adverse developments.

**ETHICS AND CONFLICT OF INTEREST**

Any fiduciary with respect to the Fund shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

**FILING AND AVAILABILITY**

A copy of this policy shall be filed with the Division of Insurance within 30 days of its adoption and made available to the public at the main administrative office of the Pension Fund.

Approved this 24<sup>th</sup> day of April, 2014.

Richard T. Glenn  
Pension Board President

M. H. [Signature]  
Pension Board Secretary

**Village of Winnetka, Illinois**  
**Internal Control Procedures**  
**Promulgated by the Finance Director as of April, 2014**

**Authorized Persons:**

Persons authorized to purchase investments and release collateral:

Finance Director  
Assistant Finance Director  
Village Manager

**Investment Transactions and Security Measures:**

All investment transactions shall be processed, as delivery versus payment or DVP, to ensure that the Village ownership of securities purchased or sold is always clear. All Village investments shall be:

- 1) Held by a third party financial institution and evidenced by a safekeeping agreement in a form acceptable to the Village and the Village's independent auditors.
- 2) Purchased, sold, and held such that the lowest possible level of risk, as defined by the Governmental Accounting Standards Board (GASB), can be maintained for the investment.

The Village shall utilize security codes mutually agreed to by the Village and Financial institutions to process investment transactions, collateral transactions, and wire transfers. At a minimum, these procedures shall include at least one of the following: passwords, taped phone conversations, call back on non repetitive wire transfers, limiting authorized account numbers, and designation of repetitive transaction types.

**Internal Controls:**

The internal controls as stated in the policy will be performed monthly.

The Village Accountant or Assistant Finance Director shall prepare and initial monthly bank reconciliations within 60 days of the cut off statement date. The Finance Director shall approve of the monthly reconciliations by initialing and dating them.

The Village's investment consultant who serves as a fiduciary of the Fund shall prepare quarterly reports of the investment portfolio. The December investment performance reports shall be retained by the Pension Fund for a period of at least 5 years.

**List of Authorized Investment Advisors, Money Managers, and Financial Institutions**

**As of April 2014**

- 1) The Illinois Funds
- 2) Harris Bank
- 3) Any Federal Reserve Bank
- 4) Wells Fargo Bank
- 5) T. Rowe Price Associates
- 6) Wintrust Financial Corporation
- 7) The Bogdahn Group
- 8) J.P. Morgan Chase
- 9) Seizert Capital Partners, LLC
- 10) Holland Capital Management
- 11) Harbor Funds
- 12) CS McKee Investment Managers
- 13) Great Lakes Advisors
- 14) Principal Real Estate Investors
- 15) Prudential Investment Management Services – Target Portfolio

VILLAGE OF WINNETKA, ILLINOIS  
FIREFIGHTERS' PENSION FUND  
HOUSE BILL 5088 - MUNICIPAL COMPLIANCE REPORT  
FOR THE FISCAL YEAR ENDED  
DECEMBER 31, 2013



October 31, 2014

Members of the Pension Board of Trustees  
Winnetka Firefighters' Pension Fund  
Winnetka, Illinois

Enclosed please find a copy of your Municipal Compliance Report for the Winnetka Firefighters' Pension Fund for the year ended December 31, 2013. We have prepared the report with the most recent information available at our office. Should you have more current information, or notice any inaccuracies, we are prepared to make any necessary revisions and return them to you.

The President and Secretary of the Pension Fund are required to sign the report on page 3. If not already included with the enclosed report, please also include a copy of the Pension Fund's most recent investment policy.

The signed House Bill 5088 - Municipal Compliance Report must be provided to the Municipality before the tax levy is filed on the last Tuesday in December. We are sending the report via email to promote an environmentally-friendly work atmosphere.

If you have any questions regarding this report please contact Matt Beran at (515) 556-4052 or [mberan@lauterbachamen.com](mailto:mberan@lauterbachamen.com).

Respectfully submitted,

A handwritten signature in blue ink that reads "Lauterbach &amp; Amen LLP".

LAUTERBACH & AMEN, LLP

**VILLAGE OF WINNETKA, ILLINOIS  
FIREFIGHTERS' PENSION FUND**

**House Bill 5088 (Public Act 95-950) - Municipal Compliance Report  
For the Fiscal Year Ending December 31, 2013**

The Pension Board certifies to the Board of Trustees of the Village of Winnetka, Illinois on the condition of the Pension Fund at the end of its most recently completed fiscal year the following information:

- 1) The total cash and investments of the fund and their current market value of those assets:

	<u>Current Fiscal Year</u>	<u>Preceding Fiscal Year</u>
Total Cash and Investments	<u>\$ 22,869,903</u>	<u>\$ 20,862,152</u>
Total Net Position	<u>\$ 22,656,625</u>	<u>\$ 20,742,984</u>

- 2) The estimated receipts during the next succeeding fiscal year from deductions from the salaries of firefighters' and from other sources:

Estimated Receipts - Employee Contributions	<u>\$ 166,300</u>
Estimated Receipts - All Other Sources	
Investment Earnings	<u>\$ 1,429,400</u>
Municipal Contributions	<u>\$ 1,327,823</u>

- 3) The estimated amount necessary during the fiscal year to meet the annual actuarial requirements of the pension fund as provided in Sections 4-118 and 4-120:

Annual Requirement of the Fund as Determined by:

Illinois Department of Insurance	<u>\$ 985,219</u>
Private Actuary - Timothy W. Sharpe, Actuary	
Recommended Municipal Contribution	<u>\$ 1,327,823</u>
Statutory Municipal Contribution	<u>\$ 963,943</u>

**VILLAGE OF WINNETKA, ILLINOIS  
FIREFIGHTERS' PENSION FUND**

**House Bill 5088 (Public Act 95-950) - Municipal Compliance Report  
For the Fiscal Year Ending December 31, 2013**

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

	<u>Current Fiscal Year</u>	<u>Preceding Fiscal Year</u>
Net Income Received from Investment of Assets	<u>\$ 2,178,284</u>	<u>\$ 1,706,995</u>
Assumed Investment Return		
Illinois Department of Insurance	<u>6.75%</u>	<u>6.75%</u>
Private Actuary - Timothy W. Sharpe, Actuary	<u>6.25%</u>	<u>6.25%</u>
Actual Investment Return	<u>10.48%</u>	<u>8.83%</u>

- 5) The increase in employer pension contributions that results from the implementation of the provisions of P.A. 93-0689:

Illinois Department of Insurance - Actuarial Report	<u>\$ N/A</u>
Private Actuary - Timothy W. Sharpe, Actuary	<u>\$ N/A</u>

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

Number of Active Members	<u>24</u>
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- 7) The total amount that was disbursed in benefits during the fiscal year, including the number of and total amount disbursed to (i) annuitants in receipt of a regular retirement pension, (ii) recipients being paid a disability pension, and (iii) survivors and children in receipt of benefits:

	<u>Number of</u>	<u>Total Amount Disbursed</u>
(i) Regular Retirement Pension	<u>19</u>	<u>\$ 971,834</u>
(ii) Disability Pension	<u>2</u>	<u>\$ 72,728</u>
(iii) Survivors and Child Benefits	<u>9</u>	<u>\$ 257,022</u>
Totals	<u>30</u>	<u>\$ 1,301,584</u>

**VILLAGE OF WINNETKA, ILLINOIS  
FIREFIGHTERS' PENSION FUND**

**House Bill 5088 (Public Act 95-950) - Municipal Compliance Report  
For the Fiscal Year Ending December 31, 2013**

8) The Funded Ratio of the Fund:

	<u>Current Fiscal Year</u>	<u>Preceding Fiscal Year</u>
Illinois Department of Insurance	<u>63.09%</u>	<u>60.80%</u>
Private Actuary - Timothy W. Sharpe, Actuary	<u>65.79%</u>	<u>61.67%</u>

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

Unfunded Liability:

Illinois Department of Insurance	<u>\$ 12,585,841</u>
Private Actuary - Timothy W. Sharpe, Actuary	<u>\$ 11,781,437</u>

The accrued liability is the actuarial present value of the portion of the projected benefits that has been accrued as of the valuation date based upon the actuarial valuation method and the actuarial assumptions employed in the valuation. The unfunded accrued liability is the excess of the accrued liability over the actuarial value of assets.

10) The investment policy of the Pension Board under the statutory investment restrictions imposed on the fund.

Investment Policy - See Attached.

Please see Notes Page attached.

CERTIFICATION OF MUNICIPAL FIREFIGHTERS'  
PENSION FUND COMPLIANCE REPORT

The Board of Trustees of the Pension Fund, based upon information and belief, and to the best of our knowledge, hereby certify pursuant to §4-134 of the Illinois Pension Code 40 ILCS 5/4-134, that the preceding report is true and accurate.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2014

President \_\_\_\_\_ Date \_\_\_\_\_

Secretary \_\_\_\_\_ Date \_\_\_\_\_

**VILLAGE OF WINNETKA, ILLINOIS  
FIREFIGHTERS' PENSION FUND**

**House Bill 5088 (Public Act 95-950) - Municipal Compliance Report  
For the Fiscal Year Ending December 31, 2013**

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INDEX OF ASSUMPTIONS

- 1) Total Cash and Investments - as Reported at Market Value in the Audited Financial Statements for the Years Ended December 31, 2013 and 2013.

Total Net Position - as Reported at Market Value in the Audited Financial Statements for the Years Ended December 31, 2013 and 2013.

- 2) Estimated Receipts - Employee Contributions as Reported in the Audited Financial Statements for the Year Ended December 31, 2013 plus 5.5% Increase (Actuarial Salary Increase Assumption) Rounded to the Nearest \$100.

Estimated Receipts - All Other Sources

Investment Earnings - Cash and Investments as Reported in the Audited Financial Statements for the Year Ended December 31, 2013, times 6.25% (Actuarial Investment Return Assumption) Rounded to the Nearest \$100.

Municipal Contributions - Recommended Tax Levy Requirement as Reported by Timothy W. Sharpe, Actuary, Actuarial Valuation for the Year Ended December 31, 2013.

- 3) Annual Requirement of the Fund as Determined by:

Illinois Department of Insurance - Suggested Amount of Tax Levy as Reported in the December 31, 2013 Actuarial Valuation.

Private Actuary - Timothy W. Sharpe, Actuary

Recommended Amount of Tax Levy as Reported by Timothy W. Sharpe, Actuary in the December 31, 2013 Actuarial Valuation.

Statutorily Required Amount of Tax Levy as Reported by Timothy W. Sharpe, Actuary in the December 31, 2013 Actuarial Valuation.

**VILLAGE OF WINNETKA, ILLINOIS  
FIREFIGHTERS' PENSION FUND**

**House Bill 5088 (Public Act 95-950) - Municipal Compliance Report  
For the Fiscal Year Ending December 31, 2013**

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INDEX OF ASSUMPTIONS - Continued

- 4) Net Income Received from Investment of Assets - Investment Income (Loss) net of Investment Expense, as Reported in the Audited Financial Statements for the Years Ended December 31, 2013 and 2012.

Assumed Investment Return

Illinois Department of Insurance - Current and Preceding Fiscal Year Interest Rate Assumption as Reported in the December 31, 2013 and 2012 Actuarial Valuations.

Private Actuary - Current and Preceding Fiscal Year Interest Rate Assumption as Reported in the Timothy W. Sharpe, Actuary, December 31, 2013 and 2012 Actuarial Valuations.

Actual Investment Return - Net Income Received from Investments as Reported Above as a Percentage of the Average of the Beginning Balance of the Fiscal Year Cash and Investments and Ending Balance of the Fiscal Year Cash and Investments, excluding the fiscal year net investment income, as Reported in the Audited Financial Statements for the Fiscal Years Ended December 31, 2013, 2012 and 2011.

- 5) Illinois Department of Insurance - Amount of total suggested tax levy to be excluded from the property tax extension limitation law as contemplated by 35 ILCS 200/18-185.

Private Actuary - No Private Actuarial Valuation amount available at the time of this report.

- 6) Number of Active Members - Illinois Department of Insurance Annual Statement for December 31, 2013 - Schedule P.

(i) Regular Retirement Pension - Illinois Department of Insurance Annual Statement for December 31, 2013 - Schedule P for Number of Participants and Expense page 1 for Total Amount Disbursed.

(ii) Disability Pension - Same as above.

(iii) Survivors and Child Benefits - Same as above.

**VILLAGE OF WINNETKA, ILLINOIS  
FIREFIGHTERS' PENSION FUND**

**House Bill 5088 (Public Act 95-950) - Municipal Compliance Report  
For the Fiscal Year Ending December 31, 2013**

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INDEX OF ASSUMPTIONS - Continued

7) The Funded Ratio of the Fund:

Illinois Department of Insurance - Current and Preceding Fiscal Year Net Present Assets as a percentage of Total Assets as Reported in the December 31, 2013 and 2013 Actuarial Valuations.

Private Actuary - Current and Preceding Fiscal Year Net Present Assets as a percentage of Total Assets as Reported in the Timothy W. Sharpe, Actuary, December 31, 2013 and March 31, 2013 Actuarial Valuations.

8) Unfunded Liability:

Illinois Department of Insurance - Deferred Asset (Unfunded Accrued Liability) as Reported in the December 31, 2013 Actuarial Valuation.

Private Actuary - Deferred Asset (Unfunded Accrued Liability) as Reported by Timothy W. Sharpe, Actuary in the December 31, 2013 Actuarial Valuation.

**VILLAGE OF WINNETKA, ILLINOIS  
FIREFIGHTERS' PENSION FUND  
INVESTMENT POLICY**

**SCOPE**

This Investment Policy applies to the investment activities of the Village of Winnetka Firefighters' Pension Fund.

**INVESTMENT OBJECTIVES**

The following investment objectives, in order of preference, will be applied in the management of the pension fund assets.

The primary objective of the Pension Fund investment activities is to safeguard assets needed to pay benefits.

The investment portfolio will remain sufficiently liquid to meet anticipated cash flow requirements such as pension payments, bills, and other uses of cash.

The portfolio will consist of fixed income and equity investments that shall be diversified. Because of the long-term nature of pension liabilities, the long-term rate of return for each class of investment will be considered when managing the Pension portfolio. Care will be taken to ensure that the overall portfolio is not subjected to unreasonable market risk.

The investment portfolio managed under this policy shall be designed with the objective of regularly meeting the appropriate benchmarks established under recognized professional standards for each type of investment, as established by the Board.

**PRUDENCE**

Investments shall be made with judgment and care which under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital and the probable income to be derived. Investment Managers, Investment consultants, and other entities and individuals retained by the fund to provide services to the Fund and shall meet the prudent expert standard of care.

## **INVESTMENT RESPONSIBILITY, LIQUIDITY, AND REPORTING**

The oversight of the investment program is hereby assigned to the Pension Board, which will perform the following responsibilities:

At least annually:

Review the asset allocation and target rate of return for the Pension Fund portfolio for appropriateness. The target return may be expressed as a desire to meet an index or benchmark.

Review projected Pension Fund cash flows and projected Pension Fund liabilities as outlined in an actuarial report to ensure assets can be converted into cash with an acceptable amount of market risk to meet likely payments.

At least twice a year:

Evaluate the performance of the portfolio against the target rate of return.

Formally review the holdings of the portfolio.

Discuss an investment strategy to be applied until the next investment performance review.

The daily management of the Pension portfolio is hereby assigned to the Treasurer of the Pension Fund, within the guidelines established by the Pension Fund. The Treasurer shall be authorized to buy and sell Pension Fund investments, transfer balances between different investment types, prepare reports, and perform such other duties as are necessary to implement the directives of the Pension Fund. The Treasurer may also delegate responsibilities to Village staff or other professionals retained by the fund to assist in the performance of various duties.

The Treasurer or designee shall quarterly review with the Pension board a comprehensive investment report which shall include information regarding securities in the portfolio by class or type, income earned, and market value as of the report date.

No person may engage in an investment transaction except as provided under terms of this policy and the procedures established by the Treasurer.

Performance of the portfolio shall be reported in the Village's Comprehensive Annual Financial Report (CAFR or audit) and shall include summary portfolio composition and performance information. Performance of the responsibilities enumerated above will be reflected in the minutes of the Pension Board Meetings.

If material deviations from projected investment strategies occur, they shall be reported immediately to the Secretary and President of the Pension Board.

## FINANCIAL INSTITUTIONS

The Pension Board shall select financial institutions, brokers and consultants in accordance with the requirements of 40 ILCS 5/1-113.5, and based on the following criteria:

The Pension Board shall use only financial institutions, brokers, and consultants listed in Appendix A. The Pension Board shall be responsible for adding to and deleting from this list as deemed appropriate.

Any financial institution, broker, or consultant may provide normal banking services, including, but not limited to: checking accounts, wire transfers, purchase and sale of investment securities and safekeeping services. Fees or compensating balances, if any, shall be mutually agreed to by an authorized representative of the depository institution and the Treasurer or designee.

The Treasurer or designee may transfer balances, open and close accounts, and transact Pension Fund business with any qualified financial institution, broker, or consultant. Such Pension Fund business will be consistent with the direction of the Pension Board and investment strategy. Investment advisors selected by the Pension Board shall acknowledge, in writing, that they are fiduciaries with respect to the Pension Fund. Any such written agreements shall be attached to this policy.

## INVESTMENTS

The Pension Fund may invest in any type of security allowed by this policy which shall be in compliance with the Illinois Pension Code (40 ILCS 5) and Illinois Public Funds Investment Act (30 ILCS 235/0.01), as amended.

It is desired that the allocation of Pension Fund assets be diversified to minimize risk. The asset allocation shall be maintained according to the table below. Asset allocations are to be reviewed at least quarterly by the Board. Following the review, asset classes breaching either the maximum or minimum of the ranges shall be evaluated for rebalancing to restore the allocation within the specified range.

	Minimum	Target	Maximum
US Equity	43%	52%	65%
Large Cap	30%	37%	55%
Mid Cap	2%	15%	20%
International Equity	6%	12%	16%
Real Estate	0%	0%	6%
Fixed Income	35%	36%	50%

The allocation target and ranges are to be formally reviewed at least every other year. The above ranges may be adjusted by revising this policy.

## INTERNAL CONTROLS

The Treasurer shall establish a system of internal controls, which shall be documented in writing. The internal controls shall be reviewed by an independent certified public accountant in conjunction with the annual examination of the financial statements. The controls shall be designed to prevent losses of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent action by Village employees and officers.

One of the required elements of the system of internal controls shall be the timely reconciliation of all bank accounts. Bank reconciliations shall be performed on a monthly basis and shall be completed no later than sixty (60) days after the bank statement cutoff date.

The aforementioned policy is established as the standard for professional responsibility and shall be applied in the context of managing the Pension portfolio. Persons acting in accordance with this investment policy and established procedures while exercising due diligence in their duties shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided that deviations from expectations are reported in timely fashion, and appropriate action is taken to control adverse developments.

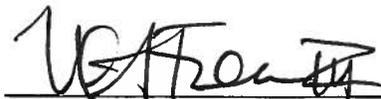
## ETHICS AND CONFLICT OF INTEREST

Any fiduciary with respect to the Fund shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

## FILING AND AVAILABILITY

A copy of this policy shall be filed with the Division of Insurance within 30 days of its adoption and made available to the public at the main administrative office of the Pension Fund.

Approved this 13<sup>th</sup> day of February, 2014.

  
\_\_\_\_\_  
Pension Board President

  
\_\_\_\_\_  
Pension Board Secretary

**Village of Winnetka, Illinois**  
**Internal Control Procedures**  
**Promulgated by the Finance Director as of February, 2014**

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Persons authorized to purchase investments and release collateral:

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**List of Authorized Investment Advisors, Money Managers, and Financial Institutions**

**As of February 2014**

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- 9) Seizert Capital Partners, LLC
- 10) Holland Capital Management
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- 13) Great Lakes Advisors
- 14) Principal Real Estate Investors
- 15) Prudential Investment Management Services – Target Portfolio



**VILLAGE OF WINNETKA**  
**WINNETKA POLICE PENSION FUND**

Actuarial Valuation Report  
For the Year  
Beginning January 1, 2014  
And Ending December 31, 2014

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*Timothy W. Sharpe, Actuary, Geneva, IL (630) 262-0600*

## TABLE OF CONTENTS

	<u>Page</u>
Introduction	3
Summary of Results	4
Actuarial Valuation of Assets	6
Asset Changes During Prior Year	7
Normal Cost	8
Accrued Liability	9
Tax Levy Requirement	10
Summary of Plan Participants	11
Duration	12
Projected Pension Payments	12
Summary of Plan Provisions	13
Actuarial Method	14
Actuarial Assumptions	15
GASB Statements No. 25 & 27 Disclosure	17

## INTRODUCTION

Police-sworn personnel of the Village of Winnetka are covered by the Police Pension Plan that is a defined-benefit, single-employer pension plan. The purpose of this report is to provide to the Intended Users of this report, specifically the Intended Users are the Village Officials, the Pension Board and the Village and Pension Board auditors, the reporting requirements of the Illinois Pension Code, the GASB Statements No. 25 & 27 financial information and related actuarial information for the year stated in this report. This report is not intended for distribution or usage to or by anyone who is not an Intended User and should not be used for any other purpose.

The valuation results reported herein are based on the employee data, plan provisions and the financial data provided by the Village. The actuary has relied on this information and does not assume responsibility for the accuracy or completeness of this information. I hereby certify that to the best of my knowledge this report is complete and accurate and fairly presents the actuarial position of the Fund in accordance with generally accepted actuarial principles and procedures. In my opinion, the assumptions used are reasonably related to the experience of the Plan and to reasonable expectations. A reasonable request for supplementary information not included in this report should be directed to the undersigned actuary.

The actuary cautions the Intended Users of the possibility of uncertainty or risks in any of the results in this report.

I, Timothy W. Sharpe, am an Enrolled Actuary and a member of the American Academy of Actuaries, and I meet the Qualifications Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

Respectfully submitted,



Timothy W. Sharpe, EA, MAAA  
Enrolled Actuary No. 14-4384

11/3/2014

Date

## SUMMARY OF RESULTS

There were no material changes with respect to Plan Provisions, Actuarial Methods or Actuarial Assumptions from the prior year. The fiscal year has been changed to the calendar year from April 1 - March 31.

There were no unexpected changes with respect to the participants included in this actuarial valuation, however a previously reported deferred pensioner was converted to a disability pension (3 new members, 2 terminations, 1 retirement, 0 incidents of disability, annual payroll increase -1.3%, average annual salary increase 1.9%).

There were no unexpected changes with respect to the Fund's investments from the prior year (annual investment return 13.77%).

The Village's Tax Levy Requirement has increased slightly from \$1,089,023 last year to \$1,110,899 this year (2.0%). The slight increase in the Tax Levy is due to the increase in salaries and the newly converted disability pension, and was offset due to the investment return was greater than assumed. The Percent Funded has decreased slightly from 67.9% last year to 67.4% this year.

SUMMARY OF RESULTS (Continued)

		For Year Ending December 31	
		<u>2014</u>	<u>3/31/2014</u>
Tax Levy Requirement	\$		
		as of January 1	
		<u>2014</u>	<u>4/1/2013</u>
Village Normal Cost			462,133
Anticipated Employee Contributions			238,423
Accrued Liability			32,771,168
Actuarial Value of Assets			22,238,394
Unfunded Accrued Liability/(Surplus)			10,532,774
Amortization of Unfunded Accrued Liability/(Surplus)			562,830
Percent Funded			67.9%
Annual Payroll	\$		\$ 2,405,882

ACTUARIAL VALUATION OF ASSETS

		as of January 1	
		<u>2014</u>	<u>4/1/2013</u>
Money Market, NOW, IL Fund	\$		\$ 1,643,433
Government Securities			9,361,021
Equities			7,598,146
Mutual Funds			4,052,137
Interest Receivable			57,279
Miscellaneous Receivable/(Payable)			<u>(119,458)</u>
Market Value of Assets			<u>22,592,558</u>
Actuarial Value of Assets	\$		\$ 22,238,394
FYE 2012-2013 (Gain)/Loss: (\$13,945); (\$432,246);			

ASSET CHANGES DURING PRIOR YEAR

Trust Balance as of April 1, 2013

Contributions

Village

Employee

Total

Payments

Benefit Payments

Expenses

Total

Investment Income (annualized)

Trust Balance as of January 1, 2014

Approximate Annual Rate of Return

## NORMAL COST

The Normal Cost is the actuarial present value of the portion of the projected benefits that are expected to accrue during the year based upon the actuarial valuation method and actuarial assumptions employed in the valuation.

		as of January 1	
		<u>2014</u>	<u>4/1/2013</u>
Total Normal Cost	\$		\$ 700,556
Anticipated Employee Contributions			<u>238,423</u>
Village Normal Cost			<u>462,133</u>
Normal Cost Payroll	\$		\$ 2,405,882
Village Normal Cost Rate			19.21%
Total Normal Cost Rate			29.12%

ACCRUED LIABILITY

The Accrued Liability is the actuarial present value of the portion of the projected benefits that has been accrued as of the valuation date based upon the actuarial valuation method and actuarial assumptions employed in the valuation. The Unfunded Accrued Liability is the excess of the Accrued Liability over the Actuarial Value of Assets.

		as of January 1	
Accrued Liability		<u>2014</u>	<u>4/1/2013</u>
Active Employees	\$		\$ 13,685,918
Children Annuities			0
Disability Annuities			0
Retirement Annuities			18,074,999
Surviving Spouse Annuities			590,352
Terminated Vested Annuities			<u>419,899</u>
Total Annuities			19,085,250
 Total Accrued Liability			 32,771,168
 Actuarial Value of Assets			 <u>22,238,394</u>
 Unfunded Accrued Liability/(Surplus)	 \$		 \$ <u>10,532,774</u>
 Percent Funded			 67.9%

## TAX LEVY REQUIREMENT

The Public Act 096-1495 Tax Levy Requirement is determined as the annual contribution necessary to fund the normal cost, plus the amount to amortize the excess (if any) of ninety percent (90%) of the accrued liability over the actuarial value of assets as a level percentage of payroll over a thirty (30) year period which commenced in 2011, plus an adjustment for interest. Prior to 2011, the amortization amount was equal to the amount to amortize the unfunded accrued liability as a level percentage of payroll over a forty (40) year period which commenced in 1993. Beginning in 2011, the amortization period remains a forty (40) year period which commenced in 1993.

	For Year Ending December 31	
	<u>2014</u>	<u>3/31/2014</u>
Village Normal Cost as of Beginning of Year	\$	\$ 462,133
Amortization of Unfunded Accrued Liability/(Surplus)		562,830
Interest for One Year		<u>64,060</u>
Tax Levy Requirement as of End of Year	\$	\$ <u>1,089,023</u>
Public Act 096-1495 Tax Levy Requirement		
1) Normal Cost (PUC)		541,374
2) Accrued Liability (PUC)		31,926,408
3) Amortization Payment		254,840
4) Interest for One Year		49,763
5) PA 096-1495 Tax Levy Requirement (1 + 3 + 4)	\$	845,977

SUMMARY OF PLAN PARTICIPANTS

The actuarial valuation of the Plan is based upon the employee data furnished by the Village.  
 The information provided for Active participants included:

- Name
- Sex
- Date of Birth
- Date of Hire
- Compensation
- Employee Contributions

The information provided for Inactive participants included:

- Name
- Sex
- Date of Birth
- Date of Pension Commencement
- Monthly Pension Benefit
- Form of Payment

Membership	<u>2014</u>	<u>2014</u>	<u>2013</u>	<u>2013</u>
Current Employees				
Vested			15	
Nonvested			<u>11</u>	
Total			<u>26</u>	
Inactive Participants		<u>Annual Benefits</u>		<u>Annual Benefits</u>
Children			0 \$	0
Disabled Employees			0	0
Retired Employees			23	1,409,759
Surviving Spouses			4	117,759
Terminated Vesteds			<u>3</u>	<u>69,550</u>
Total			<u>30</u>	<u>1,597,068</u>
Annual Payroll			\$	2,405,882

SUMMARY OF PLAN PARTICIPANTS (Continued)

Age and Service Distribution

Service Age	0-4	5-9	10-14	15-19	20-24	25-29	30+	Total	Salary
20-24									
25-29									
30-34									
35-39									
40-44									
45-49									
50-54									
55-59									
60+									
Total									
Salary									

Average Age: 39.6                      Average Service: 11.5

DURATION (years)    Active Members: 19.0    Retired Members: 8.9    All Members: 13.1

PROJECTED PENSION PAYMENTS

2014                      2015                      2016                      2017                      2018

## SUMMARY OF PLAN PROVISIONS

The Plan Provisions have not been changed from the prior year.

The Village of Winnetka Police Pension Fund was created and is administered as prescribed by "Article 3. Police Pension Fund - Municipalities 500,000 and Under" of the Illinois Pension Code (Illinois Compiled Statutes, 1992, Chapter 40). A brief summary of the plan provisions is provided below.

Employees attaining the age of (50) or more with (20) or more years of creditable service are entitled to receive an annual retirement benefit of (2.5%) of final salary for each year of service up to (30) years, to a maximum of (75%) of such salary.

Employees with at least (8) years but less than (20) years of credited service may retire at or after age (60) and receive a reduced benefit of (2.5%) of final salary for each year of service.

Surviving spouses receive (100%) of final salary for fatalities resulting from an act of duty, or otherwise the greater of (50%) of final salary or the employee's retirement benefit.

Employees disabled in the line of duty receive (65%) of final salary.

The monthly pension of a covered employee who retired with (20) or more years of service after January 1, 1977, shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least (55) years, by (3%) of the originally granted pension. Beginning with increases granted on or after July 1, 1993, the second and subsequent automatic annual increases shall be calculated as (3%) of the amount of the pension payable at the time of the increase.

Employees are required to contribute (9.91%) of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than (20) years of service, accumulated employee contributions may be refunded without accumulated interest.

For Employees hired after January 1, 2011, the Normal Retirement age is attainment of age 55 and completion of 10 years of service; Early Retirement age is attainment of age 50, completion of 10 years of service and the Early Retirement Factor is 6% per year; the Employee's Accrued Benefit is based on the Employee's final 8-year average salary not to exceed \$106,800 (as indexed); Cost-of-living adjustments are simple increases (not compounded) of the lesser of 3% or 50% of CPI beginning the later of the anniversary date and age 60; Surviving Spouse's Benefits are 66 2/3% of the Employee's benefit at the time of death.

## ACTUARIAL METHODS

The Actuarial Methods employed for this valuation are as follows:

### Projected Unit Credit Cost Method (for years beginning on or after 2011 for PA 096-1495)

Under the Projected Unit Credit Cost Method, the Normal Cost is the present value of the projected benefit (including projected salary increases) earned during the year.

The Accrued Liability is the present value of the projected benefit (including projected salary increases) earned as of the actuarial valuation date. The Unfunded Accrued Liability is the excess of the Accrued Liability over the plan's assets. Experience gains or losses adjust the Unfunded Accrued Liability.

### Entry Age Normal Cost Method

Under the Entry Age Normal Cost Method the Normal Cost for each participant is computed as the level percentage of pay which, if paid from the earliest age the participant is eligible to enter the plan until retirement or termination, will accumulate with interest to sufficiently fund all benefits under the plan. The Normal Cost for the plan is determined as the sum of the Normal Costs for all active participants.

The Accrued Liability is the theoretical amount that would have accumulated had annual contributions equal to the Normal Cost been paid. The Unfunded Accrued Liability is the excess of the Accrued Liability over the plan's assets. Experience gains or losses adjust the Unfunded Accrued Liability.

## ACTUARIAL ASSUMPTIONS

The Actuarial Assumptions used for determining the Tax Levy Requirement and GASB Statements No. 25 & 27 Disclosure Information are the same (except where noted) and have not been materially changed from the prior year. The methods and assumptions disclosed in this report may reflect statutory requirements and may reflect the responsibility of the Principal and its advisors. Unless specifically noted otherwise, each economic and demographic assumption was selected in accordance with Actuarial Standards of Practice 27 and 35 and may reflect the views and advice of advisors to the Principal. In the event a method or assumption conflicts with the actuary's professional judgment, the method or assumption is identified in this report. The Actuarial Assumptions employed for this valuation are as follows:

Valuation Date	January 1, 2014
Asset Valuation Method	5-year Average Market Value (PA 096-1495)
Investment Return	6.25% net of investment expenses.
Salary Scale	5.50%
Mortality	RP 2000 Mortality Table (BCA, +1M, -4F, 2x>105), adjusted for future mortality improvement using 1-year setback after 15 years.
Withdrawal	Based on studies of the Fund and the Department of Insurance, Sample Rates below
Disability	Based on studies of the Fund and the Department of Insurance, Sample Rates below
Retirement	Uniform distribution from ages 50-62 (100% by age 62)
Marital Status	80% Married, Female spouses 3 years younger
Plan Expenses	None

ACTUARIAL ASSUMPTIONS (Continued)

<u>Sample Annual Rates Per 100 Participants</u>				
<u>Age</u>	<u>Mortality</u>	<u>Withdrawal</u>	<u>Disability</u>	<u>Retirement</u>
20	0.04	6.00	0.07	
25	0.04	6.00	0.08	
30	0.08	5.10	0.10	
35	0.12	4.10	0.14	
40	0.14	2.85	0.20	
45	0.19	1.74	0.31	
50	0.27		0.52	20.00
55	0.50		0.99	41.67
60	0.94		1.74	83.33
62	1.23			100.00

GASB STATEMENTS NO. 25 & 27 DISCLOSURE INFORMATION

The Governmental Accounting Standards Board (GASB) issued Statements No. 25 & 27 that established generally accepted accounting principles for the annual financial statements for defined benefit pension plans. The required information is as follows:

Membership in the plan consisted of the following as of:

	<u>December 31, 2013</u>	<u>March 31, 2013</u>
Retirees and beneficiaries receiving benefits		27
Terminated plan members entitled to but not yet receiving benefits		3
Active vested plan members		15
Active nonvested plan members		<u>11</u>
Total		<u>56</u>
Number of participating employers		1

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) -Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
03/31/12	21,321,703	31,240,020	9,918,317	68.3%	2,277,911	435.4%
03/31/13	22,592,558	32,771,168	10,178,610	68.9%	2,405,882	423.1%
12/31/13						

GASB STATEMENTS NO. 25 & 27 DISCLOSURE INFORMATION (Continued)

ANNUAL PENSION COST AND NET PENSION OBLIGATION

	<u>December 31, 2013</u>	<u>March 31, 2013</u>
Annual required contribution		992,534
Interest on net pension obligation		(25,187)
Adjustment to annual required contribution		<u>20,727</u>
Annual pension cost		988,074
Contributions made		<u>997,534</u>
Increase (decrease) in net pension obligation		(9,460)
Net pension obligation beginning of year		<u>(402,999)</u>
Net pension obligation end of year		<u>(412,459)</u>

THREE-YEAR TREND INFORMATION

Fiscal Year <u>Ending</u>	Annual Pension Cost (APC) <u>Cost (APC)</u>	Percentage of APC <u>Contributed</u>	Net Pension Obligation <u>Obligation</u>
03/31/12	952,840	101.2%	(402,999)
03/31/13	988,074	101.0%	(412,459)
12/31/13			

GASB STATEMENTS NO. 25 & 27 DISCLOSURE INFORMATION (Continued)

FUNDING POLICY AND ANNUAL PENSION COST

Contribution rates:

Village	41.46%
Plan members	Same

Annual pension cost 988,074

Contributions made 997,534

Actuarial valuation date 12/31/2013 03/31/2013

Actuarial cost method Entry age Same

Amortization period Level percentage of pay, closed Same

Remaining amortization period 19 years 20 years

Asset valuation method Market Same

Actuarial assumptions:

Investment rate of return\* 6.25% Same

Projected salary increases\* 5.50% Same

\*Includes inflation at 3.00% Same

Cost-of-living adjustments Tier 1: 3.00% per year, compounded  
Tier 2: 2.00% per year, simple Same



**VILLAGE OF WINNETKA**  
**WINNETKA FIREFIGHTERS PENSION FUND**

Actuarial Valuation Report  
For the Year  
Beginning January 1, 2014  
And Ending December 31, 2014

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*Timothy W. Sharpe, Actuary, Geneva, IL (630) 262-0600*

## TABLE OF CONTENTS

	<u>Page</u>
Introduction	3
Summary of Results	4
Actuarial Valuation of Assets	6
Asset Changes During Prior Year	7
Normal Cost	8
Accrued Liability	9
Tax Levy Requirement	10
Summary of Plan Participants	11
Duration	12
Projected Pension Payments	12
Summary of Plan Provisions	13
Actuarial Method	14
Actuarial Assumptions	15
GASB Statements No. 25 & 27 Disclosure	17

## INTRODUCTION

Fire-sworn personnel of the Village of Winnetka are covered by the Firefighters Pension Plan that is a defined-benefit, single-employer pension plan. The purpose of this report is to provide to the Intended Users of this report, specifically the Intended Users are the Village Officials, the Pension Board and the Village and Pension Board auditors, the reporting requirements of the Illinois Pension Code, the GASB Statements No. 25 & 27 financial information and related actuarial information for the year stated in this report. This report is not intended for distribution or usage to or by anyone who is not an Intended User and should not be used for any other purpose.

The valuation results reported herein are based on the employee data, plan provisions and the financial data provided by the Village. The actuary has relied on this information and does not assume responsibility for the accuracy or completeness of this information. I hereby certify that to the best of my knowledge this report is complete and accurate and fairly presents the actuarial position of the Fund in accordance with generally accepted actuarial principles and procedures. In my opinion, the assumptions used are reasonably related to the experience of the Plan and to reasonable expectations. A reasonable request for supplementary information not included in this report should be directed to the undersigned actuary.

The actuary cautions the Intended Users of the possibility of uncertainty or risks in any of the results in this report.

I, Timothy W. Sharpe, am an Enrolled Actuary and a member of the American Academy of Actuaries, and I meet the Qualifications Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

Respectfully submitted,



Timothy W. Sharpe, EA, MAAA  
Enrolled Actuary No. 14-4384

11/3/2014

Date

## SUMMARY OF RESULTS

There were no material changes with respect to Plan Provisions, Actuarial Methods or Actuarial Assumptions from the prior year. The fiscal year has been changed to the calendar year from April 1 - March 31.

There were no unexpected changes with respect to the participants included in this actuarial valuation (0 new members, 0 terminations, 0 retirements, 0 incidents of disability, annual payroll increase 2.2%, average annual salary increase 2.2%).

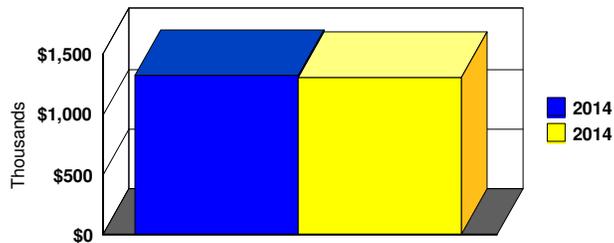
There were no unexpected changes with respect to the Fund's investments from the prior year (annual investment return 14.62%).

The Village's Tax Levy Requirement has increased slightly from \$1,315,341 last year to \$1,327,823 this year (0.9%). The slight increase in the Tax Levy is due to the increase in salaries, and was offset due to the investment return was greater than assumed. The Percent Funded has increased from 60.4% last year to 61.9% this year.

SUMMARY OF RESULTS (Continued)

	For Year Ending December 31	
	<u>2014</u>	<u>3/31/2014</u>
Tax Levy Requirement	\$ 1,327,823	\$ 1,315,341
	as of January 1	
	<u>2014</u>	<u>4/1/2013</u>
Village Normal Cost	513,509	526,261
Anticipated Employee Contributions	211,147	206,678
Accrued Liability	34,438,062	33,634,153
Actuarial Value of Assets	21,304,214	20,315,292
Unfunded Accrued Liability/(Surplus)	13,133,848	13,318,861
Amortization of Unfunded Accrued Liability/(Surplus)	736,207	711,707
Percent Funded	61.9%	60.4%
Annual Payroll	\$ 2,233,182	\$ 2,185,912

**TAX LEVY REQUIREMENT**  
as of December 31



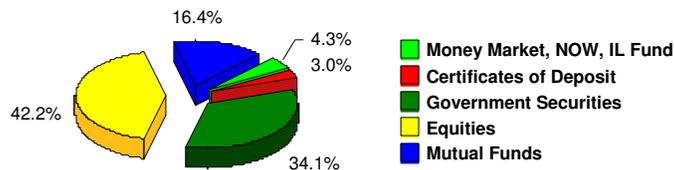
ACTUARIAL VALUATION OF ASSETS

		as of January 1	
		<u>2014</u>	<u>4/1/2013</u>
Money Market, NOW, IL Fund	\$	986,104	\$ 1,470,147
Certificates of Deposit		681,079	
Government Securities		7,777,246	8,194,502
Equities		9,640,086	7,823,756
Mutual Funds		3,741,136	3,322,888
Interest Receivable		44,251	50,859
Miscellaneous Receivable/(Payable)		<u>(213,278)</u>	<u>(119,168)</u>
Market Value of Assets		<u>22,656,625</u>	<u>20,742,984</u>
Actuarial Value of Assets	\$	21,304,214	\$ 20,315,292

FYE 2012-2013 (Gain)/Loss: (\$40,296); (\$504,392); (\$1,292,071)

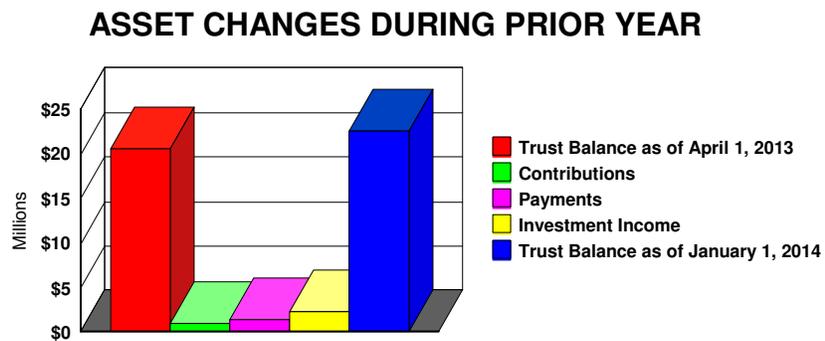
**SUMMARY OF ASSETS**

As Of January 1, 2014



## ASSET CHANGES DURING PRIOR YEAR

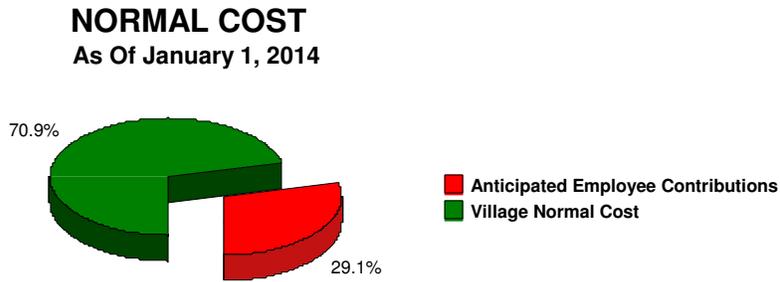
Trust Balance as of April 1, 2013		\$	20,742,984
<b>Contributions</b>			
Village	898,545		
Employee	<u>157,599</u>		
Total			1,056,144
<b>Payments</b>			
Benefit Payments	1,301,584		
Expenses	<u>97,284</u>		
Total			1,398,868
Investment Income			<u>2,256,366</u>
Trust Balance as of January 1, 2014		\$	<u>22,656,625</u>
Approximate Annual Rate of Return (annualized)			14.62%



**NORMAL COST**

The Normal Cost is the actuarial present value of the portion of the projected benefits that are expected to accrue during the year based upon the actuarial valuation method and actuarial assumptions employed in the valuation.

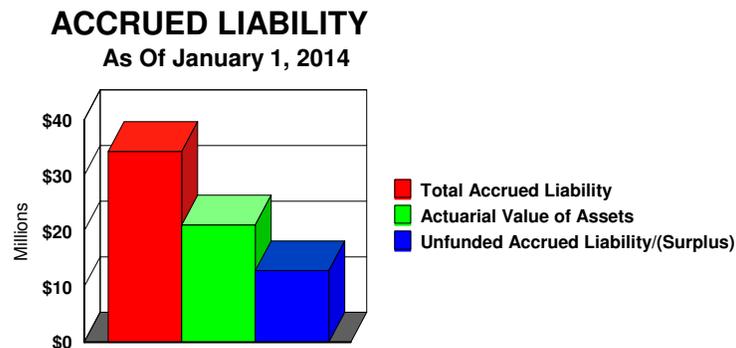
		as of January 1	
		<u>2014</u>	<u>4/1/2013</u>
Total Normal Cost	\$	724,656	\$ 732,939
Anticipated Employee Contributions		<u>211,147</u>	<u>206,678</u>
Village Normal Cost		<u>513,509</u>	<u>526,261</u>
Normal Cost Payroll	\$	2,233,182	\$ 2,185,912
Village Normal Cost Rate		22.99%	24.08%
Total Normal Cost Rate		32.45%	33.53%



## ACCRUED LIABILITY

The Accrued Liability is the actuarial present value of the portion of the projected benefits that has been accrued as of the valuation date based upon the actuarial valuation method and actuarial assumptions employed in the valuation. The Unfunded Accrued Liability is the excess of the Accrued Liability over the Actuarial Value of Assets.

	as of January 1	
Accrued Liability	<u>2014</u>	<u>4/1/2013</u>
Active Employees	\$ 11,846,061	\$ 11,063,983
Children Annuities	0	0
Disability Annuities	1,191,007	1,209,694
Retirement Annuities	18,500,254	18,831,928
Surviving Spouse Annuities	2,900,740	2,528,548
Terminated Vested Annuities	<u>0</u>	<u>0</u>
Total Annuities	22,592,001	22,570,170
Total Accrued Liability	34,438,062	33,634,153
Actuarial Value of Assets	<u>21,304,214</u>	<u>20,315,292</u>
Unfunded Accrued Liability/(Surplus)	\$ <u>13,133,848</u>	\$ <u>13,318,861</u>
Percent Funded	61.9%	60.4%

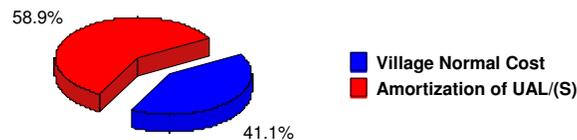


## TAX LEVY REQUIREMENT

The Public Act 096-1495 Tax Levy Requirement is determined as the annual contribution necessary to fund the normal cost, plus the amount to amortize the excess (if any) of ninety percent (90%) of the accrued liability over the actuarial value of assets as a level percentage of payroll over a thirty (30) year period which commenced in 2011, plus an adjustment for interest. Prior to 2011, the amortization amount was equal to the amount to amortize the unfunded accrued liability as a level percentage of payroll over a forty (40) year period which commenced in 1993. Beginning in 2011, the amortization period remains a forty (40) year period which commenced in 1993.

	For Year Ending December 31	
	<u>2014</u>	<u>3/31/2014</u>
Village Normal Cost as of Beginning of Year	\$ 513,509	\$ 526,261
Amortization of Unfunded Accrued Liability/(Surplus)	736,207	711,707
Interest for One Year	<u>78,107</u>	<u>77,373</u>
Tax Levy Requirement as of End of Year	\$ <u>1,327,823</u>	\$ <u>1,315,341</u>
 Public Act 096-1495 Tax Levy Requirement		
1) Normal Cost (PUC)	552,603	541,520
2) Accrued Liability (PUC)	33,389,250	32,758,328
3) Amortization Payment	354,637	359,667
4) Interest for One Year	56,703	56,324
5) PA 096-1495 Tax Levy Requirement (1 + 3 + 4)	\$ 963,943	957,511

### TAX LEVY REQUIREMENT For Fiscal Year Ending December 31, 2014



SUMMARY OF PLAN PARTICIPANTS

The actuarial valuation of the Plan is based upon the employee data furnished by the Village.  
 The information provided for Active participants included:

- Name
- Sex
- Date of Birth
- Date of Hire
- Compensation
- Employee Contributions

The information provided for Inactive participants included:

- Name
- Sex
- Date of Birth
- Date of Pension Commencement
- Monthly Pension Benefit
- Form of Payment

Membership	<u>2014</u>	<u>2014</u>	<u>2013</u>	<u>2013</u>
Current Employees				
Vested	13		12	
Nonvested	<u>11</u>		<u>12</u>	
Total	<u>24</u>		<u>24</u>	
Inactive Participants		<u>Annual Benefits</u>		<u>Annual Benefits</u>
Children	0 \$	0	0 \$	0
Disabled Employees	2	96,971	2	96,971
Retired Employees	19	1,295,778	19	1,295,778
Surviving Spouses	9	342,697	9	342,697
Terminated Vesteds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	<u>30</u>	<u>1,735,446</u>	<u>30</u>	<u>1,735,446</u>
Annual Payroll	\$	2,233,182	\$	2,185,912

SUMMARY OF PLAN PARTICIPANTS (Continued)

Age and Service Distribution

Service Age	0-4	5-9	10-14	15-19	20-24	25-29	30+	Total	Salary
20-24									
25-29								2	76,525
30-34	4	3						7	81,989
35-39			2	1				3	95,254
40-44		1	2	1				4	104,875
45-49						1		1	87,295
50-54						4		4	102,660
55-59	1			1				2	107,859
60+							1	1	87,295
<b>Total</b>	<u>7</u>	<u>4</u>	<u>4</u>	<u>3</u>	<u>5</u>	<u>1</u>	<u>0</u>	<u>24</u>	<u>93,049</u>
<b>Salary</b>	83,939	91,496	104,702	91,864	99,587	87,295			

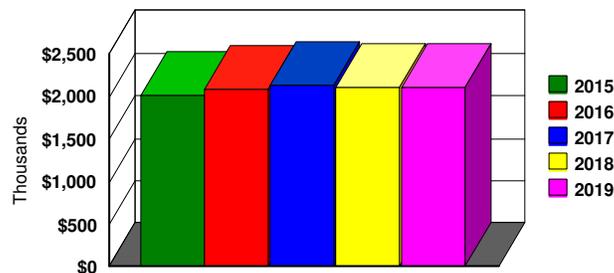
Average Age: 41.4      Average Service: 11.9

DURATION (years)    Active Members: 17.0    Retired Members: 8.8    All Members: 11.4

PROJECTED PENSION PAYMENTS

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$2,026,288	\$2,080,967	\$2,134,196	\$2,124,192	\$2,111,608

**PROJECTED PENSION PAYMENTS**  
2015-2019



## SUMMARY OF PLAN PROVISIONS

The Plan Provisions have not been changed from the prior year.

The Village of Winnetka Firefighters Pension Fund was created and is administered as prescribed by "Article 4. Firefighters' Pension Fund - Municipalities 500,000 and Under" of the Illinois Pension Code (Illinois Compiled Statutes, 1992, Chapter 40). A brief summary of the plan provisions is provided below.

Employees attaining the age of (50) or more with (20) or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held on the last day of service. The pension shall be increased by (1/12) of (2.5%) of such monthly salary for each additional month of service over (20) years up to (30) years, to a maximum of (75%) of such monthly salary.

Employees with at least (10) years but less than (20) years of credited service may retire at or after age (60) and receive a reduced benefit ranging from (15%) of final salary for (10) years of service to (45.6%) for 19 years of service.

Surviving spouses receive (100%) of final salary for fatalities resulting from an act of duty, or otherwise the greater of (54%) of final salary or the monthly retirement pension that the deceased firefighter was receiving at the time of death. Surviving children receive (12%) of final salary. The maximum family survivor benefit is (75%) of final salary.

Employees disabled in the line of duty receive (65%) of final salary.

The monthly pension of a covered employee who retired with (20) or more years of service after January 1, 1977, shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least (55) years, by (3%) of the amount of the pension payable at the time of the increase.

Employees are required to contribute (9.455%) of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than twenty (20) years of service, accumulated employee contributions may be refunded without accumulated interest.

For Employees hired after January 1, 2011, the annual retirement benefit is (2.5%) of final average salary for each year of service up to (30) years, to a maximum of (75%) of such salary, the Normal Retirement age is attainment of age 55 and completion of 10 years of service; Early Retirement age is attainment of age 50, completion of 10 years of service and the Early Retirement Factor is 6% per year; the Employee's Accrued Benefit is based on the Employee's final 8-year average salary not to exceed \$106,800 (as indexed); Cost-of-living adjustments are simple increases (not compounded) of the lesser of 3% or 50% of CPI beginning the later of the anniversary date and age 60; Surviving Spouse's Benefits are 66 2/3% of the Employee's benefit at the time of death.

## ACTUARIAL METHODS

The Actuarial Methods employed for this valuation are as follows:

### Projected Unit Credit Cost Method (for years beginning on or after 2011 for PA 096-1495)

Under the Projected Unit Credit Cost Method, the Normal Cost is the present value of the projected benefit (including projected salary increases) earned during the year.

The Accrued Liability is the present value of the projected benefit (including projected salary increases) earned as of the actuarial valuation date. The Unfunded Accrued Liability is the excess of the Accrued Liability over the plan's assets. Experience gains or losses adjust the Unfunded Accrued Liability.

### Entry Age Normal Cost Method

Under the Entry Age Normal Cost Method the Normal Cost for each participant is computed as the level percentage of pay which, if paid from the earliest age the participant is eligible to enter the plan until retirement or termination, will accumulate with interest to sufficiently fund all benefits under the plan. The Normal Cost for the plan is determined as the greater of a) the sum of the Normal Costs for all active participants, and b) 17.5% of the total payroll of all active participants.

The Accrued Liability is the theoretical amount that would have accumulated had annual contributions equal to the Normal Cost been paid. The Unfunded Accrued Liability is the excess of the Accrued Liability over the plan's assets. Experience gains or losses adjust the Unfunded Accrued Liability.

## ACTUARIAL ASSUMPTIONS

The Actuarial Assumptions used for determining the Tax Levy Requirement and GASB Statements No. 25 & 27 Disclosure Information are the same (except where noted) and have not been materially changed from the prior year (discussion on page 4). The methods and assumptions disclosed in this report may reflect statutory requirements and may reflect the responsibility of the Principal and its advisors. Unless specifically noted otherwise, each economic and demographic assumption was selected in accordance with Actuarial Standards of Practice 27 and 35 and may reflect the views and advice of advisors to the Principal. In the event a method or assumption conflicts with the actuary's professional judgment, the method or assumption is identified in this report. The Actuarial Assumptions employed for this valuation are as follows:

Valuation Date	January 1, 2014
Asset Valuation Method	5-year Average Market Value (PA 096-1495)
Investment Return	6.25% net of investment expenses.
Salary Scale	5.50%
Mortality	RP 2000 Mortality Table (BCA, +1M, -4F, 2x>105), adjusted for future mortality improvement using 1-year setback after 15 years.
Withdrawal	Based on studies of the Fund and the Department of Insurance, Sample Rates below
Disability	Based on studies of the Fund and the Department of Insurance, Sample Rates below
Retirement	Uniform distribution from ages 50-62 (100% by age 62)
Marital Status	80% Married, Female spouses 3 years younger
Plan Expenses	None

ACTUARIAL ASSUMPTIONS (Continued)

<u>Sample Annual Rates Per 100 Participants</u>				
<u>Age</u>	<u>Mortality</u>	<u>Withdrawal</u>	<u>Disability</u>	<u>Retirement</u>
20	0.04	4.02	0.17	
25	0.04	3.45	0.19	
30	0.08	2.56	0.20	
35	0.12	1.79	0.24	
40	0.14	1.14	0.30	
45	0.19	0.62	0.41	
50	0.27		0.62	20.00
55	0.50		1.09	41.67
60	0.94		1.84	83.33
62	1.23			100.00

GASB STATEMENTS NO. 25 & 27 DISCLOSURE INFORMATION

The Governmental Accounting Standards Board (GASB) issued Statements No. 25 & 27 that established generally accepted accounting principles for the annual financial statements for defined benefit pension plans. The required information is as follows:

Membership in the plan consisted of the following as of:

	<u>December 31, 2013</u>	<u>March 31, 2013</u>
Retirees and beneficiaries receiving benefits	30	30
Terminated plan members entitled to but not yet receiving benefits	0	0
Active vested plan members	13	12
Active nonvested plan members	<u>11</u>	<u>12</u>
Total	<u>54</u>	<u>54</u>
Number of participating employers	1	1

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) -Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
03/31/12	19,447,295	31,767,269	12,319,974	61.2%	2,042,804	603.1%
03/31/13	20,742,984	33,634,153	12,891,169	61.7%	2,185,912	589.7%
12/31/13	22,656,625	34,438,062	11,781,437	65.8%	2,233,182	527.6%

GASB STATEMENTS NO. 25 & 27 DISCLOSURE INFORMATION (Continued)

ANNUAL PENSION COST AND NET PENSION OBLIGATION

	<u>December 31, 2013</u>	<u>March 31, 2013</u>
Annual required contribution	1,191,031	1,108,794
Interest on net pension obligation	(25,876)	(25,284)
Adjustment to annual required contribution	<u>22,281</u>	<u>20,806</u>
Annual pension cost	1,187,436	1,104,316
Contributions made	<u>898,545</u>	<u>1,113,794</u>
Increase (decrease) in net pension obligation	288,891	(9,478)
Net pension obligation beginning of year	<u>(414,023)</u>	<u>(404,545)</u>
Net pension obligation end of year	<u>(125,132)</u>	<u>(414,023)</u>

THREE-YEAR TREND INFORMATION

Fiscal Year <u>Ending</u>	Annual Pension Cost (APC) <u>Cost (APC)</u>	Percentage of APC Contributed <u>Contributed</u>	Net Pension Obligation <u>Obligation</u>
03/31/12	933,751	101.2%	(404,545)
03/31/13	1,104,316	100.9%	(414,023)
12/31/13	1,187,436	75.7%	(125,132)

GASB STATEMENTS NO. 25 & 27 DISCLOSURE INFORMATION (Continued)

FUNDING POLICY AND ANNUAL PENSION COST

Contribution rates:

Village		40.236%	50.953%
Plan members		9.455%	Same
Annual pension cost		1,187,436	1,104,316
Contributions made		898,545	1,113,794
Actuarial valuation date		12/31/2013	03/31/2013
Actuarial cost method		Entry age	Same
Amortization period	Level percentage of pay, closed		Same
Remaining amortization period		19 years	20 years
Asset valuation method		Market	Same
Actuarial assumptions:			
Investment rate of return*		6.25%	Same
Projected salary increases*		5.50%	Same
*Includes inflation at		3.00%	Same
Cost-of-living adjustments	Tier 1: 3.00% per year, compounded Tier 2: 2.00% per year, simple		Same