

**AGENDA**  
**COMMITTEE OF THE WHOLE MEETING**  
**Village Hall – Board Room**  
**Monday, September 23, 2019**  
**Following Regular Village Board Meeting**

*Reasonable accommodations / auxiliary aids will be provided to enable persons with disabilities to effectively participate in any public meetings of the Board. Please contact the Village Administrative Office (847.883.8600) 48 hours in advance if you need special accommodations to attend. The Committee of the Whole will not proceed past 10:30 p.m. unless there is a consensus of the majority of the Trustees to do so. Citizens wishing to address the Board on agenda items may speak when the agenda item is open, prior to Board discussion.*

**CALL TO ORDER****1.0 ROLL CALL****2.0 ITEMS OF GENERAL BUSINESS****2.1 Planning, Zoning and Land Use**

2.11 Consideration and Direction Regarding a Request to Amend Title 12 (Sign Control) of the Lincolnshire Village Code to Allow Electronic Menu Board for Food Establishments with a Drive-Through (Keyser Industries/McDonald's Restaurant - 450 Milwaukee Avenue)

**2.2 Finance and Administration**

2.21 Receipt and Consideration of Report by Visit Lake County (Village of Lincolnshire)

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

2.23 Consideration and of an Ordinance Authorizing the Disposal of Surplus Property (Village of Lincolnshire)

**2.3 Public Works**

2.31 Consideration of the Community Christian Church of Lincolnshire's Request to Use Village Streets for a Community 5K Race/Walk and Waiver of the Village Street Usage Policy Cash Bond Requirement (Community Christian Church of Lincolnshire)

**2.4 Public Safety**

2.41 Consideration of an Ordinance Amending Title 3 (Business and License Regulations), Chapter 3 (Liquor Control), Section 3-3-2-1 (Liquor License Classes) of the Lincolnshire Village Code (Village of Lincolnshire)

**2.5 Parks and Recreation****2.6 Judiciary and Personnel****3.0 UNFINISHED BUSINESS****4.0 NEW BUSINESS****5.0 EXECUTIVE SESSION****6.0 ADJOURNMENT**

**REQUEST FOR BOARD ACTION  
Committee of the Whole  
September 23, 2019**

**Subject:** Sign Control Code (Title 12) Amendment – Electronic Menu Boards

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**Action Requested:** Consideration and Direction Regarding a Request to Amend Title 12 (Sign Control) of the Lincolnshire Village Code to Allow Electronic Menu Boards for Food Establishments with a Drive-Through

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**Petitioner:** Keyser Industries/McDonald's Restaurant – 450 Milwaukee Avenue

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**Originated By/Contact:** Tonya Zozulya, Planning & Development Manager

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**Referred To:** Architectural Review Board

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**Background:**

- Keyser Industries ("petitioner"), on behalf of the McDonald's Restaurant at 450 Milwaukee Avenue, seeks an amendment to Title 12 (Sign Control) of the Lincolnshire Village Code (Village Code) to replace two existing manual menu board signs with two new electronic menu board signs. The request is supported by Franchise Realty Investment Trust, the owner of the McDonald's property.
- Section 12-18-1(C) of the Lincolnshire Village Code (Sign Variance) allows petitioners to proceed directly to the Architectural Review Board (ARB) for a public hearing regarding sign code amendment and variation requests. However, Keyser Industries/McDonald's requested an opportunity to appear before the Village Board (Board) prior to proceeding to the Architectural Review Board to obtain the Board's input. Staff is supportive of the petitioner's request to receive the Village Board's initial consideration and direction.
- If approved, the code amendment will benefit McDonald's as well as other restaurants with a drive-through in the Commercial and Office/Industrial Sign Districts. In addition to McDonald's, existing Lincolnshire restaurants with a drive-through are Culver's and Dunkin' Donuts. To date, Culver's and Dunkin' Donuts have not requested electronic menu boards. Staff contacted them to obtain their perspective on whether the code amendment would be of value to them and is awaiting their response.
- Section 12-11-1(R) of the Sign Control Code (Prohibited Signs) includes electronic menu boards for restaurant establishments with a drive-through. Currently, only manual boards are permitted.
- Section 12-9-1(A)(3) of the Sign Control Code (Sign Construction and Design: Specific Standards by Sign Type) currently regulates manual menu boards as follows: "In addition to a ground sign, drive-through establishments are permitted one (1) menu board sign, whether constructed as a ground sign or double post sign, no more than forty (40) square feet in sign area, no more than six (6) feet in height and no less than twenty (20) feet from any lot line."
- Menu boards are also subject to the general items of information limit applicable to all permanent signs per Section 12-8-1(H), allowing no more than two items of information

(i.e., individual message types). The menu board display, as a whole, is considered one item of information. A business logo may be considered a second item of information.

- Electronic menu boards are becoming increasingly popular among food establishments who desire the flexibility and consistency of programming menu items, rather than manual changes to menus. McDonald's has been replacing manual menu boards with electronic menu boards nationwide, per a corporate deployment program to increase customer satisfaction and provide consistent pricing information. The switch also allows McDonald's to reduce the size of menu boards and make them easier to read and program.
- The Petitioner's submittal packet (Document 2) details McDonald's electronic menu board proposal for their Lincolnshire site, including board placement, design, and other parameters. McDonald's proposes to replace two existing 43-square-foot manual menu boards with two new 20-square-foot electronic menu boards. No site or building changes are proposed.
- Other restaurants with a drive-through may have different operational requirements for menu boards. Therefore, the proposed code amendment will be drafted to regulate menu boards broadly to allow for variability in restaurant operations while establishing a specific set of standards. Manual menu boards would continue to be allowed by code and restaurants would have the ability to apply for either manual boards or electronic boards.

#### **Project Overview and Staff Comments:**

- Staff contacted the communities of Deerfield, Bannockburn, and Glenview to obtain their menu board requirements. The petitioner indicated these communities recently amended their codes at McDonald's request to allow electronic menu boards. The City of Highland Park is currently drafting a similar code change.
- Additionally, staff surveyed other communities regarding this matter through a Northwest Municipal Conference survey in January 2019. Out of nine communities who responded to, seven indicated permissibility for electronic menu boards. These communities include Buffalo Grove, Libertyville, and Lake Zurich.
- Staff and the Village Attorney have drafted an amendment to Village Code Section 12-11-1(R) to allow electronic menu boards with specific standards in Village Code Section 12-9-1(A)(3) – should the Village Board be interested in referring this request to the ARB for further study and recommendations. Additionally, staff proposes a new requirement for both manual and electronic menu boards to include landscaping at the base of each menu board to soften their appearance and provide screening. Staff shared these proposed amendments with the petitioner, who found them acceptable.
- The current regulations and proposed amendments (in bold italics) are shown below:

Section 12-9-1(A)(3): "In addition to a ground sign, drive-through establishments are permitted one (1) menu board sign, whether constructed as a ground sign or double post sign, no more than forty (40) square feet in sign area, no more than six (6) feet in height and no less than twenty (20) feet from any lot line. ***Menu boards shall be landscaped at the base with evergreen plantings.***

**Menu boards may use an electronic sign, provided it complies with the following standards:**

- 1. The menu board content may change only once per meal service (breakfast, lunch and dinner);**
  - 2. Electronic signs shall be turned off when the drive-through service aisle is closed to patrons;**
  - 3. Menu boards may not emit sound, except as part of the communication between the business and the patron;**
  - 4. The content displayed on the electronic sign, and the transition between messages or images, will not use any flashing, blinking or intermittent lights or other means not providing constant illumination, including strobe lights, spotlights or floodlights;**
  - 5. The content displayed on the electronic sign will use static images and will not use any animation;**
  - 6. The brightness level of the electronic sign will be limited to [TBD], with the electronic sign equipped with a light sensor programmed to automatically adjust the brightness based on ambient light levels; and**
  - 7. Pursuant to Section 12-8-1(H)(3), each electronic message sign shall be counted as one item of information. The Village shall interpret and apply this rule so that the electronic message portion of the menu board shall count as one item of information only if all content of the electronic message pertains to the same subject matter at any one time. Electronic messages containing more than one subject matter at the same time shall be characterized as two items of information.**
- Standard #6 above regarding the permitted brightness level has an undetermined brightness level as staff is not prepared to make a definitive recommendation and will need to study this further together with the ARB. Preliminary staff findings are:
    - McDonald's menu board technology enables them to set brightness to between 500 and 2,500 nits.
    - Deerfield limits the brightness level to no less than 500 nits and no more than 1,500 nits both for the daytime and nighttime display (the intent is for the 500 nits limit to be used at night and up to 1,500 nits during the day). Staff learned this threshold was established after careful consideration and research, including Deerfield staff and advisory board visits to the Wheeling McDonald's location.
    - Glenview limits it to 500 nits, which applies to daytime and nighttime conditions.
    - Bannockburn, Buffalo Grove, Libertyville, and the other communities who responded to the survey do not regulate electronic menu board brightness levels.
    - Lincolnshire has limited the Marriott Resort electronic signs, Stevenson High School electronic sign, and Culver's electronic signs to up to 5,000 nits during the day and no more than 1,000 nits at night. Staff believes the menu board limit should be less, given drivers are in close proximity to these signs, allowing for greater legibility than the existing ground electronic signs.

#### **Approval Process:**

1. Courtesy presentation at the Village Board - Current.
2. Public Hearing at the ARB and recommendations to the Village Board.
3. Final consideration and potential approval by the Village Board.

**Recommendation:**

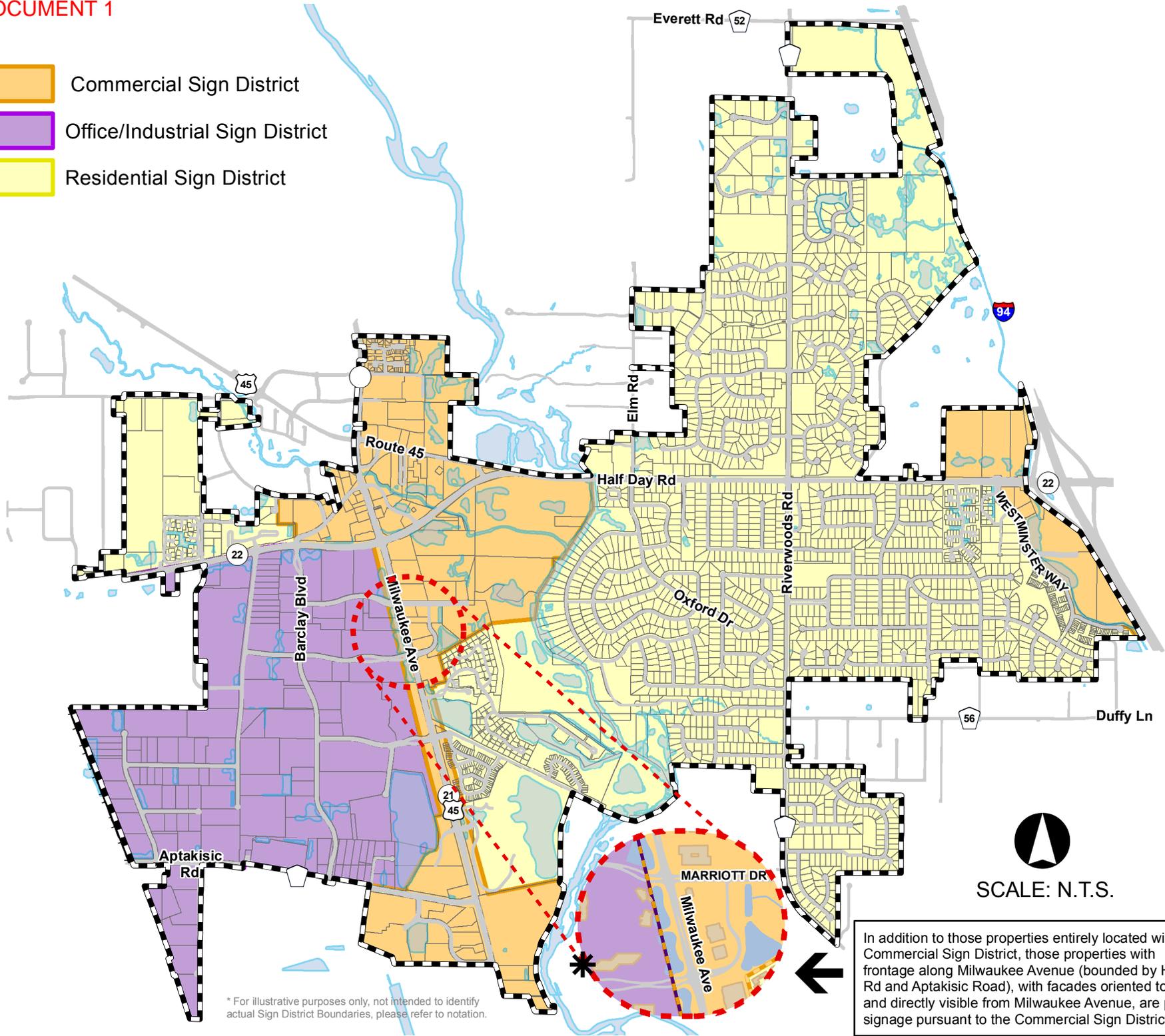
Consideration and feedback to staff and the petitioner.

**Reports and Documents Attached:**

- Document 1: Sign District map.
- Document 2: Letter of request and packet prepared by Keyser Industries, dated September 9, 2019.
- Document 3: Existing Sign Code chapters regarding menu board regulations.

<b>Meeting History</b>	
Courtesy Presentation (COW)	September 23, 2019

-  Commercial Sign District
-  Office/Industrial Sign District
-  Residential Sign District



\* For illustrative purposes only, not intended to identify actual Sign District Boundaries, please refer to notation.

  
SCALE: N.T.S.

In addition to those properties entirely located within the Commercial Sign District, those properties with frontage along Milwaukee Avenue (bounded by Half Day Rd and Aptakisc Road), with facades oriented towards and directly visible from Milwaukee Avenue, are permitted signage pursuant to the Commercial Sign District.



September 9, 2019

Village of Lincolnshire  
Attn: Mayor Elizabeth Brandt and Village Trustees  
One Olde Half Day Rd  
Lincolnshire, IL 60069

Re: Code Text Amendment Request – McDonald's  
450 Milwaukee Avenue Store

Mayor Elizabeth Brandt and Village Trustees:

I'm a Senior Project Manager and permitting specialist with Keyser Industries, one of five national integrators hired by McDonald's to manage the implementation of their ODMB (Outdoor Menu Board) drive-thru maintenance and update project. Chris Prucnal is the franchisee owner/operator for the store located at 450 Milwaukee Avenue. We are requesting a sign code change to allow restaurant menu boards with electronic signs, which are currently prohibited.

The store operating hours for both the dining room and the drive-thru are Sunday – Thursday 5AM – 11PM and Friday – Saturday 5AM – 12AM.

This is a national deployment program directed by McDonald's Corporate to update the technology of their drive-thru menu boards to increase customer satisfaction and provide consistent promotional and product pricing information, particularly to equal the interior digital menu board pricing. This is not a self-created change by franchise owner/operators, and with about 70% of most sales going through the DT, it's imperative that stores have the new menu boards to help customers know what is sold and to order more quickly and efficiently. It also helps with the **safety** of our crew so they don't have to physically be in the drive-thru to change then manual changeable copy for day-shift menu parts and pricing. There is also a lower carbon footprint than legacy signs as POP (point of purchase) marketing materials (e.g. toppers and staked promotional items) will be phased out.



- Project Scope:
  - Replacing the two (2) existing menu boards with two (2) new menu boards; one (1) in each drive-through lane.
  - Installing new concrete footing for each sign and running new electrical conduit as needed.
  - The location and number of menu boards will remain the same.
  - No other site or building changes are proposed.

	<u>Pre-Existing Menu Boards</u>	<u>Proposed Digital Menu Boards</u>
<b>Signage Area:</b>	<ul style="list-style-type: none"> <li>• 43 ft<sup>2</sup> (each menu board)</li> <li>• 86 ft<sup>2</sup> total</li> </ul>	<ul style="list-style-type: none"> <li>• <b>20 ft<sup>2</sup> Menu Board</b> – Display Area Only (27 ft<sup>2</sup> including base/pole)</li> <li>• <b>40 ft<sup>2</sup> total</b></li> <li>• <b>Significantly smaller – 47% reduction</b></li> </ul>
<b>Sign Height</b>	<ul style="list-style-type: none"> <li>• 6.78’               <ul style="list-style-type: none"> <li>○ Screen – 54”</li> <li>○ Base – 19.73”</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• 5.97’               <ul style="list-style-type: none"> <li>○ Screen – 49.625”</li> <li>○ Pole – 22”</li> </ul> </li> </ul>
<b>Lighting:</b>	<ul style="list-style-type: none"> <li>• 56,850 Total Estimated Lumens</li> <li>• Not adjustable</li> </ul>	<ul style="list-style-type: none"> <li>• Equipped with both a dimmer control and a photocell that automatically adjusts the display’s intensity according to natural ambient light conditions.</li> <li>• The menu boards light levels are preset to adjust to 500 nits – 2,500 nits (which approximates to minimum of 8,565 Estimated Lumens to a maximum of 32,910 Lumens )</li> <li>• The light level preset can be adjusted to range as directed by each municipality</li> <li>• Foot-candle equivalent (refer to Deerfield’s ARC recommendation attachment)</li> <li>• The display’s default maximum brightness setting is 2,500nits, which represents 100% of brightness. The default minimum brightness setting is 500nits, which represents 20% of its max brightness.</li> <li>• Both default settings can be adjusted to meet different lighting requirements.</li> <li>• Easier to read; providing faster service and reduced queue time for cars in drive-thru lanes</li> </ul>





<b>Screen Content and Menu Changes</b>	<ul style="list-style-type: none"><li>• Manual changeable copy</li><li>• Menu boards are manually changed for each meal menu display (i.e. breakfast, lunch, dinner)</li></ul>	<ul style="list-style-type: none"><li>• Electronic Reader Boards (aka Electronic Changeable Copy Sign)</li><li>• Menu boards will change no more than three (3) times a day for each meal service (breakfast, lunch and dinner).</li><li>• All images will be static and there will be no flashing, blinking or intermittent lights or other means not providing constant illumination, including strobe lights, spotlights or floodlights.</li><li>• Content will be identical on both menu boards</li><li>• No video</li><li>• No scrolling or exposed LED fixtures</li><li>• The existing speakers will remain unchanged; however, the ordering screen will be covered on the speaker as customers will receive order confirmations on the menu boards</li><li>• The menu boards will be turned off during drive-thru non-operating hours.</li></ul>
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I've also included the following supplemental documents:

- PowerPoint presentation that provides several photo examples
- Bannockburn, IL – July 2019 – Sign Ordinance Text Amendment – Request Approved
- Deerfield, IL – July 2019 – Plan Commission Staff Report with Appearance Review Committee findings – Request Approved
- Glenview, IL – July 2019 – Appearance Review Staff Report – Request Approved

If you have any questions, please feel free to contact me. I look forward to working with all of you on this request and appreciate your time and consideration.

Kind Regards,

Michelle Freeman  
Senior Project Manager/Permit Specialist  
[michelle.freeman@explorekeyser.com](mailto:michelle.freeman@explorekeyser.com)  
O: 708.876.1249  
C: 708.910.4895

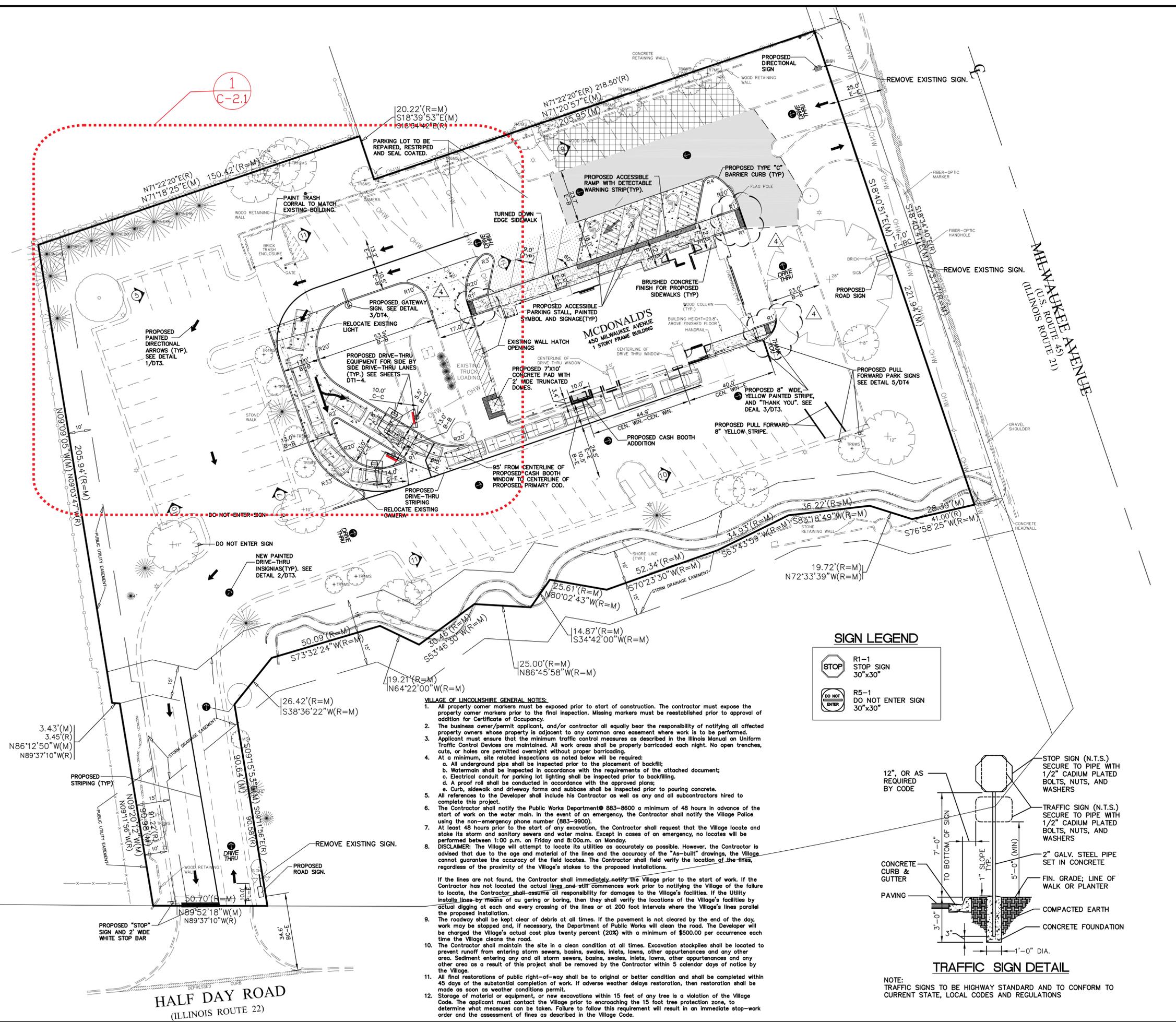
**AERIAL VIEW OF 450 MILWAUKEE AVENUE MARKED FOR PROPOSED BOARDS**





**DAY TIME – CLOSE UP**

**EXISTING MANUAL MENU BOARDS – LINCOLNSHIRE McDONALD'S**



**GENERAL NOTES:**

- THESE PLANS ARE BASED ON THE BOUNDARY AND TOPOGRAPHIC SURVEY (SURVEY PROJECT#11.0258 DATED 12 JANUARY, 2012) PREPARED BY: COMPASS SURVEYING LTD. 2631 GINGER WOODS PARKWAY STE. 100 1-630-891-9100.
- PRIOR TO CONSTRUCTION, CONTRACTOR TO CONTACT THE DESIGN ENGINEER AND ARCHITECT TO VERIFY THAT THEY ARE WORKING FROM THE MOST CURRENT SET OF PLANS AND SPECIFICATIONS.

**SITE SKETCH NOTES:**

- ALL RADIUS DIMENSIONS ARE TO BACK OF CURB.
- SEE ARCH. PLANS FOR EXACT BUILDING DIMENSIONS.
- ALL STRIPING TO BE DOUBLE COATED 4" WHITE PAINT UNLESS OTHERWISE NOTED.

**SITE DATA**

LOT AREA = 82,772 S.F.±(1.90 AC.±)  
 BUILDING AREA = 5,060 S.F.±

**ON SITE PARKING DATA**

**PARKING REQUIREMENTS:**  
 10 SPACES PER 1,000 S.F. OF GROSS FLOOR AREA  
 5,060 S.F.± \* 10 SPACES/1,000 S.F. = 50.6 OR 51 SPACES

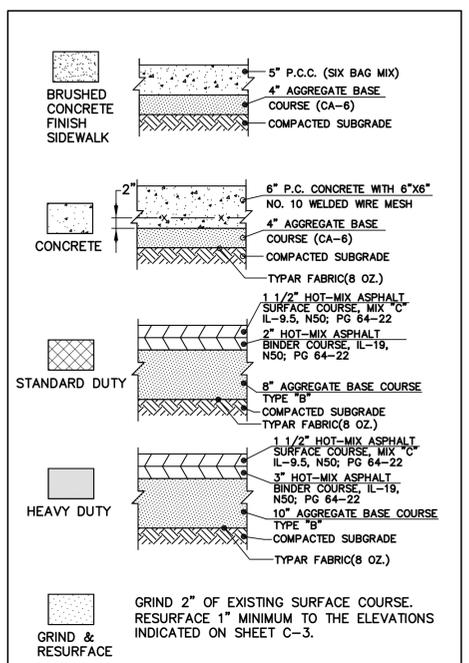
EXISTING SPACES = 70

**PROPOSED SPACES**

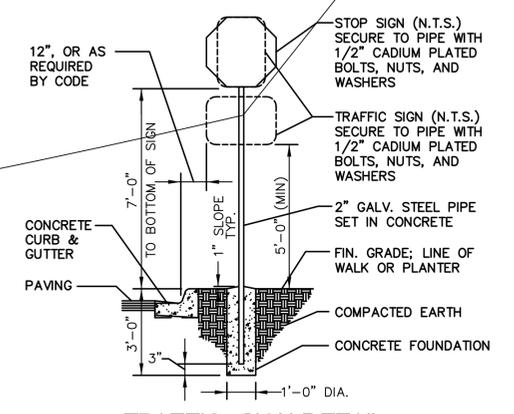
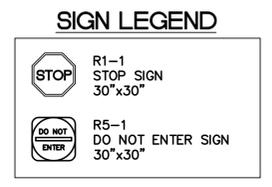
REGULAR SPACES	67
ADA ACCESSIBLE SPACES	3
TOTAL SPACES	70

70 PROPOSED SPACES > 51 REQUIRED SPACES

**McDONALD'S PAVEMENT LEGEND**

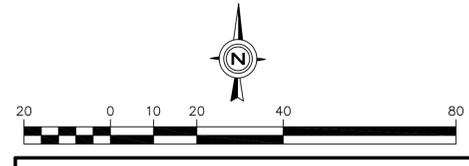


- NOTES:**
- REFERENCE I.D.O.T. STANDARD SPECIFICATIONS (LATEST EDITION) SECTION 406 FOR BINDER & SURFACE COURSES AND SECTION 351 FOR AGGREGATE BASE COURSE.
  - THE APPLICATION RATES FOR THE PRIME COAT AND TACK COAT ARE TO BE 0.30 AND 0.10 GALLONS PER SQUARE YARD, RESPECTIVELY.
  - THE ENTIRE SUBGRADE SHALL BE COMPACTED TO NOT LESS THAN 95% OF THE STANDARD LABORATORY DENSITY PER SECTION 301.
  - PROVIDE CONTRACTION JOINTS ON CONCRETE PAVEMENT AT 18' O.C. FOR SIDEWALKS, PROVIDE CONTROL JOINT AT 5' O.C., EXPANSION JOINTS AT 50' O.C.



NOTE:  
 TRAFFIC SIGNS TO BE HIGHWAY STANDARD AND TO CONFORM TO CURRENT STATE, LOCAL CODES AND REGULATIONS

- VILLAGE OF LINCOLNSHIRE GENERAL NOTES:**
- All property corner markers must be exposed prior to start of construction. The contractor must expose the property corner markers prior to the final inspection. Missing markers must be reestablished prior to approval of addition for Certificate of Occupancy.
  - The business owner/permit applicant, and/or contractor all equally bear the responsibility of notifying all affected property owners whose property is adjacent to any common area easement where work is to be performed.
  - Applicant must ensure that the minimum traffic control measures as described in the Illinois Manual on Uniform Traffic Control Devices are maintained. All work areas shall be properly barricaded each night. No open trenches, cuts, or holes are permitted overnight without proper barricading.
  - At a minimum, site related inspections as noted below will be required:
    - All underground pipe shall be inspected prior to the placement of backfill;
    - Watermain shall be inspected in accordance with the requirements of the attached document;
    - Electrical conduit for parking lot lighting shall be inspected prior to backfilling;
    - A proof roll shall be conducted in accordance with the approved plans;
    - Curb, sidewalk and driveway forms and subbase shall be inspected prior to pouring concrete.
  - All references to the Developer shall include his Contractor as well as any and all subcontractors hired to complete this project.
  - The Contractor shall notify the Public Works Department 883-8600 a minimum of 48 hours in advance of the start of work on the water main. In the event of an emergency, the Contractor shall notify the Village Police using the non-emergency phone number (883-9900).
  - At least 48 hours prior to the start of any excavation, the Contractor shall request that the Village locate and stake its storm and sanitary sewers and water mains. Except in cases of an emergency, no locates will be performed between 1:00 p.m. on Friday and 8:00 a.m. on Monday.  
 DISCLAIMER: The Village will attempt to locate its utilities as accurately as possible. However, the Contractor is advised that due to the age and material of the lines and the accuracy of the "As-built" drawings, the Village cannot guarantee the accuracy of the field locates. The Contractor shall verify the location of the lines, regardless of the proximity of the Village's stakes to the proposed installations.
  - If the lines are not found, the Contractor shall immediately notify the Village prior to the start of work. If the Contractor has not located the actual lines and still commences work prior to notifying the Village of the failure to locate, the Contractor shall assume all responsibility for damages to the Village's facilities. If the Utility installs lines by means of augering or boring, then they shall verify the locations of the Village's facilities by actual digging at each and every crossing of the lines or at 200 foot intervals where the Village's lines parallel the proposed installation.
  - The roadway shall be kept clear of debris at all times. If the pavement is not cleared by the end of the day, work may be stopped and, if necessary, the Department of Public Works will clean the road. The Developer will be charged the Village's actual cost plus twenty percent (20%) with a minimum of \$500.00 per occurrence each time the Village cleans the road.
  - The Contractor shall maintain the site in a clean condition at all times. Excavation stockpiles shall be located to prevent runoff from entering storm sewers, basins, swales, inlets, lawns, other appurtenances and any other area. Sediment entering any and all storm sewers, basins, swales, inlets, lawns, other appurtenances and any other area as a result of this project shall be removed by the Contractor within 5 calendar days of notice by the Village.
  - All final restorations of public right-of-way shall be to original or better condition and shall be completed within 45 days of the substantial completion of work. If adverse weather delays restoration, then restoration shall be made as soon as weather conditions permit.
  - Storage of material or equipment, or new excavations within 15 feet of any tree is a violation of the Village Code. The applicant must contact the Village prior to encroaching the 15 foot tree protection zone, to determine what measures can be taken. Failure to follow this requirement will result in an immediate stop-work order and the assessment of fines as described in the Village Code.



**GEOMETRIC PLAN**

C-2  
 LC #12-1052

DATE: 11.06.12, 12.07.12, 12.10.12, 01.08.13

REVISIONS: PER BRAND REVIEW 10.30.12, REVISION A PER VILLAGE REVIEW, PER CASH BOOTH RELOCATION, PER VILLAGE REVIEW

NO. 1, 2, 3, 4

Prepared For: Lingle Design Group, Inc., 158 W. Main Street, Lena, IL 61048

McDONALD'S - LINCOLNSHIRE, IL  
 450 Milwaukee Avenue, Lincolnshire, Illinois

Prepared By: **Watermark Engineering Resources, Ltd.**  
 2631 Ginger Woods Parkway, Suite 100, Aurora, IL 60502  
 phone 630-375-1600 fax 630-236-9800 www.watermark-engineering.com

CHECKED BY: J.MILLER  
 DESIGN BY: K.SACK  
 DRAWN BY: BC, DO  
 DATE: OCTOBER 25, 2012  
 SCALE: 1" = 20'  
 PROJECT NO.: 11-112

**GEOMETRIC PLAN**

**BUILDING/ELECTRICAL/MECHANICAL COMMENTS:**

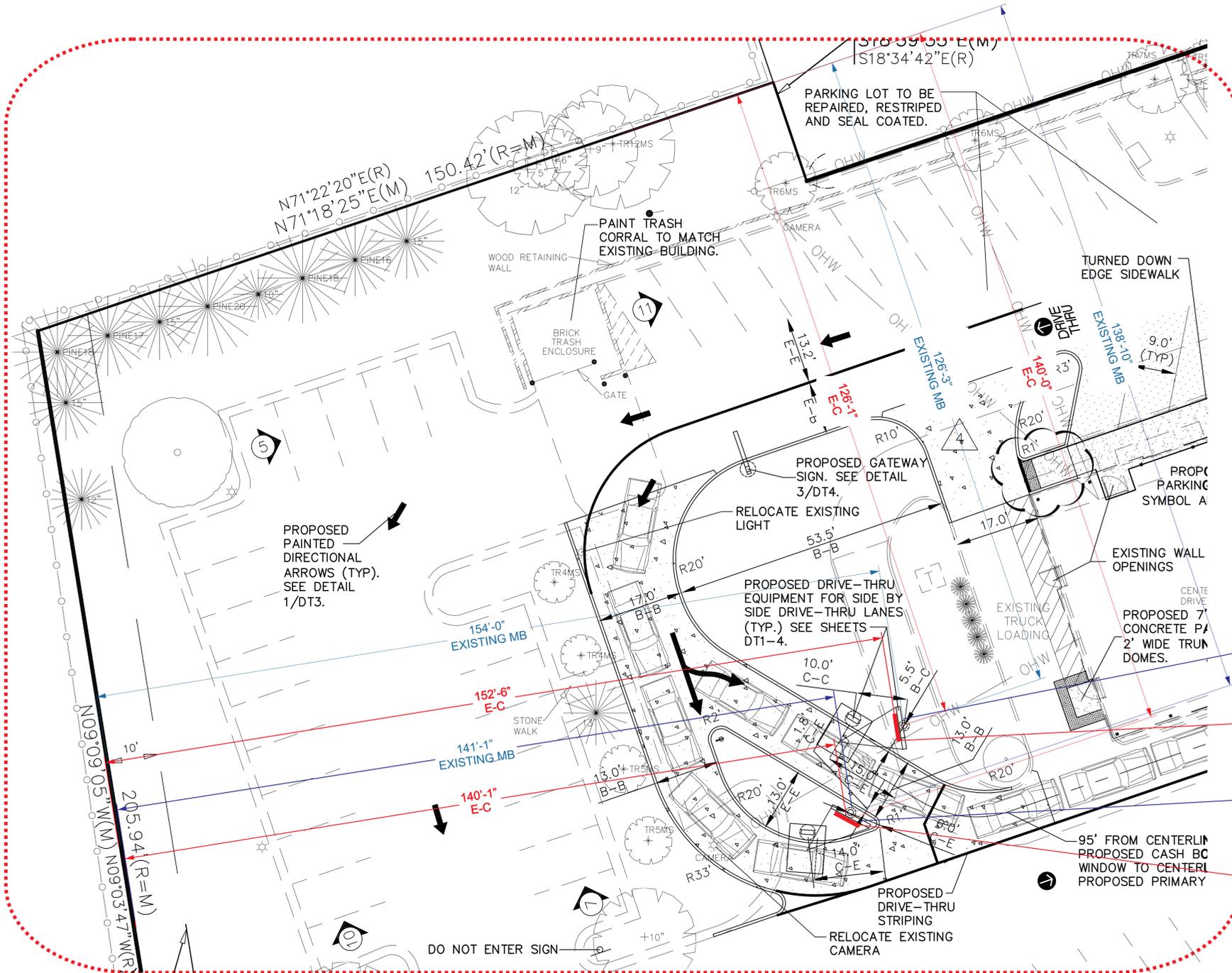
MENU BOARD IS ELECTRIFIED, USING EXISTING DEDICATED 20AMP CIRCUIT FOR EACH D/T LANE AN WILL HAVE ISOLATED GROUNDS.

CONDUIT: EXISTING TO HOME RUN IS 2". NEW FEEDER WILL BE 3/4" FOR LINE VOLTAGE. ALL CONDUIT EXISTING WILL BE SCHEDULE 40PVC UNDERGROUND.

LINE VOLTAGE WIRING: 4#12 & 1#12 ISOLATED GND TO EXISTING PANEL FOR ISOLATED GROUND POWER TO MENU BOARDS

LOW VOLTAGE CABLING: CAT-6 OUTDOOR & UNDERGROUND RATED BELKIN CABLING TO EXISTING NETWORK DATE SWITCH FOR COMMUNICATION TO MENU BOARDS.

**\*NO EXISTING PREBROWSE AND NEW PREBROWSE\***



A) NEW LANE 1 MENU BOARD INSTALLATION-REMOVE OLD BOARD  
 SCREEN DIMS: 4'-10"W x 4'-1 5/8"H x 1'-1 1/2"D  
 TOTAL BOARD HEIGHT (WITH BASE): 5'-11 5/8"H  
 MINIMUM SETBACK FROM PUBLIC WAY: 40'  
 NEW SCREEN SQUARE FOOTAGE: 20'  
 OLD SCREEN SQUARE FOOTAGE: 43' **Double Screen**

B) NEW LANE 2 MENU BOARD INSTALLATION-REMOVE OLD BOARD  
 SCREEN DIMS: 4'-10"W x 4'-1 5/8"H x 1'-1 1/2"D  
 TOTAL BOARD HEIGHT (WITH BASE): 5'-11 5/8"H  
 MINIMUM SETBACK FROM PUBLIC WAY: 40'  
 NEW SCREEN SQUARE FOOTAGE: 20'  
 OLD SCREEN SQUARE FOOTAGE: 43' **Double Screen**

C) EXISTING DRIVE-THRU EQUIPMENT TO BE REMOVED

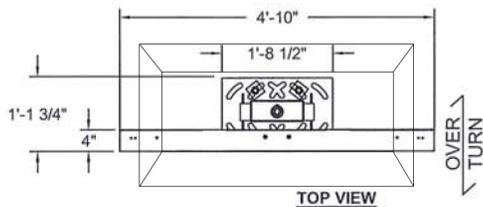
1 Drive Thru Order Point  
 SCALE: N.T.S

NO.	1	2	3	4
REVISIONS				
DATE				
Prepared For:				
Lingle Design Group, Inc. 158 W. Main Street Lena, IL 61048				
McDONALD'S - LINCOLNSHIRE, IL 450 Milwaukee Avenue Lincolnshire, Illinois				
Prepared By:				
2631 Ginger Woods Parkway, Suite 100, Aurora, IL 60502 phone 630-375-1600 fax 630-236-9800 www.watermark-engineering.com				
CHECKED BY:	DESIGN BY:	DRAWN BY:	DATE:	PROJECT NO.:
				11-112
C-2.1				
LC #12-1052				
GEOMETRIC PLAN				

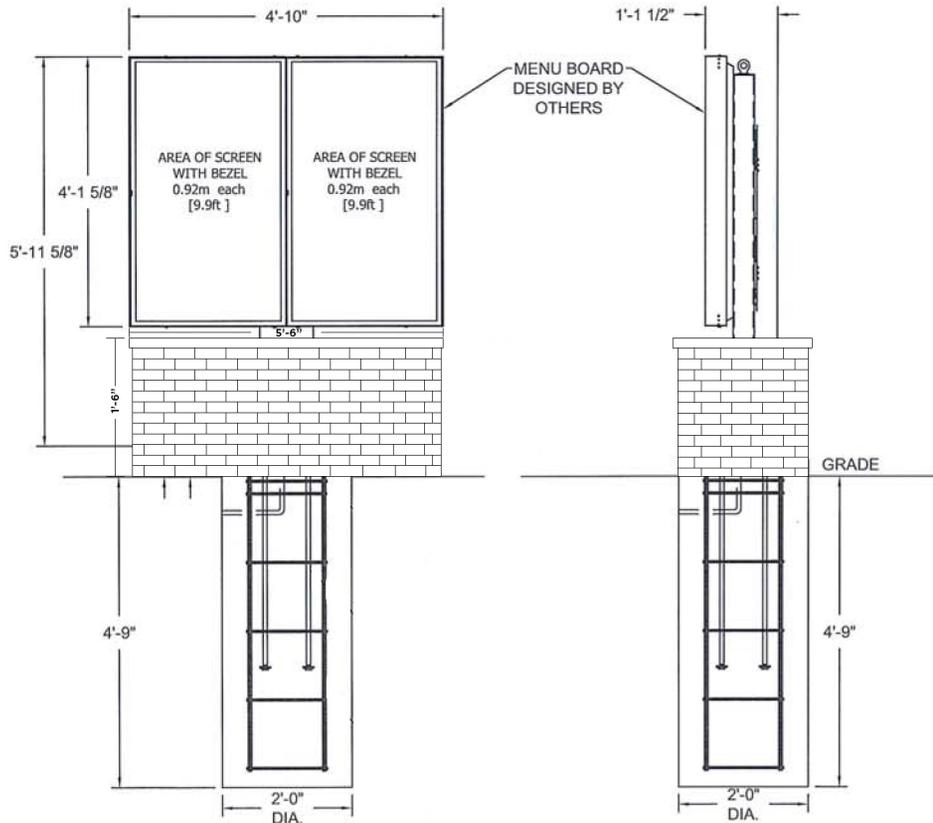


SIGN CABINET  
DESIGN BY OTHERS.

ELECTRICAL/ILLUMINATION  
DESIGN BY OTHERS.



ALL STEEL SHALL BE  
HOT DIP GALVANIZED.



Notes:

- This is a prototypical design based on the following design criteria:  
Building Code: IBC 2012  
Wind Speed: 115 MPH, Exposure C  
Category II
- Foundation analysis assumes soil class 4. The allowable bearing pressure should be verified prior to placement of concrete. In the event that the stated requirements are not met and conditions appear deleterious, cease and secure excavation and immediately contact THE CLIENT.
- Caisson foundation is based on a presumptive safe lateral soil bearing pressure minimum of 150 psf per foot of depth. Isolated lateral bearing footings subject to short-term lateral loads and not adversely affected by a 1/2" motion at grade are permitted to be designed using twice the tabulated value of the corresponding soil class.
- Foundation shall not be placed on, or at the top of a slope exceeding 3:1 without evaluation by a competent Professional Engineer. Do not place foundation in fill.
- Concrete shall be mixed to attain a minimum 28 day compressive strength of 3000 psi.
- Steel reinforcing bars shall conform to ASTM A615, Grade 60 with deformations, in accordance with ASTM A305. Welding of reinforcement is prohibited.
- Anchor bolts shall meet ASTM F1554 Grade 36 and shall be galvanized to prevent corrosion.
- All support members shall be free from defects. Steel tubes shall meet ASTM A500 Grade B with a minimum yield strength of 46000 psi. Steel pipe shall meet ASTM A53 Grade B with a minimum yield strength of 35000 psi. Steel angle, channel, and plate shall meet ASTM A36.
- Steel welds shall be made with E70XX electrodes by persons qualified in accordance with AWS standards within the past two years.
- Structural bolts shall meet ASTM A325 and be zinc coated unless noted otherwise. Heavy hex nuts shall meet ASTM A563 and washers shall meet ASTM F436 when used with high strength bolts. All high strength bolts shall be tightened using the Turn-of-Nut method unless noted otherwise.
- This engineer will not be responsible for safety on the jobsite before, during, or after the installation of this structure. It is the responsibility of the owners, contractors, and installers to ensure that the installation of this structure is completed using methods that fully comply with OSHA regulations.
- Any deviation from this design or from any part of this drawing without prior written consent of this engineer voids this drawing in its entirety.
- The design depicted on this drawing is prototypical, and should not be used at a specific site unless deemed suitable for that site by a competent Professional Engineer.

NOTE: All designs depicted on this drawing are the sole property of Campbell Consulting Engineering, LLC developed specifically for this project. Use of these designs for any purpose other than the intended application without written consent of Campbell Consulting Engineering, LLC is prohibited. Disclosure of the information presented herein, without Owner's consent, is a violation of intellectual property and will not be tolerated.

McDONALD'S DOUBLE FACE MENU BOARD  
PROTOTYPICAL 115 MPH-INSTALL

CLIENT:



COATES  
1142 W. MADISON STREET, SUITE 304  
CHICAGO, IL 60607



382 HIGH STREET MARYVILLE, TN 37804 865-980-8881 CCENGINEER.COM

SHEET 1	BY RDG	PROJECT NO. 17-140-D
OF 2	DATE 11/2/2017	DRAWING NO. B101019-B



**NIGHT TIME – CLOSE UP**

**EXISTING MANUAL MENU BOARDS – LINCOLNSHIRE McDONALD'S**

L



This is 60 = 1500 nits

MMS  
11:11 AM

L



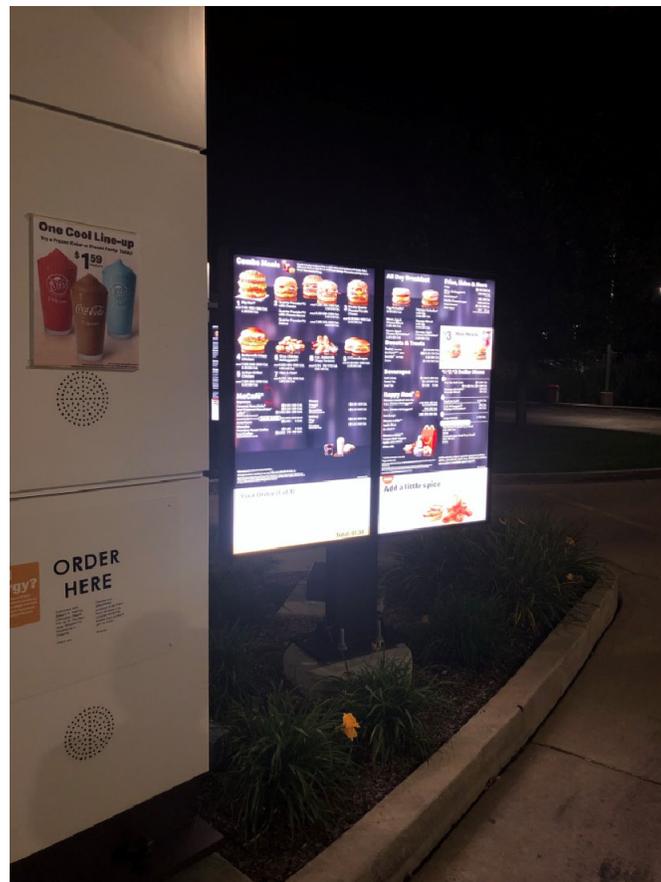
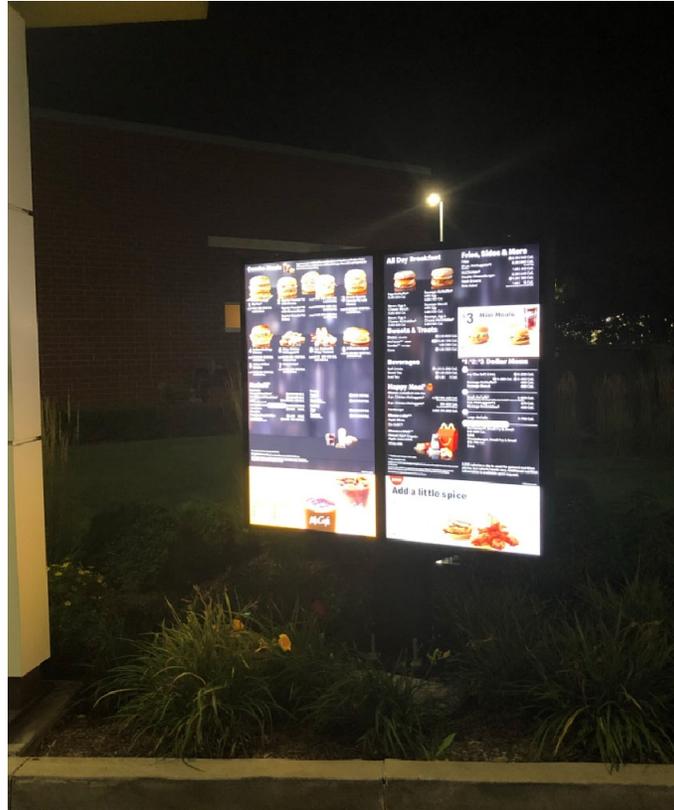
This is 20 = 500 nits

MMS  
11:12 AM

THIS IS THE MIN (500 NITS) AND MAX (1,500 NITS) THAT DEERFIELD ARC SETTLED ON DURING THEIR FIELD TRIP TO THE WHEELING STORE



# NEW MENU BOARDS – NORTHBROOK, IL – NIGHT



VILLAGE OF BANNOCKBURN

ORDINANCE NUMBER 2019-O-12

**AN ORDINANCE FURTHER AMENDING THE EXISTING SPECIAL USE  
PERMIT AND GRANTING VARIATIONS AND OTHER APPROVALS  
RELATED TO SIGNAGE AND LOT COVERAGE FOR A FAST FOOD  
RESTAURANT AT THE BANNOCKBURN GREEN RETAIL CENTER**  
(2529 and 2595 Waukegan Road)

Adopted by the  
President and Board of Trustees  
of  
the Village of Bannockburn  
this 8<sup>th</sup> day of July, 2019

Published in pamphlet form by direction  
and authority of the Village of Bannockburn,  
Lake County, Illinois  
this 9<sup>th</sup> day of July, 2019



**VILLAGE OF BANNOCKBURN**  
**ORDINANCE NUMBER 2019-O-12**

**AN ORDINANCE FURTHER AMENDING THE EXISTING SPECIAL USE PERMIT AND GRANTING VARIATIONS AND OTHER APPROVALS RELATED TO SIGNAGE AND LOT COVERAGE FOR A FAST FOOD RESTAURANT AT THE BANNOCKBURN GREEN RETAIL CENTER**  
(2529 and 2595 Waukegan Road)

**WHEREAS**, AP POB Bannockburn, LLC ("**Owner**") is the owner of certain property located generally at the southeast corner of Waukegan Road and Half Day Road in the Village of Bannockburn on property commonly known as 2529 and 2595 Waukegan Road and legally described in **Exhibit A** attached hereto and made a part hereof ("**Property**"); and

**WHEREAS**, the Property is located in the "R" Retail District under the Bannockburn Zoning Code ("**Zoning Code**") and has been developed with a multi-tenant retail shopping center and ancillary uses known as the Bannockburn Green Retail Center ("**BGRC**"); and

**WHEREAS**, pursuant to Ordinance No. 2006-29, as amended from time to time including by Ordinance No. 2015-03, the Village approved a comprehensive amendment to the special use permit and other approvals ("**Special Use Permit**") for the BGRC on the Property; and

**WHEREAS**, the Special Use Permit, among other things, approved plans for the Property that designated four outlots (identified as Outlots A, B, C, and D) and provide for each such outlot to be developed with a one-story, freestanding commercial building, subject to certain use restrictions; and

**WHEREAS**, pursuant to Ordinance No. 2015-03, the Special Use Permit approved development of the outlot identified as Outlot A ("**Outlot A**") for a fast food restaurant and related facilities by the Owner and its tenant McDonald's USA, LLC ("**Applicant**") and approved Plans (as defined in Ordinance No. 2015-03) for such development; and

**WHEREAS**, in connection with the existing fast food restaurant use, Applicant now desires to install outdoor dining facilities (the "**Outdoor Dining Facilities**") and certain new and

replacement signage (the "**New Signs**") on Outlot A, all as depicted on the plans attached hereto as **Exhibit B** (the "**2019 Plans**"); and

**WHEREAS**, development of the Outdoor Dining Facilities would increase the lot coverage for the Property to approximately 75.016%, which exceeds the maximum lot coverage of 75% previously approved by the Special Use Permit; and

**WHEREAS**, pursuant to Section 260-406.C(15) of the Zoning Code, the Village Board is authorized to increase the allowable lot coverage for properties within the R District to a maximum of 75.02% pursuant to special use permit; and

**WHEREAS**, the New Signs do not strictly conform to the requirements of Section 260-906 of the Zoning Code, including without limitation the requirements governing the number, size, and colors of the New Signs; and

**WHEREAS**, pursuant to Section 260-1153.E(1)(d)(3) of the of the Zoning Code, the Village Board is authorized to vary the size, number, type, and location requirements for any signs within the R District; and

**WHEREAS**, Applicant and Owner have jointly filed an application with the Village requesting the following relief:

(i) an amendment to the Special Use Permit to:

(a) increase the maximum allowable lot coverage for the Property to 75.02% pursuant to Section 260-406.C(15) of the Zoning Code; and

(b) modify and supplement the Plans (as defined in Ordinance No. 2015-03) with the 2019 Plans (collectively the "**Requested SUP Amendments**"); and

(ii) approval of variations pursuant to Section 260-1153.E(1)(d)(3) of the Zoning Code to authorize installation of the New Signs in accordance with the 2019 Plans (the "**Requested Variations**") and, collectively with the Requested SUP Amendments, the "**Requested Relief**"; and

**WHEREAS**, pursuant to notice duly published in the *Lake County News-Sun*, the Bannockburn Plan Commission/ Zoning Board of Appeals ("**PCZBA**") conducted a public hearing

on July 1, 2019 for the purpose of hearing and considering testimony on the Requested Relief;  
and

**WHEREAS**, the PCZBA, having fully heard and considered the testimony by all those attending the public hearing, made the following findings:

1. The Property is located in the "R" Retail District under the Zoning Code and is improved with a multi-tenant retail development commonly known as the BGRC.
2. Outlot A of the Property is developed with an approximately 3,958 square foot, one-story, free-standing fast food restaurant with a drive-through and other accessory structures and facilities in accordance with the Plans approved by Ordinance No. 2015-03.
3. The Owner and Applicant have jointly submitted an application to the Village for the Requested Relief, including the Requested SUP Amendments and the Requested Variations.
4. The evidence presented demonstrates that, subject to the terms and conditions of this Ordinance, approval of the Requested SUP Amendments will not adversely affect the development of the Property and will satisfy the required standards for a special use permit in the same manner as described in the Special Use Permit, and:
  - a. Will be in harmony with the general and specific purposes of the Zoning Code and the Bannockburn Comprehensive Plan;
  - b. Will not adversely impact any adjacent property;
  - c. Will not interfere with the use or development of neighboring properties;
  - d. Will not dominate the immediate vicinity of the Property;
  - e. Will be served adequately by essential public facilities;
  - f. Will not cause undue traffic congestion, will not draw traffic through residential streets, and will improve the safety and movement of traffic entering, exiting, and circulating within the Property; and
  - g. Will not unnecessarily destroy or damage any significant natural, scenic, or historic features of the Property.
5. The evidence presented further demonstrates that, subject to the terms and conditions of this Ordinance, all of the standards for recommending or granting variations and other relief are satisfied for the Requested Variations, as follows:
  - a. Carrying out the strict letter of the Zoning Code would create a particular hardship and practical difficulty to the Applicant and Owner;
  - b. The existing use of the Property as a multi-building retail development with outlot buildings creates unique physical conditions, including limitations due to existing internal drives, underground utilities, fences, landscaping, and other tenant improvements, that affect the use of Outlot A and are not self-created;

- c. Carrying out the strict letter of the Zoning Code would deprive the Owner and Applicant of substantial rights enjoyed by other lots subject to the same provisions;
  - d. The hardship is not merely the inability of the Owner or Applicant to enjoy some special privilege or additional right and is not solely an economic hardship;
  - e. The use and development of the Property will be in harmony with the general and specific purposes of the Zoning Code and the Bannockburn Comprehensive Plan;
  - f. The New Signs are consistent and compatible with surrounding land uses, and the Requested Variations will not impact the essential character of the area or impair surrounding properties or developments; and
  - g. There is no other reasonable remedy for the hardship;
6. The evidence presented demonstrates that the Requested Relief satisfies: (i) the requirements for granting special use permits under Section 260-1162.E of the Zoning Code with respect to the Requested SUP Amendments; (ii) the requirements for granting variations under Section 260-1153.F of the Zoning Code with respect to the Requested Variations; and (iii) all other standards and requirements applicable to the Requested Relief, subject to the terms and conditions hereinafter set forth; and

**WHEREAS**, based on such findings, the PCZBA recommended that the Village President and Board of Trustees grant the Requested Relief; and

**WHEREAS**, the President and Board of Trustees, having considered the Owner's and Applicant's application for the Requested Relief, the evidence and testimony presented, and the findings and recommendations of the PCZBA, have determined that it is in the best interests of the Village and its residents to grant Owner and Applicant the Requested Relief, subject to the terms and conditions of this Ordinance;

**NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF BANNOCKBURN, COUNTY OF LAKE, STATE OF ILLINOIS**, as follows:

**SECTION ONE:**      **Recitals.** The foregoing recitals are hereby incorporated into and made a part of this Ordinance as if fully set forth.

**SECTION TWO:**      **Amendment to Section 2.C of the Special Use Permit.** Pursuant to Sections 260-406.C(15) and 260-1162 of the Zoning Code, and subject to the limitations therein and the conditions set forth in Section 5 of this Ordinance, Paragraph C, entitled, "Lot Coverage"

of Section 2, entitled "Approval of Project" of Ordinance No. 2006-29 is hereby amended in part as follows:

**"SECTION TWO: Approval of Project.** Subject to the conditions in Sections Four, Five, and Six of this Ordinance, the Village Board of Trustees hereby approves the Project and the Project Plans for the Development (attached to this Ordinance as **Exhibits B-1, B-2, B-3, C, and D**). In connection with the development of the Project, the Village Board of Trustees grants the following relief to permit the Project to be constructed and maintained in accordance with the Project Plans:

\* \* \*

C. Lot Coverage Relief. Pursuant to ~~Paragraph 4-106D16~~ **Section 260-406.C(15)** of the Bannockburn Zoning Code, a special use permit to permit the lot coverage on the Property to exceed the maximum lot coverage of 70 percent required by Subsection ~~3-111E-260-411E~~ of the Bannockburn Zoning Code to a maximum lot coverage of not more than ~~75 percent~~ **75.02 percent.**"

\* \* \*

**SECTION THREE. Amendment to Special Use Permit Regarding Outlot A Plans.**

Pursuant to Sections 260-406 and 260-1162 of the Zoning Code, and subject to the limitations therein and the conditions set forth in Section 5 of this Ordinance, Owner and Applicant are hereby granted an amendment to the Special Use Permit to approve the 2019 Plans attached hereto as **Exhibit B** regarding establishment and maintenance of the Outdoor Dining Facilities and the New Signs on Outlot A. The Plans, as defined in and approved by Ordinance No. 2015-03, are hereby modified and supplemented by the 2019 Plans. In the event of a conflict between the Plans and the 2019 Plans, the 2019 Plans shall control. In all other respects, the Plans shall continue in full force and effect to govern development and use of the Property.

**SECTION FOUR: Variations.** Pursuant to Section 260-1153.E(1)(d)(3) of the Zoning Code, and subject to the limitations therein and the conditions set forth in Section 5 of this Ordinance, variations from Section 260-906 of the Zoning Code are hereby granted to permit the installation and maintenance of the New Signs in accordance with the 2019 Plans.

**SECTION FIVE.**      **Conditions on Approval.** The approvals granted pursuant to Sections 2, 3, and 4 of this Ordinance shall be, and are hereby, conditioned upon and limited by the following conditions, the violation of any of which (or any other provision of this Ordinance) shall, in the discretion of the President and Board of Trustees, render void the approvals granted by this Ordinance:

- A. **No Authorization of Work.** This Ordinance does not authorize commencement of any work on the Property. Except as otherwise specifically provided in writing in advance by the Village, no work of any kind shall be commenced on the Property pursuant to the approvals granted in this Ordinance except only after all permits, approvals, and other authorizations for such work have been properly applied for, paid for, and granted in accordance with applicable law.
- B. **Compliance with Plans.** The Outdoor Dining Facilities and the New Signs shall be constructed and maintained in substantial conformity with the 2019 Plans attached to this Ordinance as **Exhibit B**, subject to the conditions set forth in this Ordinance. Minor modifications to the Plans may be permitted without amendment to this Ordinance upon written authorization of the Village Engineer and Village Manager to address field conditions or compliance with regulatory requirements and the conditions of this Ordinance.
- C. **Compliance with Laws.** Except as otherwise expressly provided in this Ordinance, the Zoning Code and all other applicable ordinances and regulations of the Village shall continue to apply to the Property, Outlot A, the Outdoor Dining Facilities, and the New Signs. The development and use of the Property shall be in compliance with all laws and regulations of all other federal, state, and local governments and agencies having jurisdiction.
- D. **Fees and Costs.** Applicant and Owner shall reimburse the Village for all of its costs (including engineering, planning, and legal expenses) incurred in connection with the preparation, review, consideration, approval, implementation, or enforcement of this Ordinance. Any amount not paid within 60 days after delivery of a demand in writing for such payment shall, along with the interest and costs of collection, become a lien upon the Property, and the Village shall have the right to foreclose such lien in the name of the Village as in the case of foreclosure of liens against real estate.
- E. **Binding Effect/ Transferees.** The rights and obligations set forth in this Ordinance shall be binding on Applicant and Owner and any and all of their heirs, successors, and assigns of all or any portion of the Property. To the extent that a successor becomes bound to the obligations created herein pursuant to a transferee assumption agreement acceptable to the Village, and such successor demonstrates to the Village that it has the financial viability to meet the obligations herein, the Applicant or Owner shall be released from its obligations under this Ordinance to the extent of the transferee's assumption of such liability. The failure of the Petitioner to provide the Village with an enforceable transferee assumption agreement as herein provided shall result in the Applicant and Owner remaining fully liable for all of their obligations under

this Ordinance but shall not relieve the transferee of its liability for all such obligations as a successor to Applicant or Owner.

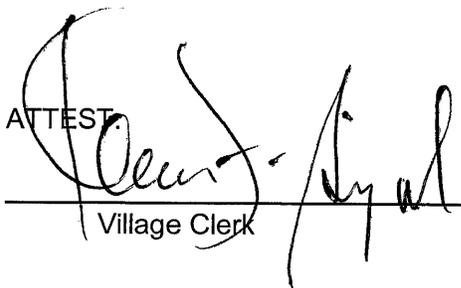
**SECTION SIX.**      **Continued Effect.** Except as expressly modified by this Ordinance, the Special Use Permit shall remain in full force and effect, and Applicant and Owner shall comply with all requirements, conditions, and restrictions therein. Any violation of the terms of the Special Use Permit shall be deemed a violation of this Ordinance. Any violation of this Ordinance shall be deemed a violation of the Special Use Permit and the Zoning Code.

**SECTION SEVEN.**      **Effective Date.** This Ordinance shall be in full force and effect from and after its passage, approval, and publication in pamphlet form in the manner provided by law; provided, however, that this Ordinance shall be of no force or effect unless or until Applicant and Owner shall have filed with the Village Clerk, within 60 days following the passage of this Ordinance, their fully executed unconditional agreement and consent, in the form attached hereto and hereby incorporated herein as **Exhibit C**, to accept and abide by each and all of the terms, conditions, and restrictions set forth herein. The Village Clerk is hereby directed to record this Ordinance and such acceptance with the Recorder of Deeds of Lake County.

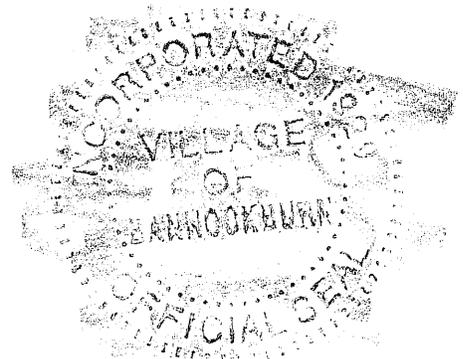
PASSED THIS 8 DAY OF JULY, 2019.

AYES:            (6) Ansan, Boyle, Feeney, Herrmann, Korser, Martin  
NAYS:            (0) None  
ABSENT:        (0) None  
ABSTAIN:        (0) None

APPROVED THIS 8 DAY OF JULY, 2019.

ATTEST  
  
Village Clerk

  
Village President



## EXHIBIT A

### Legal Description of the Property

THAT PART OF THE SOUTH HALF OF THE SOUTHWEST QUARTER OF SECTION 17, TOWNSHIP 43 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN DESCRIBED AS FOLLOWS: COMMENCING AT A POINT 33.0 FEET SOUTH OF AND AT RIGHT ANGLES TO A POINT IN THE NORTH LINE OF SAID SOUTH HALF OF THE SOUTHWEST QUARTER, 913.60 FEET EAST (AS MEASURED ON SAID NORTH LINE OF THE SOUTH HALF OF THE SOUTHWEST QUARTER) OF SAID LINES' INTERSECTION WITH THE EXISTING CENTERLINE OF WAUKEGAN ROAD; THENCE SOUTH 13.0 FEET; THENCE SOUTH 15° 56' 17" EAST, A DISTANCE OF 7804.16 FEET; THENCE SOUTHEASTERLY ALONG A LINE FORMING AN ANGLE OF 122° 30' WITH LAST DESCRIBED COURSE, A DISTANCE OF 225.0 FEET; THENCE NORTHERLY A DISTANCE OF 719 FEET, MORE OR LESS, TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF ILLINOIS STATE HIGHWAY ROUTE NO. 22 (HALF DAY ROAD), WHICH IS 351.14 FEET EAST OF THE POINT OF BEGINNING; THENCE WEST ALONG SAID SOUTH LINE OF ROAD A DISTANCE OF 351.14 FEET TO THE PLACE OF BEGINNING (EXCEPT THE NORTH 74 FEET THEREOF), ALL IN LAKE COUNTY, ILLINOIS.

-AND-

THAT PART OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF SECTION 17, TOWNSHIP 43 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN LYING NORTH OF THE SOUTH 351.04 FEET (AS MEASURED PERPENDICULARLY OF THE SOUTH LINE THEREOF), LYING EASTERLY OF WAUKEGAN ROAD, AS DESCRIBED IN DEED RECORDED APRIL 8, 1964 AS DOCUMENT 1221390; LYING WESTERLY OF A LINE DRAWN FROM A POINT ON THE SOUTH LINE OF SAID SOUTHEAST 1/4, 750.00 FEET (AS MEASURED ALONG THE SOUTH LINE OF SAID SOUTHEAST 1/4) EAST OF THE AFORESAID EASTERLY LINE OF WAUKEGAN ROAD TO THE SOUTHEAST CORNER OF PROPERTY DESCRIBED IN DOCUMENT 1221388, RECORDED APRIL 8, 1964; LYING SOUTHERLY OF THE SOUTHERLY LINE OF ILLINOIS STATE ROUTE 22, AS DESCRIBED IN DEED RECORDED APRIL 6, 1964 AS DOCUMENT 12211388; EXCEPTING FROM THE ABOVE DESCRIBED PREMISES THAT PART THEREOF DESCRIBED AS BEGINNING AT THE INTERSECTION OF THE EXISTING CENTER LINE OF WAUKEGAN ROAD AND THE NORTH LINE OF SAID SOUTH 1/2 OF THE SOUTHWEST 1/4, SAID EXISTING CENTER LINE BEING 30 FEET EASTERLY OF, MEASURED PERPENDICULAR TO AND PARALLEL WITH THE EASTERLY RIGHT OF WAY LINE OF THE CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD; THENCE EAST ALONG THE NORTH LINE OF SAID SOUTH 1/2 OF THE SOUTHWEST 1/4, A DISTANCE OF 373.19 FEET; THENCE SOUTH PERPENDICULAR TO SAID NORTH LINE OF THE SOUTH 1/2 OF SOUTHWEST 1/4, A DISTANCE OF 215.00 FEET; THENCE SOUTHWESTERLY ALONG A LINE PERPENDICULARLY TO THE CENTER LINE OF SAID WAUKEGAN ROAD TO A POINT ON SAID CENTER LINE WHICH IS 330.28 FEET SOUTHEASTERLY OF THE INTERSECTION OF SAID CENTER LINE WITH THE NORTH

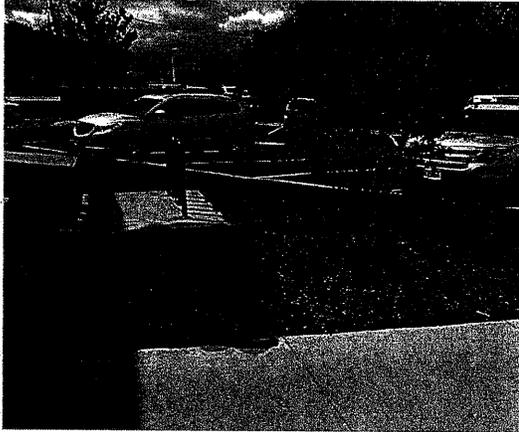
LINE OF SAID SOUTH 1/2 OF THE SOUTHWEST 1/4 OF SECTION 17 AFORESAID; THENCE NORTHWESTERLY ALONG SAID CENTER LINE, 330.28 FEET TO THE HEREIN DESIGNATED PLACE OF BEGINNING, AND EXCEPTING THAT PART OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF SECTION 17, TOWNSHIP 43 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, BOUNDED AND DESCRIBED AS FOLLOWS: COMMENCING AT THE INTERSECTION OF THE EXISTING CENTER LINE OF WAUKEGAN ROAD AND THE NORTH LINE OF SAID SOUTH 1/2 OF THE SOUTHWEST 1/4, SAID EXISTING CENTER LINE BEING 30 FEET EASTERLY OF MEASURED PERPENDICULAR TO AND PARALLEL WITH THE EASTERLY RIGHT OF WAY LINE OF THE CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD; THENCE EAST ALONG THE NORTH LINE OF SAID SOUTH 1/2 OF THE SOUTHWEST 1/4, A DISTANCE OF 913.60 FEET TO A POINT; THENCE SOUTH PERPENDICULAR TO SAID NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4, A DISTANCE OF 46.0 FEET TO A POINT IN THE SOUTH LINE OF SAID ROUTE NO. 22, SAID POINT BEING THE SOUTHEASTERLY CORNER OF PROPERTY DESCRIBED IN DOCUMENT 1221388, FOR PLACE OF BEGINNING; THENCE SOUTH 15 DEGREES 56 MINUTES 17 SECONDS EAST, AS DISTANCE OF 63.44 FEET TO A POINT; THENCE WEST ALONG A STRAIGHT LINE PARALLEL WITH THE NORTH LINE OF SAID SOUTH 1/2 OF THE SOUTHWEST 1/4 AND NORMALLY DISTANCE OF 107.0 FEET, A DISTANCE OF 557.83 FEET TO A POINT; THENCE NORTH PERPENDICULAR TO THE NORTH LINE OF SAID SOUTH 1/2 OF THE SOUTHWEST 1/4, A DISTANCE OF 42.0 FEET, TO POINT ON THE SOUTH LINE OF ILLINOIS STATE HIGHWAY ROUTE 22 NO. 22 (PRAIRIE AVENUE) AS DESCRIBED IN DEED RECORDED APRIL 8, 1964 AS DOCUMENT 1221388; THENCE EAST ALONG THE SOUTH LINE OF SAID ROUTE 22, A DISTANCE OF 159.89 FEET TO THE BEGINNING OF A CURVE IN SAID SOUTH LINE, SAID CURVE BEING TANGENT TO THE LAST DESCRIBED LINE, CONVEX TO THE SOUTH, HAVING A RADIUS OF 1,910.08 FEET; THENCE EASTERLY ALONG SAID CURVED LINE, AN ARC DISTANCE OF 190.58 FEET, THE CHORD OF SAID ARC BEARING NORTH 85 DEGREES 38 MINUTES 16 SECONDS EAST, TO A POINT OF REVERSE IN SAID SOUTHERLY LINE; THENCE EASTERLY ALONG SAID SOUTHERLY LINE BEING CURVE, CONVEX NORTHERLY, HAVING A RADIUS OF 1,910.08 FEET AND TANGENT TO THE LAST DESCRIBED LINE, AN ARC DISTANCE OF 190.58 FEET TO THE PLACE OF BEGINNING, IN LAKE COUNTY, ILLINOIS,

P.I.N. 16-17-300-028 and 16-17-300-029

EXHIBIT B

2019 Plans

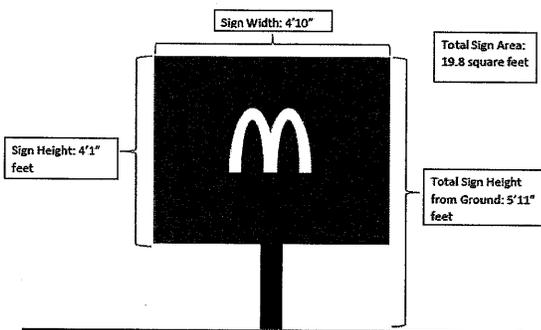
✦ *Lot Coverage*



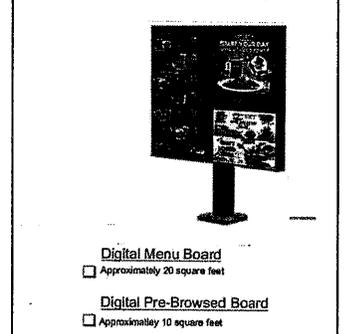
✦ *Signage*

○ *New Board Menu Signs*

Double Pane Menu Board

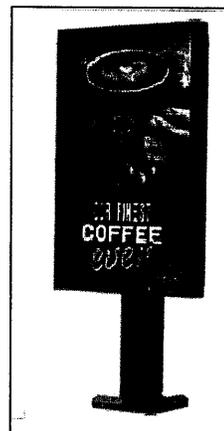
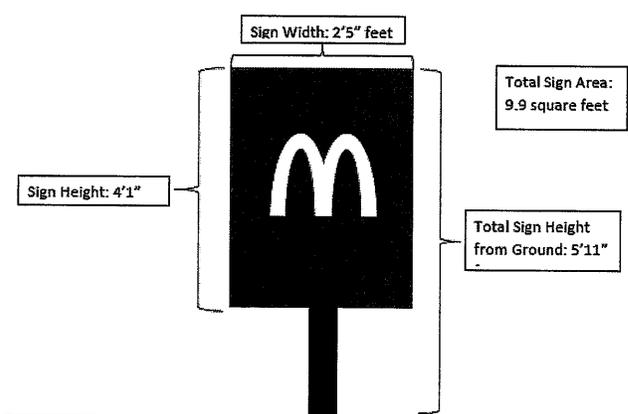


McDonald's Drive Thru Menu Board Replacement

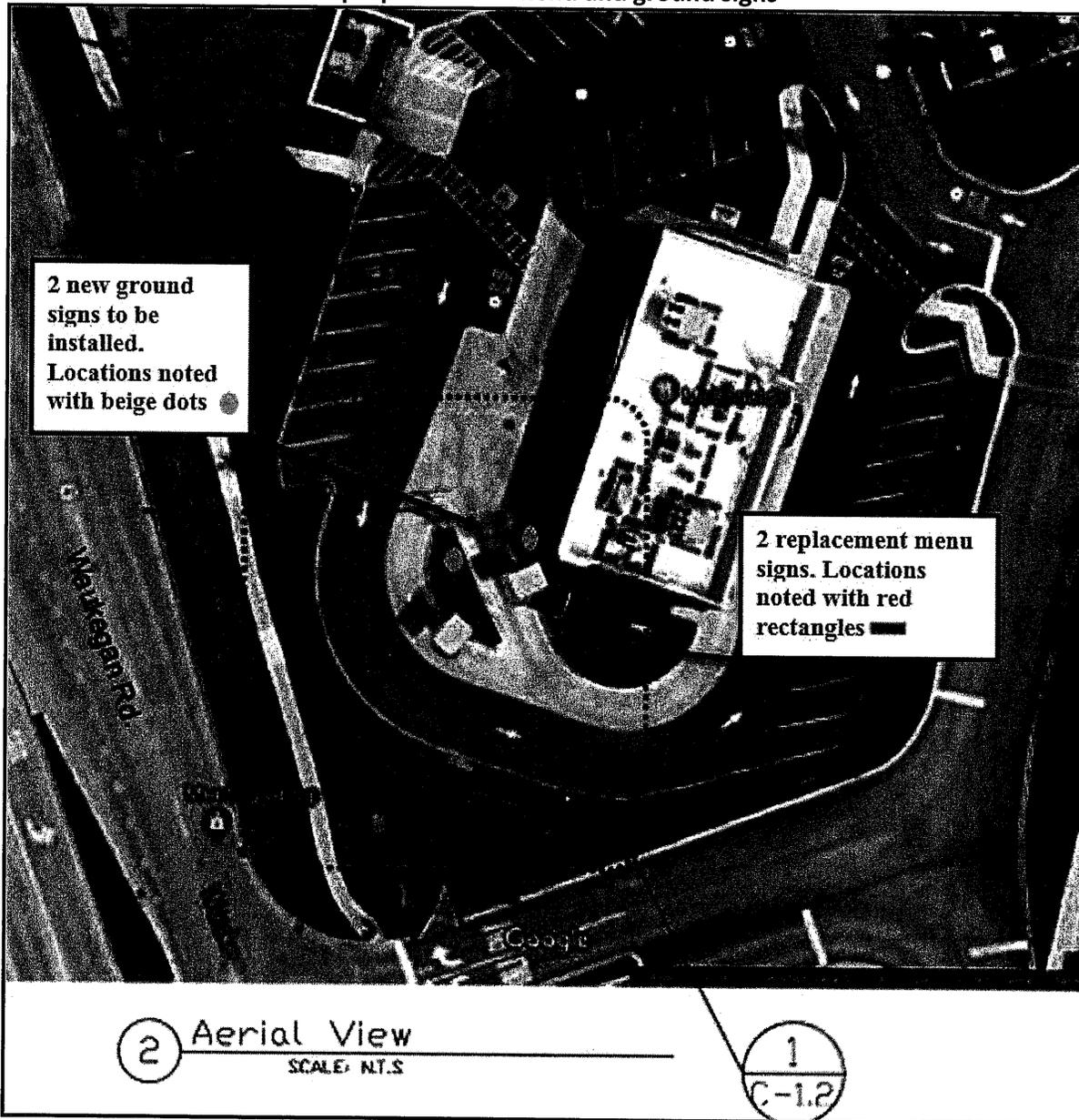


○ *Two new single pane onsite informational signs.*

Single Pane Pre-Sale Unit



- Location of the proposed new menu and ground signs



**EXHIBIT C**  
**Unconditional Agreement and Consent**

Pursuant to Section Seven of Bannockburn Ordinance No. 2019-O-12 and to induce the Village of Bannockburn to grant the approvals provided for in such Ordinance, the undersigneds acknowledge on behalf of Owner and Applicant and their successors and assigns in title to the Property that Owner and Applicant:

1. have read and understand all of the terms and provisions of said Ordinance No. 2019-O-12;
2. hereby unconditionally agree to accept, consent to, and abide by all of the terms, conditions, restrictions, and provisions of Ordinance No. 2019-O-12 and any amendments thereto; the Bannockburn Zoning Code; and all other applicable codes, ordinances, rules, and regulations;
3. acknowledge and agree that the Village is not and shall not be, in any way, liable for any damages or injuries that may be sustained as a result of the Village's issuance of any approvals or permits for the use of the Property, and that the Village's issuance of any approval or permit does not, and shall not, in any way, be deemed to insure the Owner or Applicant against damage or injury of any kind and at any time;
4. acknowledge that all public notices and hearings have been properly given and held with respect to the adoption of the Ordinance, have considered the possibility of the revocation provided for in the Ordinance, and agree not to challenge any revocation on the grounds of any procedural infirmity or any denial of any procedural right;
5. agree to and do hereby hold harmless and indemnify the Village, the Village's corporate authorities, and all Village elected and appointed officials, officers, employees, agents, representatives, and attorneys, from any and all claims that may, at any time, be asserted against any of these parties in connection with the Village's adoption of the Ordinance or any of the approvals granted to the Owner and Applicant thereby; and
6. represent and acknowledge that the persons signing this Unconditional Agreement and Consent are duly authorized to do so on behalf of the Owner and Applicant, respectively.

**AP POB BANNOCKBURN, LLC**

ATTEST:

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

**MCDONALD'S USA, LLC**

ATTEST:

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

## MEMORANDUM

TO: Plan Commission

FROM: Jeff Ryckaert, Principal Planner and Dan Nakahara, Planner

DATE: July 19, 2019

RE: Public Hearing: McDonald's Restaurant Request for an Amendment to Their Special Use and Approval of New Menu Boards Pursuant to Article 9.02B.14 (a) of the Deerfield Zoning Ordinance.

### Subject Property

The subject property consists of McDonald's Restaurant, which is located at 50 N. Waukegan Road. In 1977, McDonald's was granted permission to construct the restaurant as a Special Use (Ord. O-77-08). In 1982, McDonald's was granted an amendment to the existing Special Use to allow a drive-thru (Ord. O-82-50 and Ord. O-82-51) and in 1991; McDonald's amended their Special Use to add a second drive-up window used for cash/transactions (Ord.O-91-27). In 2012, McDonalds was granted an amendment to the existing Special Use to allow changes to the Special Use including dual menu board lanes at the west side of the building to replace the single drive-thru lane (Ord. O-12-23 and O-12-24). The subject property is zoned C-2 Outlying Commercial District. A restaurant is a Special Use in the C-2 Outlying Commercial District.

### Surrounding Land Use and Zoning

North: C-2 Outlying Commercial District – Firestone

South: C-2 Outlying Commercial District – Parkway Bank, Luna Flooring and Carpets, Top Fitness Store, Charles Ifergan Salon and Rainbow Cleaners (this property is commonly referred to as the Atrium/Golden Bear PUD)

East: (across Waukegan Road) C-2 Outlying Commercial District – Cadwell's Corners

West: C-2 Outlying Commercial District – medical office & professional office building

### Proposed Plan of Development

Franchise Realty Investment Trust – IL (a Maryland corporation), property owners of the 50 Waukegan Road property, are proposing to amend their existing Special Use for the restaurant to allow two (2) new dual panel digital menu boards. McDonald's franchises are eliminating their existing menu boards and upgrading to digital menu boards in all of its locations. The Deerfield McDonald's currently has two (2) drive-thru lanes, each lane with its own three (3) panel, 43 square foot menu board. The dual panel digital menu boards are proposed to each be 20 square feet and able to change

several times a day as the menu changes. The digital menu board will dim automatically as the ambient light lessens and switch to “night mode” during evening hours that will be controlled by an internal photocell. The “night mode” replaces the black font/white background with a white font/black background.

The petitioner is proposing the keep the brightness levels for the menu boards between 500 – 1,500 NITs. There will be no flashing, moving or bright images on the new digital menu board. The existing speaker posts will remain for audio, but the confirmation screen on the existing post is being eliminated because the order confirmation will be viewed on the new digital menu boards. No additional sound or speakers are being proposed with these digital menu boards. No preview boards are being proposed as part of this plan. The new digital menu board location will remain behind the restaurant and concealed from view to Waukegan Road. The existing yellow canopies under which the vehicles place their order will remain unchanged and the proposed digital menu boards will be programmed to shut down during the drive-thru non-business hours. Nothing will change to the plans regarding traffic, circulation or parking.

In 2014, the Plan Commission explored the issues of menu boards and sent a recommendation to the Board of Trustees. The Board of Trustees passed Ordinance O-14-13 regarding drive-thru menu boards. The outcome was that the Village would review menu boards of all types in the C-2 Outlying Commercial District on a case-by-case basis. Any new menu boards would be evaluated based on the number, area, location, height and lighting.

### **Zoning Conformance**

The petitioners are seeking approval of an amendment to a Special Use, and review of their proposed menu boards by the Plan Commission pursuant to below Article 9.02B.14 (a) of the Deerfield Zoning Ordinance. Attached are the Special Use Standards.

#### **Article 9.02B.14 -Restaurant Drive-Thru Menu Board Signage in the C-2 Outlying Commercial District (Ordinance Number 0-14-13)**

- a. Number, Area, Location, Height and Lighting- The number, area, location, height and lighting of a restaurant drive-thru menu board sign shall be determined by the Corporate Authorities following review and consideration of a recommendation from the Village Plan Commission. (Ord. 0-14-13)

### **Landscaping Plan**

The petitioner plans to maintain the existing landscape plan (the location of the proposed menu boards will remain the same).

## **Menu Board Brightness**

At the June 27, 2019 Plan Commission pre-filing conference meeting, the petitioner noted that they would keep the brightness level for the proposed menu board between 500 – 2,500 nits. A nit is a unit of measurement of luminance, or the intensity of visible light. Nits are used to describe the brightness of computer displays, such as LCD and CRT monitors and in this case a digital menu board. *Luminance* (measured in nits) quantifies surface brightness, or the amount of light an object gives off. *Illuminance* (measured in footcandles) quantifies that amount of light, which falls onto an object.

## **Appearance Review Commission (ARC) – Brightness Condition**

The petitioners met with the ARC on June 24<sup>th</sup>. The ARC reviewed the proposal for two (2) new digital menu boards at the McDonald's drive-thru. The Commission was pleased that the size of the new menu boards were smaller than the existing boards (20 SF vs 43 SF) and that they would look cleaner in appearance. They also liked the fact that no advertisement toppers are allowed on top of the boards.

The ARC was not comfortable approving the menu boards at their June 24<sup>th</sup> meeting because LED lighting reads differently to the eye than other types of lighting. Staff researched the illumination level and the ARC scheduled a field visit meeting on July 10, at the McDonald's located at 188 E. Dundee Road in Wheeling to view their digital menu boards, which are the same menu boards proposed for Deerfield. The purpose of the meeting was to view the menu boards in the daylight and at night and to vary the brightness levels of the menu board during those times.

The ARC viewed the Wheeling McDonald's drive-thru menu board at various ambient lighting levels. A remote control was used to vary the brightness of the screen during the viewing. The ARC determined that the upper limit of brightness (2,500 nits) proposed by McDonald's at the June 24, 2019 ARC meeting (and June 27 Plan Commission pre-filing conference) was too bright. After their on-site viewing of the menu boards at the Wheeling McDonalds, the ARC determined that keeping the brightness between 500-1,500 nits throughout the day would be more appropriate for the Deerfield location. This information was passed on to the Deerfield McDonald's property owner and the petitioner has revised the proposed menu board brightness to 500 – 1,500 nits. See attached ARC summary and minutes from their July 10<sup>th</sup> field visit meeting.

**PLAN COMMISSION  
VILLAGE OF DEERFIELD  
Minutes**

The Plan Commission of the Village of Deerfield called to order a Workshop Meeting at 7:30 P.M. on June 27, 2019 at the Village Hall, 850 Waukegan Road, Deerfield, Illinois.

Present were: Larry Berg, Chairman  
Al Bromberg  
Blake Schulman  
Jennifer Goldstone

Absent were: Elaine Jacoby  
Justin Silva

Also present: Jeff Ryckaert, Principal Planner  
Daniel Nakahara, Planner

Chairman Berg swore in all who plan to testify before the Commission.

**Public Comment on a Non-Agenda Item**

There were no comments from the public on a non-agenda item.

**WORKSHOP MEETING**

**(1) Prefiling Conference: McDonald's Restaurant Request for an Amendment to Their Special Use and Approval of New Menu Boards Pursuant to Article 9.02B.14 (a) of the Deerfield Zoning Ordinance at 50 N. Waukegan Road**

Michelle Freeman of Keyser Industries reported that her company is the innovator for the new McDonald's digital menu boards nationwide and provided an overview of the plans for the Deerfield McDonald's menu boards.

Ms. Freeman stated that as Village staff shared in their memo, this location was first a single drive-thru with one ordering point and later added a second ordering point followed by a dual lane drive-thru. For the current project plans at the Deerfield location, they are looking to remove all old static menu boards and replace them with digital menu boards. The existing menu boards are manually changed, and the new boards will be digital LED Samsung screens similar to a large television. She added that the interior of many McDonald's locations are also being remodeled to also have these same digital menu boards that can be changed and uploaded electronically instead of manually as previously done. Pricing, different menu items and current promotions can all be changed more easily. The outdoor digital menu boards all have ambient light sensors, which will dim the brightness based on the surrounding light. Ms. Freeman shared that the Appearance Review Commission (ARC) had some questions on the brightness and she will do her best to further explain. The digital menu boards can be lit from 500 to 5,000 NITs, which is the measurement for LED lights. The McDonald's menu boards will not go higher than 2,500 NITs. The old backlit menu boards are fluorescent lights, which are measured in lumens and are much brighter than what is currently being proposed. She added that the maximum brightness on the new screens can be changed manually, as well. She

commented that another municipality required that the screen brightness did not exceed 2,200 NITs and had that location decrease the menu board screen brightness to 400 NITs.

Ms. Freeman displayed images of the new double unit screens pointing out that the existing static menu boards have four units and they will be going down to two. The screens will measure 58 inches wide and 47.7 inches high which is approximately 19 square feet, a reduction of almost 60% to the existing 42 square feet menu boards. She noted that the current boards are manually changed from breakfast to lunch to dinner to late night menu. The new screens will remain static except for when they are changed electronically for each meal, as is currently done manually.

Chairman Berg asked if there will be less content on the boards given the smaller surface. Ms. Freeman replied that there would not be less content although it will be aligned differently to be clearer and more condensed. She added that part of the spacing on the current boards are so that the menus can be changed out manually.

Ms. Freeman commented that a new foundation would be dug for the new screens slightly closer to the drive-thru window. The confirmation display on the existing speaker post, which verifies the customer order, will be covered up as this information will now be on the proposed menu board for each customer. Ms. Freeman displayed images of other digital menu boards and their content during daylight hours with a white background while the night mode will have the content in white with a black background.

Ms. Freeman reviewed the benefits of the new digital menu boards. The proposed menu boards will be smaller and less bright than the existing boards. The current fluorescent lighting is not adjustable and has higher lumens than the LED brightness (NITs). The proposed menu boards will be able to adjust to outdoor brightness. The size and brightness of the menu board will both be cut by about half the size of the current menu boards. The new screens are also more sustainable and will last about 15 years. She commented that the location will also be better for customer visibility and eliminate the prebrowsing ads. The current menu boards are no longer manufactured making them difficult to maintain. Maintenance for the digital screens will be easier and printed material will no longer be needed. She added that if a store added printed material on top of the screens and changed the structure of the menu board, the warranty for the menu board would be void.

Ms. Freeman displayed an image of a person standing next to similar existing menu boards as well as new digital boards to show the size comparison. She commented that the digital screens have a cleaner look. She reported that the existing landscaping around the Deerfield McDonald's drive-thru is low maintenance and will be maintained or improved upon once the work is complete. Ms. Freeman showed an image of an old menu board lit up at night as well as a new LED screen at night to show that the new screen has less glare and will be less bright. Ms. Freeman showed the site plan pointing out the planned location for the new boards, which will be slightly moved up.

Commissioner Bromberg commented that in the notes from the ARC meeting there was a question about menu customization that can be changed for each specific customer and asked for more information on this. Ms. Freeman replied that this is not in the current plans and would be something in the future that the technology of digital menu board could allow. An example of this would be that the menu font could change to larger size for visually impaired customers or

change to a different language. She reiterated that this type of customization is not in the current plans and the menu boards will be static.

Mr. Ryckaert stated that, per the zoning ordinance, there can be no exposed LED lighting bulbs, and that the lighting source for the menu boards is internal. This sign does not flash, flicker, or scroll on a continuous basis which is not allowed by the zoning ordinance.

Chairman Berg asked if the speakers would be altered. Ms. Freeman replied that the speakers will not change. The only difference will be that the order display will be covered up and the order will now show on the new digital board.

Ms. Freeman stated that the process to add the new boards is to first dig the foundation and add the new digital boards before removing the old ones. The work will be done during their least busy hours to not cause any issues. Ms. Freeman showed a listing of Chicago area McDonald's locations that already have digital menu boards.

Commissioner Bromberg commented that this request seems very non-controversial and he has no concerns with their proposal, as it is not visible from any residences. Commissioner Goldstone agreed.

Chairman Berg asked if Village staff is looking into setting requirements for brightness and size. Mr. Ryckaert explained that the text amendment made in 2014 for new drive-thru menu boards indicated the new menu board signage is to be reviewed by the Plan Commission on a case-by-case basis for the number, size, location, height and lighting. The petitioner has agreed to limit the brightness of the sign as the ARC is suggesting. In the future, he believes the Village will see more requests for digital drive-thru menu boards that will be reviewed on a case-by-case basis.

Ms. Freeman indicated that the current nighttime display to the LED adjustable screen would be a 42% decrease in brightness. Ms. Freeman noted that 500 NITs is equivalent to approximately 8,565 lumens and 2,500 NITs is equivalent to approximately 32,910 lumens. Chairman Berg confirmed that the lighting adjustments are all automated. Ms. Freeman said yes, similar to how your phone display can automatically adjust to the lighting.

There were no other comments from the Commission.

Mr. Ryckaert reported that the Public Hearing on this matter will be July 25, 2019.

### **Items from the Staff**

Mr. Ryckaert reported on upcoming Plan Commission agenda items.

### **Adjournment**

There being no further discussion, Commissioner Bromberg moved, seconded by Commissioner Goldstone to adjourn the Workshop Meeting at 8:00 P.M. The motion passed with a unanimous voice vote.

Respectfully Submitted,  
Laura Boll

## July 10, 2019 - ARC Meeting Summary

Summary of Appearance Review Commission meeting held on July 10, 2019 for the digital menu boards at McDonald's at 50 N. Waukegan Road. The meeting was held at McDonald's at 188 E. Dundee Road in Wheeling to view their digital menu boards. The purpose of the meeting was the view the menu boards in the sunlight and at night and vary the brightness during those times.

Petitioners: No Petitioners were present

The ARC met and viewed the digital menu board in the McDonald's drive-thru at various ambient lighting levels. A remote control was used to vary the brightness of the screen during the viewing. The ARC determined that the upper limit of brightness (2,500 nits) proposed by McDonald's at the June 24, 2019 ARC Meeting was too bright. The ARC determined that keeping the brightness between 500-1,500 nits throughout the day would be more appropriate for Deerfield. This information will be passed on to McDonald's when they return to the ARC in July.

Submitted:

Liz Delevitt, Planning & Design Specialist  
Village of Deerfield

# July 10, 2019 - ARC Meeting Minutes

UNAPPROVED DRAFT

## Appearance Review Commission

### Meeting Minutes

July 10, 2019

A meeting of the Appearance Review Commission was held on Wednesday, July 10, 2019 at 8:00 p.m. at the McDonald's, 188 E. Dundee Road in Wheeling, Illinois. Chairperson Lisa Dunn called the meeting to order at 8:08 p.m.

### Present were

Lisa Dunn, Chairperson  
Sherry Flores  
Amy Schneider

### Absent was:

Beth Chaitman  
Jason Golub  
Daniel Moons

### Also Present:

Liz Delevitt, Planning & Design Specialist

### Public Comment:

There were no public comments on non-agenda items.

### Business:

#### 1. McDonald's, 50 N. Waukegan Road – digital menu boards, on-site visit to 188 E. Dundee Road, Wheeling, IL

The Commission viewed the existing menu board while in daylight. The screen was set to 45% (approximately 1,125 nits). Ch. Dunn said the screen looked bright, clean and readable. Ms. Schneider does not think the screen is too bright. Ms. Flores questioned the black background of the menu board. Ch. Dunn believes the menu boards look much better without the advertising caps on top of them. The Commission witnessed an order taking place by a customer and liked the order confirmation, which pops up in the lower left corner. Ch. Dunn notes that whether or not they like it, digital menu boards are the wave of the future. Ms. Delevitt mentioned that Highland Park has chosen not to allow any digital menu boards presently. The Commission is ok allowing digital menu boards as long as they have appropriate restrictions placed on them.

A discussion was had about the brightness of the board. Ms. Delevitt explained that luminance (brightness of the source) is used to measure brightness on the screen instead of illuminance (brightness of light falling on an object). McDonald's has provided the

measurement of luminance in nits. The screen at this location is set to go from 500 nits to 2,500 nits.

Ms. Delevitt used a remote control to change the brightness to 2500 nits after the sun had set. The Commission believes the background is too grey, and there is not enough contrast with the letters.

Ms. Delevitt used the remote to change the brightness to 2000 nits. Ms. Flores and Ms. Schneider note that the screen still appears too bright.

Ms. Delevitt used the remote to change the brightness to 1500 nits. The Commission thinks this brightness looks appropriate for the maximum brightness allowed.

Ms. Delevitt changed the brightness to 1000 nits. This brightness looks fine according to the Commission.

Ms. Delevitt changed the brightness to 500 nits. The Commission agreed this looks appropriate for the minimum brightness allowed.

Illumination measurements (in foot-candles) were taken at different brightness levels using a light meter provided by Ms. Delevitt. The measurements were taken at roughly 5' from the board, the location of a car pulled up to the menu board. The ambient lighting in the background made it difficult to get a brightness reading of the menu board. The data collected showed a range of 5.5 fc (at 500 nits), 8.7 fc (at 1500 nits) and 11.9 fc (at 2500 nits). The Commission agreed that using foot-candles to limit brightness for menu boards would be difficult to control.

The Commission discussed their recommendation for the proposed McDonald's menu boards in Deerfield. They would recommend the brightness to vary from 500 nits to 1500 nits.

Items from the Commission:

There were no items from the Commission.

Items from Staff:

There were no items from the Staff

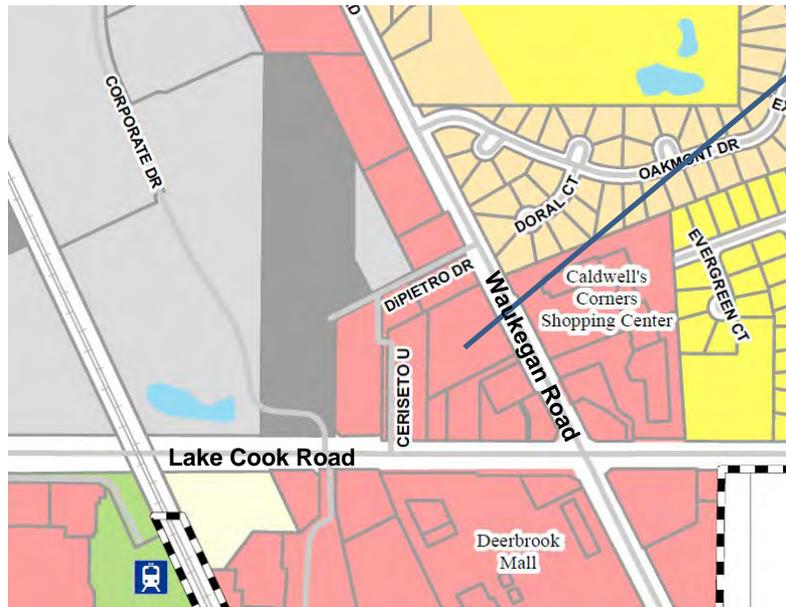
Adjournment:

There being no further business or discussion, the meeting was adjourned at 8:52 p.m.

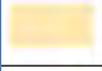
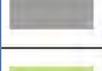
Respectfully submitted,

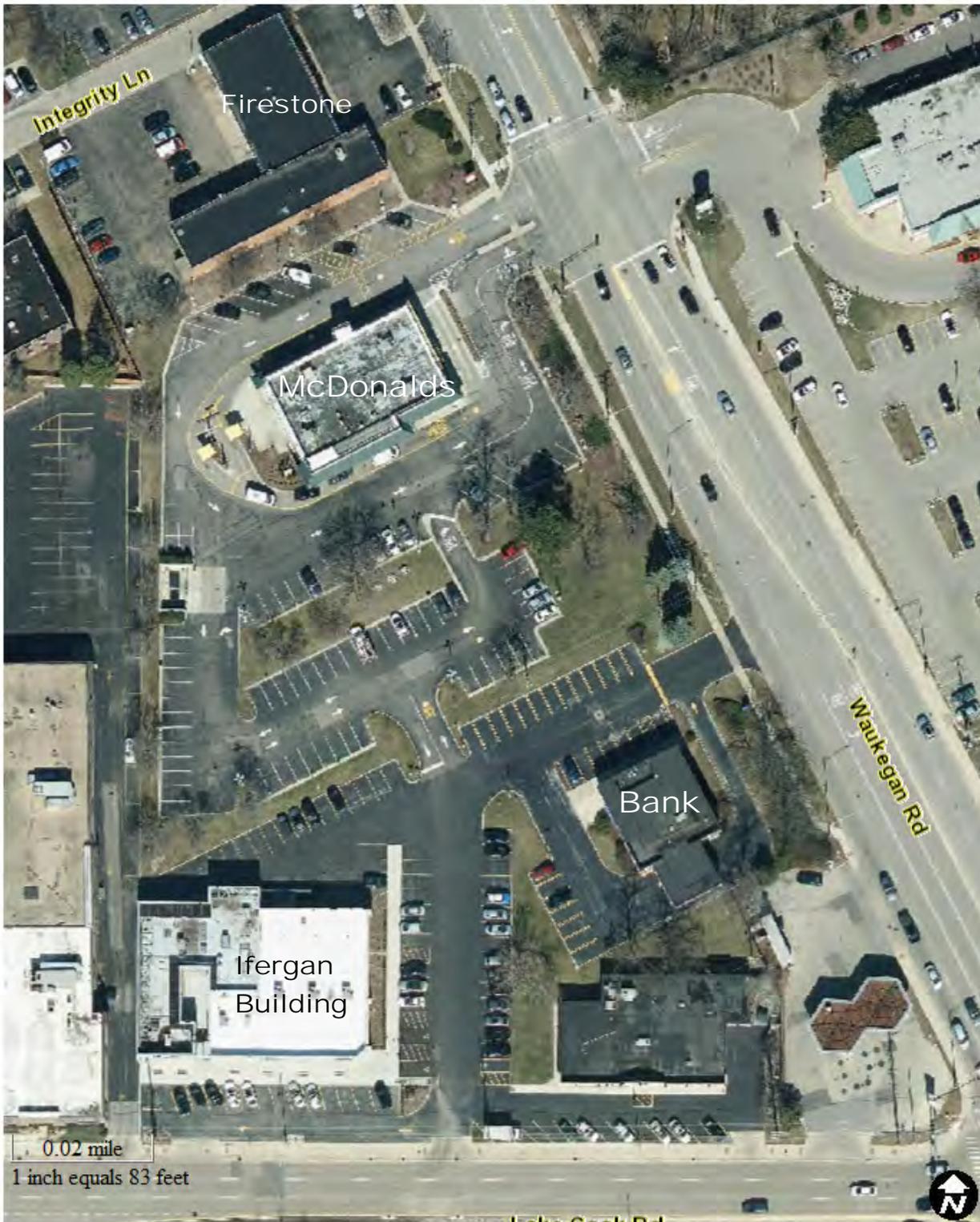
Elizabeth Delevitt  
Planning & Design Specialist

# Village of Deerfield 2019 Zoning Ordinance Map



Subject Property

	<b>R-1</b>	<b>SINGLE FAMILY DISTRICT</b> ONE FAMILY DWELLINGS AND ACCESSORY USES
	<b>R-2</b>	<b>SINGLE FAMILY DISTRICT</b> SAME AS R1
	<b>R-3</b>	<b>SINGLE FAMILY DISTRICT</b> SAME AS R1
	<b>R-4</b>	<b>SINGLE &amp; TWO FAMILY</b> ONE FAMILY & TWO FAMILY DWELLINGS & ACCESSORY USES
	<b>R-5</b>	<b>GENERAL RESIDENCE</b> ONE FAMILY & TWO FAMILY DWELLINGS & ACCESSORY USES
	<b>C-1</b>	<b>VILLAGE CENTER</b>
	<b>C-2</b>	<b>OUTLYING COMMERCIAL</b>
	<b>C-3</b>	<b>LIMITED COMMERCIAL OFFICE</b>
	<b>I-1</b>	<b>OFFICE, RESEARCH, RESTRICTED INDUSTRY</b>
	<b>I-2</b>	<b>LIMITED INDUSTRIAL</b>
	<b>P-1</b>	<b>PUBLIC LANDS</b> SCHOOLS, PARKS, PUBLIC BUILDINGS & CEMETERIES

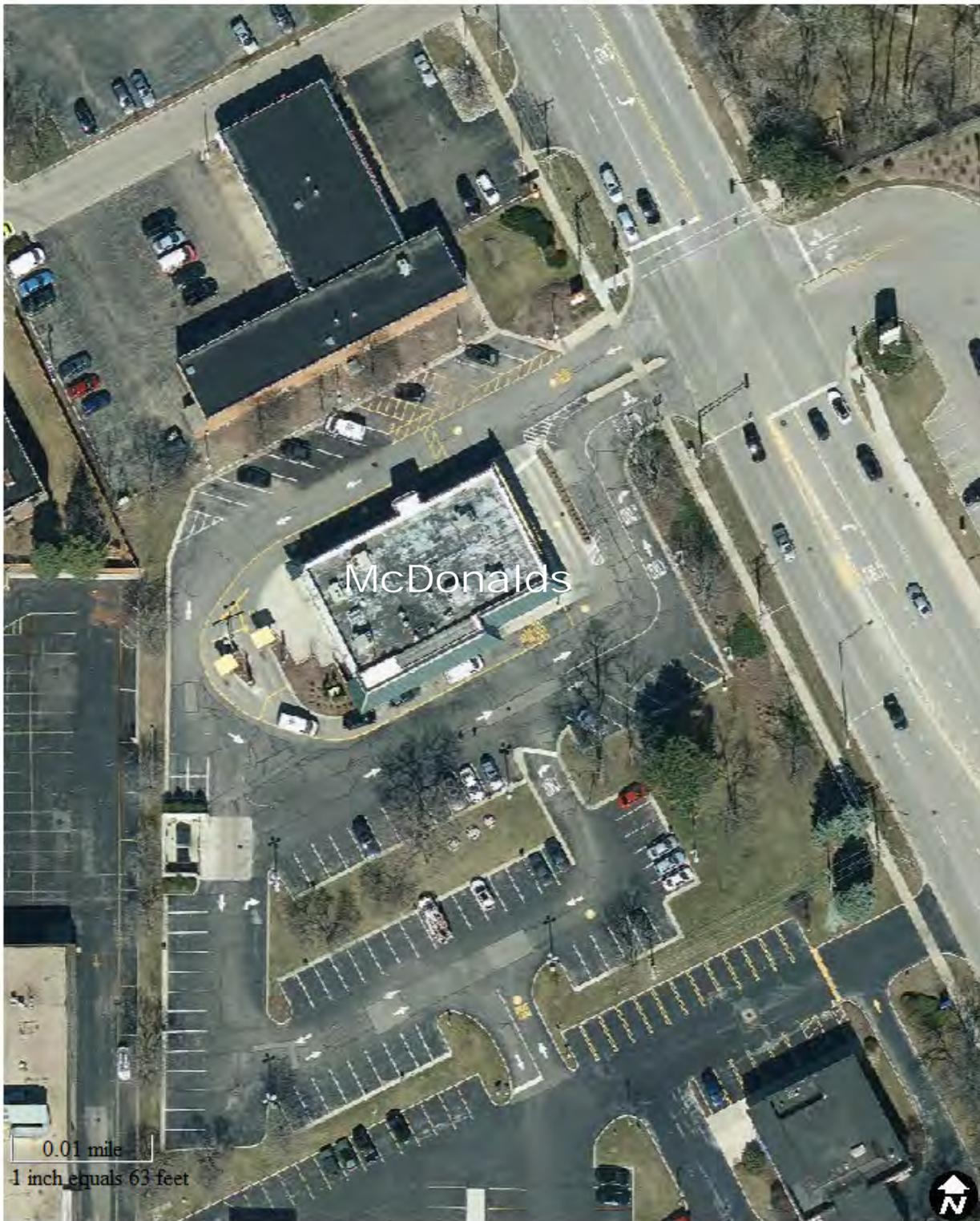


Map created on June 21, 2019.

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Map created on June 21, 2019.  
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## SPECIAL USE CRITERIA

Does it meet the standards for a Special Use? A Special Use shall be authorized only when the Plan Commission finds all of the following:

1. Compatible with Existing Development  
The nature and intensity of the activities involved and the size, placement and design of any structures proposed will be so planned that the Special Use will be compatible with the existing development and will not impede the normal and orderly development and improvement of surrounding property.
2. Lot of Sufficient Size  
The size of the lot will be sufficient for the use proposed.
3. Traffic  
The location of the Special Use within the Village will be such that adverse effects on surrounding properties will be minimal, particularly regarding the traffic generated by the Special Use.
4. Parking and Access  
Parking areas will be of adequate size for the particular use and properly located, and the entrance and exit drives will be laid out so as to prevent traffic hazards and nuisances.
5. Effect on Neighborhood  
In all respects the Special Use will not be significantly or materially detrimental to the health, safety and welfare of the public or injurious to the other property or improvements in the neighborhood, nor will it diminish or impair property values in the surrounding area.
6. Adequate Facilities  
That adequate utilities, access roads, drainage and/or other necessary facilities have been or are being provided.
7. Adequate Buffering  
Adequate fencing and/or screening shall be provided to ensure the enjoyment of surrounding properties, to provide for the public safety or to screen parking areas and other visually incompatible uses.
8. If in C-1 Village Center District: That the establishment of the Special Use will not be injurious to the character of the C-1 Village Center District as a retail center for the Village.

# Village of Glenview Appearance Commission

STAFF REPORT

July 10, 2019

**TO:**  
Chairman and Appearance  
Commissioners

**FROM:**  
Community Development  
Department

**CASE MANAGER:**  
Michelle House, Senior Planner

**SUBJECT:**  
Certificate of Appropriateness

**ACTION REQUESTED:**  
Staff requests a final determination  
on the proposal.

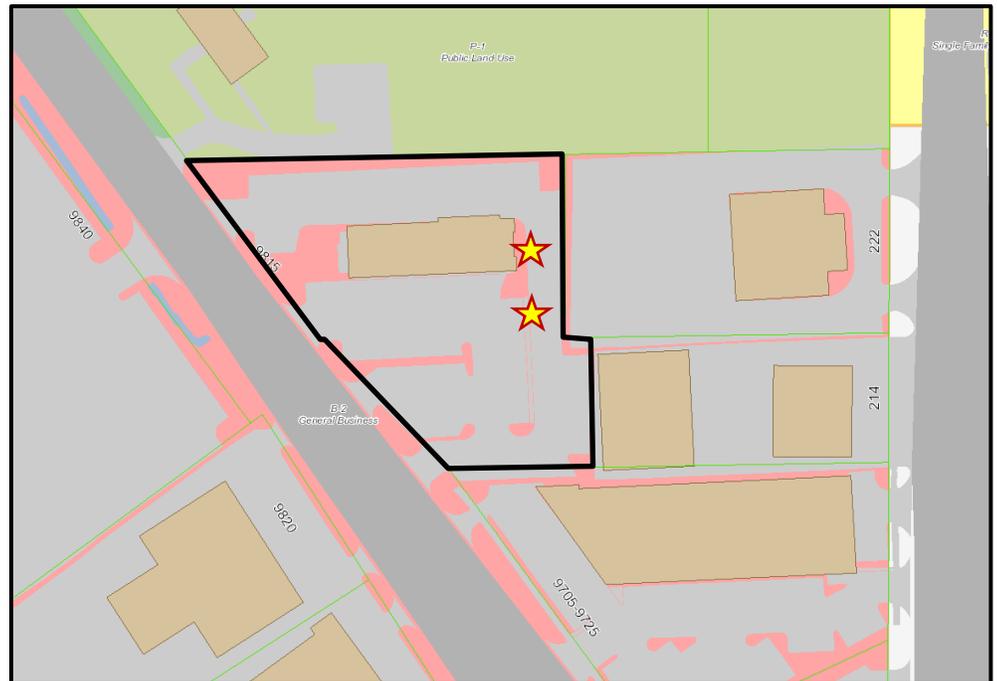
**APPLICANT:**  
Keyser Industries  
10200 S. Kedzie Avenue  
Evergreen Park, IL 60805  
Tel: (708) 876-1249

**CONTACT:**  
Michelle Freeman  
10200 S. Kedzie Avenue  
Evergreen Park, IL 60805  
Tel: (708) 910-4895

**CASE #:** A2019-049

**LOCATION:** 9815 N. Milwaukee Ave.

**PROJECT NAME:** McDonald's Menu Signage



**PROPOSAL:**

The applicant, McDonald's, represented by Keyser Industries, requests approval of two (2) menu and order confirmation boards and one (1) pre-order board for the existing restaurant at 9815 N. Milwaukee Avenue.



**Report Disclaimer:** Village staff makes no representations regarding support, endorsement, or the likelihood of approval or disapproval by any Glenview regulatory commission or the Village Board of Trustees.

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Site Assessment

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**AERIAL PHOTOGRAPHY:**



SITE PHOTOGRAPHY:



**SITE PHOTOGRAPHY:**



## Project Summary

The applicant, McDonald's, proposes two (2) illuminated menu and order confirmation boards and one (1) illuminated pre-order board for the existing restaurant at 530 Waukegan Road.

The proposed menu board would measure 4.83 feet wide by 4.14 feet tall with a total height of 5.95 feet. The screen would change once for each breakfast, lunch, and dinner service. In accordance with Code requirements, there would be no video or continuous movement permitted.

The proposed pre-order board would measure 2.43 feet wide by 4.14 feet tall with a total height of 5.95 feet. The screen would not be permitted to feature any video or movement on the screen.

The existing drive-thru signage would be removed as part of this project.

### PROJECT DESCRIPTION:

Text	Pre-Order Board	Menu and Order Confirmation Board
Location	Drive-thru	Drive-thru
Design	Electronic message center	Electronic message center
Letter Height	Varies	Varies
Letter Color(s)	Black or white depending on color of background	Black or white depending on color of background
Trim Cap Color	N/A	N/A
Return Color	Black	Black
Background Color	Varies	Varies
Illumination Type & Color	LED	LED
Raceway Depth	N/A	N/A

### COMPLIANCE WITH DESIGN GUIDELINES AND ZONING:

Pre-Order Board(s)	Pre-Order Board
Proposed Sign Area	10.0 sq. ft.
Compliance (10.0 sq. ft. per Ordinance) →	Yes
Proposed Sign Height	5.95 ft.
Compliance (11 ft. tall per Ordinance) →	Yes
Compliance with Design Guidelines →	Yes

Menu Board(s)	Menu Board
Proposed Sign Area	20.0 sq. ft.
Compliance (80.0 sq. ft. per Ordinance) →	Yes
Proposed Sign Height	5.95
Compliance (11.0 ft. tall per Ordinance) →	Yes
Compliance with Design Guidelines →	Yes

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## Appearance Commission Review

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### **APPEARANCE PLAN COMMENTS:**

Staff comments after evaluating the proposal for compliance with the Appearance Plan:

#### **Sign Criteria from Appearance Plan:**

- *Compatibility with building architecture*
- *Compatibility with signs on adjoining buildings*
- *Harmony with surrounding landscape*
- *Good scale in relationship to surroundings*
- *Use of harmonious colors*

#### **Staff comments:**

- All proposed signs shall not include video, flashing images, effects, or moving content on either the proposed pre-order or menu board.
- Order confirmation will be done in a portion of the proposed menu board and would change once per transaction.
- Illumination of the proposed signs would be limited to 1,750 lumens.
- As proposed the square footage of the menu boards would be reduced by 23.0 square feet.
- The petitioner shall furnish material and color samples of all proposed signage for review by the Appearance Commission.

### **POTENTIAL NEIGHBORHOOD IMPACTS:**

The proposed signs are located along the existing drive-thru lanes at McDonald's and are not expected to have any negative impacts upon adjacent properties.

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**Technical Review**

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**PROJECT TIMELINE & OUTREACH:**

- A. 06/05/19 Application Submitted
- B. 07/10/19 Appearance Commission Meeting
- C. TBD Permit Issuance
- D. TBD Inspection

2019

												<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>												
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec																

**REQUIRED APPROVAL(s):**

The following chart details the necessary required approvals:

Required	Regulatory Review
	A. Annexation
	B. Annexation with Annexation Agreement
	C. Comprehensive Plan Amendment
	D. Official Map Amendment
	E. Rezoning
	F. Planned Development
	G. Conditional Use
	H. Final Site Plan Review
	I. Second Curb Cut
	J. Subdivision (Preliminary, Final, and Waivers)
	K. Variation(s) (Zoning Board of Appeals)
√	L. Certificate of Appropriateness (Appearance Commission)
	M. Final Engineering Approval & Outside Agency Permits
√	N. Building Permits
√	O. Building & Engineering Inspections
	P. Recorded Documents (Development Agreements, Easements, Covenants, etc.)
	Q. Business License
	R. Certificate of Occupancy

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**Attachments & Exhibits**

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1. Sample Motion
2. Petitioner's Application & Exhibits

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## Sample Motion

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I move in the matter of A2019-049, McDonald's at 9815 N. Milwaukee Avenue, the Appearance Commission grants a Certificate of Appropriateness, based upon the findings the petitioner, through testimony and application materials, has demonstrated compliance with Section 54-64 Appearance Plan and in accordance with the documents submitted by Keyser:

- A. The documents prepared by McDonald's dated 06/06/2019
  - 1. Site Plan
  - 2. Drive-Thru Order Point
- B. The documents created by GRC Engineering, Inc. dated 05/18/2018:
  - 1. Column & Foundation Single Face Menu Board (NS# 101-SF)
  - 2. Column & Foundation Double Face Menu Board (NS# 101-DF)
- C. The documents prepared by USRD:
  - 1. Menu Design & Content: Menu Design & Day-Parts
  - 2. Menu Design & Content: Pre-Browse
- D. All signage shall be operated in compliance with Sec. 98-98-333 of the Code.

## CHAPTER 8

## SIGN CONSTRUCTION AND DESIGN: GENERAL STANDARDS

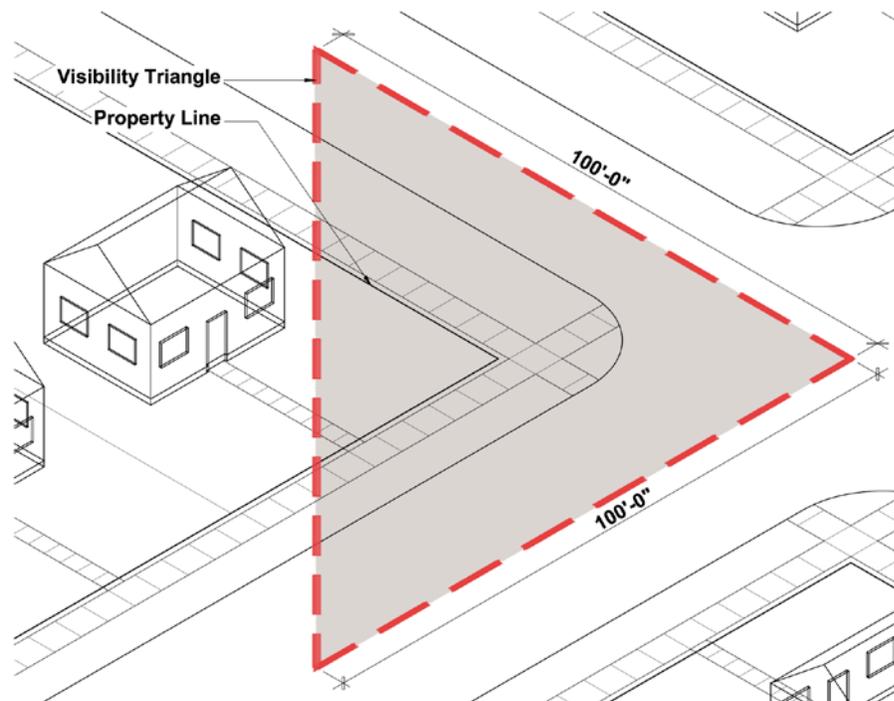
## SECTION:

## 12-8-1 SIGN CONSTRUCTION AND DESIGN: GENERAL STANDARDS

The following standards apply to all signs, unless specifically noted otherwise.

**A. Location**

1. Only signs placed by federal, state and/or local government may be erected upon public property, including but not limited to rights-of-way.
2. No sign mounted on the exterior of a building shall cover any windows, doors or any architectural building features.
3. All portions of letters/logo shall be a minimum of three (3) feet from the building edge of any face, roof line, ground line or floor/ceiling/roof/wall lines which separate individual tenant spaces.
4. On a corner lot, no freestanding sign over two (2) feet tall may be placed within the visibility triangle. The visibility triangle is an area with one (1) point at the intersection of the intersecting streets' centerlines, and the other two (2) points located on each street's centerline one-hundred (100) feet away from the intersection of said centerlines. The clear sight area is illustrated below.



*Illustration of vision triangle for 12-8-1-A-4*

## **B. Sign Structure and Installation**

Supports and braces shall be an integral part of the sign design. Angle irons, chains or wires used for supports or braces shall be hidden from public view to the extent technically feasible.

## **C. Wind Pressure and Direct Load**

All signs must be designed and constructed to receive dead loads and withstand a wind speed of no less than ninety (90) miles per hour.

## **D. Illumination**

Any sign illumination, including gooseneck reflectors must be designed, located, shielded and directed to prevent the casting of glare or direct light upon roadways and surrounding properties, or to distract the operators of motor vehicle or pedestrians in the public right-of-way. In the case of internally illuminated signs, the sign face must function as a filter for any illumination.

1. Illuminated signs located within 120 feet of any dwelling and for which the sign face has a direct line of sight toward windows of such dwelling shall be turned off and not operated no later than one o'clock (1:00) A.M. or when the premises is no longer open to the public, whichever is earlier, and may be turned and operated no earlier than when the premises opens to the public or six o'clock (6:00) A.M., whichever is earlier. Notwithstanding anything herein to the contrary, for businesses which are open to the public 24 hours each day, illuminated signs are not required to be turned off any time the business remains open. For the purpose of this section D.1, the measurement shall be from the face of the sign to the nearest façade of the nearest dwelling. Except as provided in this paragraph, all other signs are not required to be turned off.
2. Lighting for signs shall be in harmony with the signs' and the project's design. If outside lighting is used, it should be arranged so the light source is shielded from view.
3. The maximum lighting shall be one-half (½) footcandle, as measured at the property line reflecting from a white background aimed at the face of the sign.
4. All illuminated signs shall be equipped with a safety shut-off switch.

## **E. Ground Sign Landscaping**

All Ground Signs must be landscaped at the base of the sign in accordance with the following:

1. For every one (1) square foot of gross sign area, there shall be provided a minimum of two (2) square feet of landscape area.
2. The sign landscape plan must be drawn to scale, and shall show the dimensions of the proposed landscape area. The sign landscape plan shall provide a species list which includes the common and scientific name, size, quantity, and period of flowering (annuals and perennials), for all proposed plant material.
3. The sign landscape plan will utilize a variety of plant types including, but not limited to; deciduous and evergreen shrubs, annual and perennial plants and grasses, and ground covers, to achieve both height variation and color interest throughout the four seasons.

Ground signs must be landscaped with small shrubs a minimum of eighteen (18) inches in height at planting. The remainder of the landscaped area must be planted with perennials or other groundcover.

4. To provide diversity, at least two (2) different types of plant material must be installed, excluding turf and annual flowers, provided that at least one plant type shall consist of evergreen shrubs or groundcovers. If any portion of the required planting area is located less than fifteen (15) feet from the edge of the street, evergreen shrubs or groundcovers are not required, but at least three (3) different types of plant material must be installed, one of which may be annual flowers.
5. In addition to the plantings described above, the sign landscape plan shall also include soil protection such as, but not limited to, ground cover plants or organic hardwood mulch. However, no more than twenty-five percent (25%) of the total landscape bed may be void of plants at any one time.
6. All landscaping must be maintained in good condition, and free and clear of rubbish and weeds.
7. Sign landscaping must conform to the requirements of this section within one (1) year after the effective date of this Code.

#### **F. Glass**

Any glass forming a part of any sign shall be safety glass with a minimum thickness of one-fourth (1/4) inch.

#### **G. Lettering**

All letters, figures, characters or representations, in cut-out or irregular form, maintained in conjunction with, attached to, or superimposed upon any sign must be safely and securely built or attached to the sign structure.



#### **H. Items of Information**

1. All signs must limit the number of items of information on any single sign face to no more than two (2) items to prevent traffic hazards for passing motorists and to minimize the cluttered appearance of signs.
2. Each descriptive or identifying word, set of words, icon, logo, symbol or image on a sign shall be defined as an "item of information". For example, but not in limitation thereof, each of the following would be one (1) item of information: (a) the name of the business, even if multiple words, or (b) the business logo. The street number address of the business is not counted as an item of information. A company catchphrase or motto may be included on a sign only if it is a part of the legal name of a business. Products, services, telephone number, or a website address shall not be permitted as part of the Copy on a permanent sign unless it is part of the legal name of a business. The prohibition against displaying the names of products or services shall not apply to Awning/Canopy Signs. Temporary signs shall be exempt from any limitations on items of information.



*Illustration of number of items of information for 12-8-1-H-2*

3. Changeable message signs where the items of information are changed manually or electronically, only as expressly permitted by other sections of this Title, are counted as one (1) item of information.
4. All signs on a zoning lot must be related to the resident or business located on such zoning lot, with the exception of non-commercial or political signs.
5. Ground signs for commercial developments with multiple tenants that advertise the names of the tenants located within the development are limited to one (1) item of information per tenant. Ground signs for multi-tenant developments shall have a total limit of four (4) items of information. The name of the multi-tenant development shall not be included as an additional item of information.
6. Directory signs are exempt from the items of information limitation.

#### **I. Maintenance**

1. All signs shall be kept and maintained in a safe, neat and orderly condition and appearance.
2. The owner and/or lessee of each sign shall maintain such sign to prevent corrosion or deterioration caused by the weather, age or any other condition, and otherwise to keep the same in a safe, neat and orderly condition and appearance.

#### **J. Design Criteria**

The purpose of these design criteria is to establish a checklist of those items relative to signs that affect the aesthetics of Lincolnshire's environment. Pertinent to signs is the design of the sign and its relation to buildings, structures, planting, street furniture and the distance to the nearest public street.

The following criteria are not intended to restrict imagination, innovation or variety, but rather to assist in focusing on design principles that can result in creative solutions that will develop a satisfactory visual appearance within the Village, preserve property values and promote the public health, safety and welfare.

1. Every sign shall have good scale and proportion in its design and in its visual relationship to buildings and surroundings.
2. Sign materials, size, color, lettering, location and arrangement shall be an integral part of site and building design.

3. The colors and materials of every sign shall be restrained and harmonious.
4. The number of graphic elements on a sign shall be held to the minimum needed to convey the sign's principle message, and shall be composed in proportion to the area of the sign face. Text should be kept to permitted items of information.
5. Supports and braces shall be an integral part of the sign design. Angle irons, chains or wires used for supports or braces shall be hidden from public view to the extent technically feasible.

**K. Sign Face to be Smooth**

Any sign, other advertising structure, marquee, canopy or awning, as defined in this Title, which is within ten (10) feet of a street, shall have no nails, tacks, wires or other hazardous projections protruding therefrom.

**L. Copy Area Appearance**

The Copy on any sign must be legibly and professionally rendered on a suitable contrasting background, which enhances the visibility of the Copy and is consistent with the design criteria described herein.

## CHAPTER 9

### SIGN CONSTRUCTION AND DESIGN: SPECIFIC STANDARDS BY SIGN TYPE

#### SECTION:

#### 12-9-1 SIGN CONSTRUCTION AND DESIGN: SPECIFIC STANDARDS BY SIGN TYPE

The following signs are the only types of permanent signs permitted in the Village.

##### A. Ground Signs

Ground signs are permitted subject to the following:

1. Ground signs are permitted only in the districts listed in Tables 1 and 2, subject to the regulations of Tables 1 and 2 and this Title.
2. One (1) ground sign is permitted per street frontage of a zoning lot with a maximum of two (2) sign faces, except that any lot or parcel with a frontage of eight hundred (800) feet or more may have two (2) ground signs located not less than four hundred (400) feet apart. If a zoning lot has frontage on more than one (1) street then said lot will be allowed one (1) ground sign per frontage, provided there is sufficient frontage to place the two (2) signs no closer than one hundred (100) feet apart.
-  3. In addition to a ground sign, drive-through establishments are permitted one (1) menu board sign, whether constructed as a ground sign or double post sign, no more than forty (40) square feet in sign area, no more than six (6) feet in height and no less than twenty (20) feet from any lot line.
4. Ground signs must be setback a minimum distance from the edge of the street, as shown in Table 1: Ground Signs – Monument and Table 2: Ground Signs – Double Post. All signs must be located entirely on private property. No part of any ground sign may be located within or over a street.
5. All ground signs shall be approved by the Department of Community and Economic Development as being in compliance with Title 5, Chapter 4 of the Village Code and shall be constructed of incombustible or approved combustible materials as defined in Section 12-3-1 Definitions.
6. Ground signs may be illuminated by backlit/reverse channel or channel lighting or by external lighting fixtures such as goosenecks and flood lights, with lighting color restricted to shades of white. Internally illuminated ground signs shall be designed so light is filtered through the face of individually cut letter sets.
7. The sign structure and sign face of ground signs shall exhibit good scale and proportion; and shall be an integral part of the site and building design by sharing architectural features with the principal structure, including one or more building materials, colors, or design elements.
8. The sign material of ground signs shall consist of materials such as wood, stone, brick, copper, bronze, steel, brushed aluminum, iron, concrete, or similar. Synthetic plaster

shall be permitted if it is used as a primary exterior material on the approved principal structure.

9. Letters and logo(s) are limited to no more than two (2) colors and must be individually carved, etched, or raised and may consist of plastic, wood, or metal letters, with a non-reflective surface, on a contrasting background. Multiple colors used on a logo or mark registered with the United States Patent and Trademark Office are permitted. Consistency must be provided between ground sign lettering and the accompanying wall signs on the building.
10. Ground signs for multi-tenant buildings shall exhibit the same design characteristics; including materials, color, fonts, lighting, tenant panels, etc, and shall be consistent in design where there are multiple ground signs on a single property. Ground signs for multi-tenant buildings are limited to four (4) tenants per sign face and a development name. The development name must be larger than the name of individual tenants. In addition, the development name may be distinguished from the individual tenants by font, color or material.
11. The Copy Area shall be a minimum of 2 inches (2") from the perimeter of each Sign Face and shall not exceed a maximum of seventy percent (70%) of the Sign Area.

TABLE 1 GROUND SIGNS – MONUMENT				
SIGN DISTRICT	Maximum Sign Area	Maximum Height of Monument	Maximum Length of Monument	Minimum Setback
Commercial Sign District - Single Tenant	60 sq. ft.	6 ft.	10 ft.	15 ft.
Commercial Sign District - Multi Tenant	75 sq. ft.	7.5 ft.	10 ft.	15 ft.
Office/Industrial Sign District	72 sq. ft.	6 ft.	12 ft.	15 ft.
Residential Sign District	30 sq. ft.	5 ft.	6 ft.	15 ft.

TABLE 2 GROUND SIGNS – DOUBLE POST					
SIGN DISTRICT	Maximum Sign Area	Maximum Structure Area	Maximum Structure Height	Maximum Structure Length	Minimum Setback
Commercial Sign District	30 sq. ft.	72 sq. ft.	6 ft.	12 ft.	15 ft.
Office/Industrial Sign District	30 sq. ft.	72 sq. ft.	6 ft.	12 ft.	15 ft.
Residential Sign District	20 sq. ft.	44 sq. ft.	5.5 ft.	8 ft.	15 ft.

## **B. Wall Signs**

Permanent wall signs are permitted in the Commercial Sign District, the Office/Industrial Sign District and for non-residential uses in the Residential Sign District, subject to the following standards.

1. Wall signs are permitted only in districts listed in Table 3, subject to the regulations of Table 3 and this Title. The maximum Sign Area of a wall sign shall be ten percent (10%) of the area of the wall to which it is attached, including doors and windows, or the maximum wall sign area listed in Table 3, whichever is less.
2. Wall signs are permitted for each building wall that faces a public street or parking lot, with no more than one (1) wall sign permitted on any wall, unless permitted by Section 12-9-1(B)(11) and Section 12-9-1(B)(13). Where there is a secondary customer entrance, an additional wall sign is permitted but shall be limited to no more than sixteen (16) square feet and shall only indicate the name of the business and the words "entrance," "enter" or similar term.
3. The total area of a side wall sign or signs shall not exceed five percent (5%) of the area of the side façade of the principal building, including doors and windows, or twenty-five (25) square feet, whichever is less. Any side wall sign must be located facing a side yard of twelve (12) feet or more in width on the same lot.
4. Wall signs must be safely and securely attached to the building wall. Wall signs must be affixed flat against the building wall and must not project more than six (6) inches from the building wall. Illuminated wall signs shall not be permitted to extend more than twelve (12) inches beyond the sign face or sign structure.
5. No wall sign affixed to a building, including sign support structure, may project beyond the ends or top of the wall to which it is attached. On buildings existing on the effective date of this Title, July 1, 2009, a parapet wall must not be constructed for the sole purpose of increasing the allowable height of a wall sign.
6. Wall signs shall not cover windows, doors or architectural features.
7. For buildings in commercial use, wall signs should be located on the sign frieze, or the portion of the building immediately above the first floor windows and below the second floor window sills in the case of a two-story building. For buildings in office use that are larger than two-stories, wall signs may be located on the top floor of the building no more than five (5) feet above the windows on the top floor and no portion of such wall sign shall extend above the roof line.
8. Wall signs may be constructed of wood, metal or plastic.
9. Wall signs may have either channel lit letters or reverse channel lit letters. Sign bands shall not be illuminated. In the Office/Industrial Sign District, channel lit letters are permitted under the following conditions: a) the majority of gross floor area must be devoted to office use; b) the wall sign shall only identify the office occupant; c) the building height must be a minimum of forty (40) feet; and d) the wall sign shall be mounted a minimum of thirty-five (35) feet above grade. Gooseneck reflectors are permitted on all wall signs provided the reflectors concentrate the illumination upon the sign face only.

- 10.** On multi-tenant commercial buildings, all wall signs must be located at a generally uniform height on the building wall in similar proportion to one another. Wall signs identifying individual tenant spaces in multi-tenant structures shall be centered within each leaseable space unless otherwise approved by the Department of Community and Economic Development. Signs within a multi-tenant commercial development must be of a natural or white finish, however a logo or mark registered with the United States Patent and Trademark Office shall not be limited by color. Where a single principal building is devoted to two (2) or more business or commercial uses, the operator of each such use may install a wall sign. The maximum area of each such sign shall be determined by the proportionate share of the front façade, including doors and windows, of the principal building occupied by each such use and applying such proportion to the total sign area permitted for the front wall of the building.
- 11.** On multi-tenant office buildings, one wall sign shall be permitted per building frontage, provided signs have a minimum separation from the common edge of each building frontage equal to ten feet (10') or one third (1/3) of the length of the respective frontage, whichever is lesser.
- 12.** On multi-tenant industrial buildings, individual tenant wall signs shall be permitted only for those tenant spaces that have individual entrances facing a public street or a parking lot. Such signs must be located over or next to a corresponding entrance at a uniform height on the building wall in similar proportion to one another. Regardless of whether the first wall sign in any multi-tenant building is installed over the entry or next to the entry, that same placement type shall be required for any additional signs in the same building. The maximum area of each such sign shall be determined by the proportionate share of the front façade, including doors and windows of the principal building occupied by each tenant space and applying such proportion to the total sign area permitted for the front wall of the building. Any two adjoining wall signs placed next to entrances shall be located no closer than 1 foot (1') from each other. Any two adjoining wall signs placed above entrances shall be located no closer than 5 feet (5') from each other.
- 13.** Within a single-tenant commercial development, signs utilizing carved, etched, or raised letters are not limited by color. Metal letters and logos shall have a non-reflective metal surface.
- 14.** Wall signs shall be attached to a building façade at a height of not less than eight (8) feet above any sidewalk, and may not extend over said thoroughfare and/or sidewalk.
- 15.** Consistency must be provided between ground sign lettering design for individual tenants and the corresponding lettering of wall signs on the façade of the building.

TABLE 3 WALL SIGNS					
SIGN DISTRICT	Maximum Sign Area	Maximum Sign Length	Maximum Height of Sign Face	Maximum Height of Letters	Maximum Height of Logo
Commercial Sign District	10% of the area of the wall to which the sign is attached	18 ft.	3 ft.	24 in.	30 in.
Office/Industrial Sign District	10% of the area of the wall to which the sign is attached	20 ft.	3 ft.	24 in.	30 in.
Residential Sign District - Non-residential Use	10% of the area of the wall to which the sign is attached, or 24 sq. ft., whichever is less	8 ft.	2 ft.	12 in.	18 in.

### C. Awnings and Canopies

Awnings and canopies that are considered an architectural feature of a building not used for advertising are not considered a sign. Awnings and canopies containing an advertising message shall be considered a sign, subject to review by the Architectural Review Board and are subject to the following regulations:

1. Awnings and canopies are permitted signs in any non-residential sign district.
2. All awnings or canopies must maintain a minimum eight (8) foot clearance from grade. Awnings and supports for canopies must not extend past a setback two (2) feet from the curb line, or if there is no curb line the property line.
3. An advertising message on any individual awning or canopy is limited to twenty-five percent (25%) of the surface of the vertical face of the awning or canopy on which it is placed. The advertising may contain one (1) of the following items of information per awning or canopy: the legal business name, logo, or a business product or service; all of a consistent color and font size. No more than four (4) awning or canopy signs are permitted on each frontage described in Paragraph 4 below.
4. Awning and canopy signs shall be permitted for each facade of a building or tenant space that has been designed to include a customer entrance, display or decorative window, or for which the architectural design treatment and details are the same as those used in the primary facade of the building, subject to review by the Architectural Review Board.
5. Awning or canopy signs shall be centered on the awning or canopy to which they are affixed and located parallel to the building facade upon which the awning or canopy is attached.
6. Awnings and canopies shall be constructed out of incombustible, non-reflective material. Back-lit awnings and canopies are prohibited.



*Examples of awnings that meet the standards of 12-9-1-C*

7. Awnings and canopies must be securely attached to and supported by a building. All frames and supports must be made of metal or other similar rigid material and meet the requirements of Title 5, Chapter 4.
8. All awnings or canopies shall comply with the following design standards:
  - a. Awnings and canopies shall be compatible in material and construction to the style and character of the building. The color of the awning or canopy shall be compatible with the overall color scheme of the façade.
  - b. Awnings and canopies shall be generally aligned with others nearby in order to maintain a sense of visual continuity.
  - c. Awnings and canopies shall be tailored to the façade of the building and positioned so that distinctive architectural features remain visible.
  - d. All awning and canopy signs located on an individual building shall be of a similar size with no more than one (1) line of horizontal sign copy permitted per awning or canopy sign. However, if the awning or canopy sign message is part of a business registered name displayed over two lines, two lines shall be permitted.
  - e. Awning or canopy signs will not be permitted on the sloped or curved face of an awning or canopy.
9. The following maximum dimensions are permitted for awning and canopy signs:
  - a. Letter Height: Twelve (12) inches.
  - b. Logo Height: Eighteen (18) inches.
  - c. Sign Face Height: Eighteen (18) inches.
  - d. Sign Length: Ten (10) feet.
  - e. Sign Surface Area: Ten (10) square feet.

## **D. Blade Signs**

### **1. Location**

Blade signs shall be erected perpendicular to the structure to which they are attached. Signs erected at the corner of a building may be placed at a one-hundred-thirty-five (135°) degree angle to the facade of the building used for customer entrance. No portion of a blade sign shall be permitted to be less than ten (10) feet above the level of the walkway or predominant grade over which it extends.

### **2. Size**

Blade signs are permitted up to a maximum surface area of four (4) square feet for tenants in multi-tenant buildings and twenty (20) square feet for free-standing businesses.

### **3. Quantity**

One (1) blade sign shall be permitted for each public entrance into an individual tenant/business space. However, for tenant spaces or buildings with a corner building entrance orientation, one (1) blade sign shall be permitted per building frontage.

### **4. Sign Design and Materials**

- a. All blade signs located on an individual building shall be of a similar size and proportion.
- b. A blade sign shall not extend more than three (3) feet from the wall/ceiling to which it is attached.
- c. Blade signs shall be designed to relate to the architectural design of the building to which they are attached.
- d. Blade signs shall be constructed of wood, metal or similar materials, at the recommendation of the Architectural Review Board and approval by the Village Board.

## **E. Marquee Signs**

Marquee signs shall be restricted to a position over the main entrance into a building.

### **1. Location**

No marquee shall be erected in any residential district.

### **2. Construction Materials Required**

All marquees, including the anchors, bolts, supports, rods and braces thereof, shall be constructed of incombustible or approved combustible materials, shall be designed by a structural engineer and shall be approved by the Department of Community and Economic Development as being in compliance with the Village Building Code. If appropriate, an electrical inspection shall be made to determine if the marquee is in compliance with all electrical provisions of this Code.

- a. Drainage: The roof of all marquees shall be properly guttered and connected by downspouts to a storm sewer or other drainage that is acceptable to the Department of Community and Economic Development so that the water therefrom will not flow onto public property.
- b. Roofs: The roofs of all marquees shall be used for no other purpose than to form and constitute a roof, and shall be constructed of incombustible materials.
- c. Erection, Bracing, Anchorage and Supports: Marquees shall be supported solely by the building to which they are attached, and no columns or posts shall be permitted as support therefore.
- d. Roof Live Load Requirements: The roof of any marquee shall be designed and constructed to support a live load of not less than forty (40) pounds per square foot.
- e. Anchorage to Wood Structure Prohibited: No marquee shall be erected on any building of wood frame construction.

### 3. Height above Sidewalk

No portion of a marquee shall be permitted to be less than ten (10) feet above the level of walkway over which it extends.

- a. Setback from Curb Line: No marquee shall be permitted to extend beyond the property line or over a street.
- b. Width: No marquee shall be wider than the entrance or entrances of the building, plus five (5) feet on each side thereof, unless approval is recommended from the Architectural Review Board and approved by the Village Board.

### 4. Signs Attached to Marquees

No temporary sign as defined elsewhere within this Title, shall be attached to, or hung from a marquee except changeable copy affixed or illuminated directly upon the vertical hanging fascias of the marquee. The Sign Face on any marquee shall be limited to fifty percent (50%) of the gross surface area of the vertical hanging fascias of the marquee.

## F. Vehicle Fueling Station Signs

For vehicle fueling stations, regardless of which sign district each is located in, all signs must comply with the regulations contained in Paragraphs A (Ground Signs) or B (Wall Signs) above. In addition, the following permanent signs shall be permitted:

- 1. Wall signs limited to those which identify the brand name or logo of the fueling station.
- 2. Additional signage may be integrated into ground signs for the purpose of indicating the price of gasoline only, subject to the following criteria:
  - a. Manual Changeable Copy Sign: The sign area of such signs shall not exceed twelve (12) square feet, in surface area.
  - b. Electronic Message Sign:

- i. Shall consist of L.E.D. panels that, at a minimum, utilize Multi-Segment L.E.D. Technology (MST) digit configuration displays.
- ii. Not more than two (2) gasoline products shall be displayed per sign face.
- iii. Digits shall not exceed twelve (12) inches in height and are limited to three (3) digit numerical displays, not including a 9/10<sup>th</sup> fractional digit or decimal point.



*Illustration of three digit numerical display for 12-9-1-F-2-biii,*

- iv. L.E.D. color shall be limited to one (1) color on black background and shall be the same color for each L.E.D. display used.
  - v. The maximum brightness permitted shall not exceed 3,250 nits during the day and 500 nits at night. Additionally, each L.E.D. panel shall include a circuit board equipped with light sensors per side to automatically adjust L.E.D. brightness based on ambient light level.
  - vi. Shall be turned off at the close of daily business operating hours, unless such vehicle fueling station operates 24 hours per day.
  - vii. All electronic images must remain static. No flashing, blinking, chasing, animations or other attention seeking effects shall be permitted.
3. One (1) sign over each pump stand not to exceed eighteen (18) inches in height with length governed by the length of the pump structure itself.

**G. Directional Signs**

Directional signs accessory to parking and driveway areas are permitted subject to the following regulations:

- 1. One (1) sign may be erected to designate each entrance to or exit from a parking or driveway area. One (1) additional directional sign is permitted for each intersection of drive aisles within a site, to identify traffic routing, entrances and services, such as drive-in lanes. Each such sign shall not exceed three (3) square feet in area. Directional signs may be double-faced signs and placed no higher than four (4) feet above grade.
- 2. Directional signs must identify use only by means of a logo, shape, or color with the exception of words such as ENTRANCE or EXIT. Directional signs may also identify walkways, parking lot entrances and exits, and features of a similar nature.
- 3. When more than one (1) directional sign is located on a single site or unified

development, each Directional Sign shall maintain a consistent sign design.

4. Directional signs must be located entirely on the property to which they pertain and must be located so as not to interfere with the safe sight distances of vehicles traveling into, out of, or throughout the site.

# CHAPTER 11

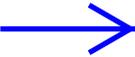
## PROHIBITED SIGNS

### SECTION:

#### 12-11-1 PROHIBITED SIGNS

It is unlawful to erect or maintain any of the following signs:

- A. Signs which emit sounds including, but not limited to, voice, music, and similar methods of advertising.
- B. Any sign which is wholly or partially illuminated by flashing, blinking, or intermittent lights or other means not providing constant illumination, including strobe lights, spotlights and floodlights. A sign whereon the time and/or temperature is indicated by intermittent lighting shall be deemed to be a flashing sign.
- C. Moving signs. No sign or part of any sign shall move or give the illusion of movement in any manner.
- D. Feather signs, bunting, pennants and items of a similar nature, not including those permitted in accordance with this Title.
- E. Roof signs.
- F. Signs of an obscene nature.
- G. Signs which are not erected, placed or located by a governmental entity and that constitute a traffic hazard, including those signs that:
  - 1. Obstruct free and clear vision at any street, intersection, parking lot entrance or exit, or driveway.
  - 2. Interfere with, obstruct the view of, or may be confused with any authorized traffic sign, signal or device because of its position, shape or color, including signs illuminated in red, green or amber color to resemble a traffic signal.
  - 3. Make use of the words STOP, LOOK, DETOUR, DANGER or any other word, phrase, symbol or character in a manner that misleads, interferes with, or confuses traffic.
- H. Signs which obstruct the use of driveways, doors, windows, fire escapes, or any such opening intended to provide access or egress for any building or structure.
- I. Off-premise or billboard signs, except as permitted in Section 12-3-1 as part of a Master Sign Plan.
- J. Any goods, wares, or merchandise suspended from, the exterior of any building or structure.
- K. Ground signs, wall signs and directional signs erected in any residential district, except as defined in this Title.

- L. Internally illuminated cabinet style ground and wall signs in which each letter is not individually articulated.
- M. Signs on fences, trees, or utility poles, which are not required by State or Federal law.
- N. Signs consisting of a cluster or series of lights, except on such clocks and weather gauges as may be authorized by other sections of this Title.
- O. Home occupation signs.
- P. Pole type signs, temporary or permanent.
- Q. Attachments to any advertising structure or real estate sign.
-  R. Signs composed of exposed neon tubing, Electronic Display Screens, Electronic Message Signs, and similar technologies unless otherwise permitted by a Planned Unit Development or Master Sign Plan.
- S. Temporary wall signs.
- T. Window signs for office buildings.

**REQUEST FOR BOARD ACTION  
COMMITTEE OF THE WHOLE MEETING  
September 23, 2019**

**Subject:** Visit Lake County Annual Report

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**Action Requested:** Receipt of Presentation and Request from Visit Lake County Convention and Visitors Bureau Regarding Funding for Fiscal Year 2020 Budget

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**Originated By/Contact:** Visit Lake County Convention and Visitors Bureau

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**Referred To:** Village Board

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**Summary / Background:**

The annual budget process invites partner and community organizations, as well as residents to provide comments and recommendations regarding items the Village may address in the coming fiscal year. In early August, letters were sent to more than 15 community groups and organizations, including non-profit groups and area taxing bodies. Requests received are incorporated into the draft budget for Fiscal Year 2020 for Village Board consideration and discussion during the upcoming budget workshops.

As part of this process, Village staff extends a formal invitation to Visit Lake County, which the Village is a member of, to provide an annual presentation regarding their efforts to serve as a destination marketing organization and promote tourism in Lincolnshire and throughout Lake County. Maureen Riedy, Visit Lake County President, and Brad Lajoie, General Manager of the Lincolnshire Marriott Resort, will be in attendance at Monday's meeting to share information about the value of Visit Lake County in promoting the Village of Lincolnshire as part of overall efforts to promote tourism throughout the County.

The Village of Lincolnshire is represented by two seats on the Visit Lake County Board of Directors. This Board meets monthly throughout the year to guide Visit Lake County's efforts in marking Lake County as a destination and championing tourism in all of Lake County. The Board has the overall authority and responsibility of all activities and operations of Visit Lake County. Currently, Lincolnshire Marriott General Manager Brad Lajoie and Village Manager Brad Burke serve on the Visit Lake County Board, along with representatives from partner communities and businesses throughout Lake County.

**Visit Lake County**

Attached is information submitted by Visit Lake County pertaining to their request for Fiscal Year 2020. For 2020, Visit Lake County is seeking a contribution of \$30,175. The partner fee contribution requested reflects the amount established by the Visit Lake County Board of Directors. The partner contribution amounts are based primarily on the number of hotel rooms in the community. For Lincolnshire, with more than 1,000 hotel rooms, the Village falls into Community Partner Level 2 (\$31,175) contribution level. Community contributions are important as they aid the convention and visitors bureau in securing the most state grant funds available to support Visit Lake County's mission.

In addition to the Village's partner contribution, Visit Lake County also receives revenues from participating hotels, restaurants, and destinations. The amount paid by the hotel operators in the

community is based upon a calculation of \$8.25 per room. Restaurants typically pay a flat rate of \$300, which ensures inclusion in Visit Lake County's annual Restaurant Week promotion. Visit Lake County supports partner communities by listing all restaurants on its website with direct links to the specific restaurant page. At this time, Visit Lake County's websites hosts information on 30 different Lincolnshire businesses.

In 2019, the following businesses were official Visit Lake County partners:

**Hotels (100% participation of all Lincolnshire hotels)**

- Courtyard by Marriott
- Hampton Inn & Suites
- Lincolnshire Marriott Resort (Including Crane's Landing Golf Course, Marriott Theater, Three Embers Restaurant, Wright's Brew & Bistro)
- SpringHill Suites
- Homewood Suites
- Staybridge Suites

**Restaurants (Over 20% participation of all Lincolnshire restaurants)**

- Big Bowl
- Eddie Merlot's
- Half Day Brewing
- Marigold Maison Indian Restaurant
- Wildfire

**Venues**

- Viper Alley
- Park-King Skill Golf

The table below lists historical Visit Lake County contributions:

<b>Year</b>	<b>Contribution Amount</b>
2007	\$10,000
2008	\$10,000
2009	\$10,000
2010	\$5,000
2011	\$2,500
2012	\$7,500
2013	\$10,000
2014	\$15,000
2015	\$15,000
2016	\$15,000
2017	\$15,000
2018	\$18,575
2019	\$20,000
2020 (Request)	\$31,175

**Budget Impact:**

Budget impact for Fiscal Year 2020 to be determined during upcoming budget workshops. The Village benefits from the work of Visit Lake County. Their work in destination marketing and securing hotel stays in Lincolnshire has a direct impact on hotel tax revenue received by the Village. The table and chart below provide information on the annual hotel tax revenues

generated by Lincolnshire's 5.00% room tax. The Visit Lake County partner contribution requested for 2020 reflects less than 2% of the total hotel tax received from the various Lincolnshire hoteliers.

	2014	2015	2016	2017	2018	Est 2019	Actual thru 07/2019
Marriott Resort	\$ 569,884	\$ 617,485	\$ 585,978	\$ 367,803	\$ 651,607	\$ 708,893	\$ 413,521
Courtyard by Marriott	\$ 182,501	\$ 211,283	\$ 213,032	\$ 215,498	\$ 209,139	\$ 208,332	\$ 121,527
SpringHill Suites by Marriott	\$ 201,034	\$ 224,845	\$ 226,973	\$ 234,094	\$ 240,496	\$ 253,947	\$ 148,136
Hampton Inn & Suites	\$ 179,543	\$ 189,521	\$ 203,923	\$ 213,665	\$ 205,333	\$ 198,186	\$ 115,608
Staybridge Suites	\$ 142,042	\$ 165,476	\$ 156,544	\$ 170,859	\$ 179,416	\$ 179,255	\$ 104,565
Homewood Suites by Hilton	\$ 200,253	\$ 200,084	\$ 212,922	\$ 229,336	\$ 240,838	\$ 243,874	\$ 142,260
	<u>\$1,475,257</u>	<u>\$1,608,694</u>	<u>\$1,599,373</u>	<u>\$1,431,255</u>	<u>\$1,726,830</u>	<u>\$1,792,486</u>	<u>\$1,045,617</u>



**Service Delivery Impact:**  
None.

**Recommendation:**

Receipt of request. Staff will incorporate this request into the proposed Fiscal Year 2020 Budget for consideration by the Village Board at upcoming budget workshops.

**Reports and Documents Attached:**

- Visit Lake County Overview.
- September 19, 2019 Letter from Visit Lake County President Maureen Riedy.

<b>Meeting History</b>	
Village Board (COW):	09/23/2019



# Overview of Visit Lake County

Visit Lake County (the Lake County, Illinois Convention & Visitors Bureau) is a destination marketing organization and champion of tourism for Lake County, Illinois. Our alliance is comprised of 12 community partners including Lake County and 200 industry partners who understand the powerful economic impact of visitors. We import “temporary taxpayers” to the county who help boost business at hotels, restaurants and stores and more, and generate tax revenue for communities.

**Our Mission:** Market the region as a premier destination to stimulate visitor spending and overnight stays which contribute to the economic prosperity and quality of life in communities across Lake County.

## **Partnerships/Funding**

Visit Lake County is funded primarily through state and local hotel tax receipts and grants. We receive an annual grant from DCEO/Illinois Office of Tourism, which we are required to match through local sources. Match sources include industry partner dues, community partnerships and co-op advertising projects. Our community partners are Antioch, Deerfield, Grayslake, Gurnee, Lake County, Lake Zurich, Libertyville, Lincolnshire, Long Grove Business & Community Partners, Vernon Hills, Waukegan and Zion.

## **Our Target Markets**

- Leisure Travelers, families and those attending Great Lakes Naval graduation ceremonies
- Amateur sports tournaments
- Family and military reunions
- Tour groups
- Association & corporate meetings and retreats
- Hobby groups and service organizations
- Special events & weddings

## **Marketing Goals and Strategies**

- Utilize a variety of advertising and marketing strategies to build awareness of Lake County as a tourism destination and increase visitor spending in the County.
- Create seasonal multi-media co-op advertising campaigns that reach our target markets and promote the tourism assets of the county.
- Provide trip planning information through our website and visitors guide on all the diverse entertainment and outdoor recreational opportunities in the county and encourage visitors to take advantage of these offerings.
- Utilize social media marketing and public relations to promote events and attractions and reach new audiences through Facebook, Twitter, YouTube, Instagram, Pinterest, Flickr and other outlets.

- Continue to enhance our e-marketing efforts including constant upgrades to our website and mobile site, increasing subscribers to our e-newsletter and promoting our online coupons.
- Boost our group sales bookings with hotels and other venues through prospecting, database management and increased client contact.
- Maintain a comprehensive calendar of community events and activities on our website for visitors and residents.
- Work with our Marketing Committee and other VLC partners to continually evaluate our progress and results, and to identify new opportunities to promote the many unique assets of Lake County.

### **Marketing Tools**

- **Lake County Getaway Guide** - 50, 000 copies printed annually & distributed at our brochure kiosk at the Lake Forest Tollway Oasis, state visitor welcome centers, hotels, Naval Station Great Lakes and more, plus hundreds downloaded monthly from our website.
- **Websites** – VisitLakeCounty.org, plus microsites: lakecountyreunions.com, sportslakecounty.com and boatinglakecounty.com. We also input Lake County events and attractions for the Illinois Office of Tourism’s website enjoyillinois.com and their call center.

### **Visit Lake County Staff**

We employ a staff of seven professionals with years of experience in tourism marketing and sales. We also have a 15 member Board of Directors representing community partners, hotels and attractions and shopping centers from across the county.

### **Economic Impact of Tourism in Lake County**

Lake County ranks as one of the top three counties in Illinois for tourism expenditures – behind Cook County and DuPage County. According to the most recent figures provided by the Illinois Office of Tourism, using data from the US Travel Association, tourism expenditures in Lake County topped \$1.26 billion in 2014 resulting in 10,330 jobs, \$27 million in local tax receipts and \$76 million in state taxes.



### **Accreditation**

We are honored to be awarded accreditation by Destination Marketing Association International (DMAI) representing over 1,000 Convention & Visitors Bureaus throughout the county. The accreditation requires compliance with 50 mandatory and 30 voluntary standards of excellence including operational and financial procedures, governance, customer service, and sales and marketing procedures.



September 19, 2019

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

Dear Mayor Brandt and Village Trustees,

Thank you for your annual investment in Visit Lake County's marketing partnership program to boost the economic impact of visitors to Lincolnshire. Tourism builds community and helps enhance the public image of the village as an attractive destination for businesses, visitors and residents. Outlined below is the return-in-your-investment from your partnership with VLC over the past 12 months.

### **Summer Advertising Campaign**

Our annual summer advertising campaign is designed to build Lake County's reputation as an easy decision for quick get-away weekends. Lincolnshire Marriott Resort participated, along with Six Flags Great America, as a co-op partner in this year's promotion. The highly visible, multi-platform campaign included TV ads, Metra transit cards, outdoor digital boards, Pandora, Spotify, digital display ads, videos, articles, plus Facebook and Instagram posts directing viewers to a landing page highlighting the Lincolnshire Marriott Resort's Let's Go Getaway packages. The campaign netted over 40 million views to our target Chicago area markets.

Here is a link to the 15 sec video on YouTube we produced as part of the summer campaign highlighting Lincolnshire Marriott Resort, which garnered 44,656 views:

[https://www.youtube.com/watch?v=J2PjhAtz\\_SM](https://www.youtube.com/watch?v=J2PjhAtz_SM)

### **Fall Spooks & Spirits Campaign & Lake County Libation Trail**

Our fall campaign, "Spooks & Spirits" which promotes our many autumn events as well as Lake County Libation Trail, continues to grow in stature. Half Day Brewing Company and Wright's Brew & Bistro - featuring its new locally sourced Five Eyes beer, are highlighted in the fall campaign and our year-around branded Libation Trail. Here's a link to the Libation Trail section of our website:

<https://www.visitlakecounty.org/Libation-Trail>

### **Lake County Restaurant Week**

We launched Lake County Restaurant Week four years ago to showcase unique dining experiences in communities like Lincolnshire. Participation increased from 56 to 66 restaurants in 2019. We had seven restaurants in Lincolnshire again this year: Big Bowl, Eddie Merlot's, Half Day Brewing, Marigold Maison, Three Embers, Wildfire and Wright's Brew & Bistro.

We conducted a multi-media campaign which includes newspaper ads, Metra train cards, radio and Pandora ads plus a targeted social media campaign on Facebook and Instagram resulting in over 150,000-page views on LakeCountyRestaurantWeek.com.

This past year we added Facebook Live sessions with well-known meteorologist, Mike Caplan. Three Embers and Eddie Merlot's participated and were delighted with the results – an impressive 15,437 and 13,000 live views respectively. We are continuing to build momentum and elevate the week, and hope to secure more Lincolnshire participants in 2020.

### **Group Business Recruitment**

Our sales team recruits groups for Lincolnshire hotels and venues. In the past 12 months, the VLC helped secure 61 groups including corporate and association meetings, tour groups, and several soccer and basketball groups who stayed at local hotels. These groups used 3,856 hotel rooms and spent an estimated \$1.4 million on lodging, dining, shopping and entertainment. We have an additional 5 groups already signed for Lincolnshire hotels for late 2019 and 2020 worth over \$1 million, not including the DNC (mentioned below).

We created a booking incentive fund to motivate those responsible for site selections to choose hotels in Lake County. Based on a formula of total hotel rooms used, this year we are committed to contributing \$9,816 to meeting planners who signed contracts for meetings at Lincolnshire Marriott Resort. This extra incentive, paid by VLC, helps secure additional group business for the community. Additionally, over the past 12 months we provided 226 referrals/leads for future business opportunities for Lincolnshire hotels and other venues.

### **The DNC Convention**

Over 50,000 people will be gathering in Milwaukee next July for the DNC Convention, using a number of hotels in Lake County. The VLC team is serving as the lead contact in the county for the DNC. Lincolnshire hotels were given the opportunity to participate in the DNC housing. Lincolnshire Marriott Resort has contracted for over 1,110 DNC rooms during the week. Due to existing corporate customers other Lincolnshire hotels chose not to participate in the official block but may secure incremental business. We also anticipate demand for private event space for auxiliary groups that week.

### **Sports Tourism**

Sports Tourism is an important focus for our organization and provides a huge economic boost to communities. We actively recruit sports tournaments which can be accommodated at venues across the county. We look forward to supporting The St. James development as it moves through the final approval process, and working with the management team to recruit future sports events for the facility. Par-King Miniature Golf joined VLC this past year and has been a popular attraction to promote in Lincolnshire, especially through our social media platforms.

### **Social Media & PR Success by the Numbers**

Our marketing team has an active presence on social media channels. Below is a summary of the number of mentions of Lincolnshire businesses and events across our channels, platforms & touchpoints in the past 12 months:

VLC Website Calendar of Events – 70 Lincolnshire events listed  
Coupons/Packages for hotels & restaurants – 24,104 website views  
VLC Blogs – 99 Lincolnshire business and events mentioned  
VLC Social Media Posts - 185 posts of Lincolnshire events  
Daily Herald Weekend Watch columns – 11 media mentions



**REQUEST FOR BOARD ACTION  
COMMITTEE OF THE WHOLE MEETING  
September 23, 2019**

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

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

**Originated  
By/Contact:** Finance Director/Treasurer / Police Pension Board

**Referred To:** Village Board

**Summary:** Police Pension Board President, Steven Lee will be in attendance at the September 23, 2019 Village Board meeting to make a presentation to the Board on the status of the Police Pension Fund and request employer contributions to the fund for Fiscal Year 2020.

**Background:** In 2007, the Village began a process of annually contributing more to the Police Pension Fund than the required contribution to improve the funded ratio. The added employer contributions over previous years have successfully resulted in a 79.0% funded ratio as of January 1, 2019 valuation date.

The Village's total pension unfunded liability as of December 31, 2018 was \$10.82 million (\$4.76 million Illinois Municipal Retirement Fund (IMRF) & \$6.06 million Police Pension Fund (PPF). Independent actuary valuations, using a few "like" assumptions, calculated funding levels for 2018 to be 79.0% PPF and 79.3% IMRF.

The basic assumptions included in the Funding Policy for the Lincolnshire Police Pension Fund are as follows:

Specific Policy Assumptions

- *Funding Methodology:* Entry Age Normal Cost Method
- *Amortization Method:* 100% of the UAAL is amortized according to a Level Dollar method.
- *Amortization Period:* "Closed" 30 year period beginning Jan. 1, 2011 for Tax Years 2014-2025. "Open" 15 Year period for Tax Year 2026 and thereafter.
- *Actuarial Asset Method:* Investment gains and losses are smoothed over a 5 year period.
- *Funding Policy Target:* 100%
- *Inflation:* 2.50% per year
- *Cost of Living Adjustment:* Tier 1: 3.00% per year after age 55. Those that retire prior to age 55 receive an increase of 1/12 of 3.00% for each full month since benefit commencement upon reaching age 55. Tier 2: 1.25% per year after the later of attainment of age 60 or first anniversary of retirement.
- *Administrative Expenses:* Expenses paid out of the fund other than investment-related expenses are assumed to be equal to previous year.
- *Rate of Return:* 6.5% per year compounded annually, net of investment related expenses.
- *Salary Increases:* Rates vary by age from 24 to 55, with level increase after age 55.

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

- *Payroll Growth:* None assumed. Level dollar amortization.
- *Mortality:* RP-2000 Combined Healthy Mortality with a blue collar adjustment, projected to current year using Scale BB.
- *Disabled Mortality Rate:* RP-2000 Disabled Retiree Mortality, projected to the valuation date using Scale BB.
- *Disability Rate:* 70% of the disabilities are assumed to be in the line of duty. Based on an experience study performed in 2012.
- *Marital Status:* 85% of police officers are assumed to be married.
- *Spouse's Age:* Males are assumed to be 3 years older than females.
- *Census Data:* Collected as of measurement date. Example: 12/31/2014 for fiscal year 2015.
- *Measurement Date of the Net Pension Liability:* 12/31 (ie: Fiscal Year End 2017 will be measured 12/31/2017)
- *Retirement Age & Termination Rates:* Based on an experience study performed in 2012.

It is important to note, the Village's funding status is in the top tier of most downstate Police Pension plans; ranking 6 out of 358 in the most recent 2017 Downstate Police Pension Funds Biennial Report entitled Analysis of Financial Condition-Rate of Funding.

**Budget Impact:** Based upon the Village Board approved Funding Policy for the Lincolnshire Police Pension Fund, the budget impact for Fiscal Year 2020 is expected to be \$959,428 which is \$104,428 more than the current year's contribution. The Village is in receipt of the Police Pension Board's request for 2020. This request is based upon assumptions departing from the approved Funding Policy for the Lincolnshire Police Pension Fund. The impact; if based on the Pension Board's proposed assumptions, is expected to be \$1,030,790 which is \$175,790 more than the \$855,000 current year contribution. The change in assumption related to the mortality table used in performing the actuarial analysis to determine contribution amounts. Should the Village Board elect to follow the Police Pension Board's request, the contribution required would be \$71,362 than the required contribution to meet the approved pension funding policy.

**Service Delivery Impact:** None.

**Recommendation:** Consideration and discussion Police Pension Board presentation and funding request. The Village Board will have an opportunity to discuss the 2020 funding request as well as consider the Police Pension Board's recommended change to the Funding Policy for the Lincolnshire Police Pension Fund during the upcoming budget workshops.

**Reports and Documents Attached:**

- Lincolnshire Police Pension 2019 Request for Contributions to be paid 2020
- Lincolnshire Police Pension's Municipal Compliance Report
- January 1, 2019 Lincolnshire Police Pension Fund Actuarial Valuation
- Table Comparing "Expected Village Contribution" based on current Pension Funding Policy and Lincolnshire Police Pension Board's proposed actuarial assumption changes. Prepared by Foster & Foster.

Meeting History	
Initial Referral to Village Board (COW):	09/23/2019



Police Department  
One Olde Half Day Road  
Lincolnshire, IL 60069-3035  
847-913-2350



August 20, 2019

Village of Lincolnshire  
Mayor Brandt and Village Trustees  
One Olde Half Day Road  
Lincolnshire, IL 60069

Re: 2019 Pension Contribution Request

Dear Mayor Brandt and Village Trustees,

On May 28, 2019, the Police Pension Board held its regular quarterly meeting. At the meeting, the Actuarial Valuation Report prepared by Foster and Foster was presented to the Pension Board and discussed in depth. The discussion was continued at our August 19, 2019 quarterly meeting. Based upon the recommendations provided by our enrolled actuary, and pursuant to the municipal funding obligations contained under Article 3 of the Illinois Pension Code (40 ILCS 5/3-125 and 5/3-127), the Lincolnshire Police Pension Fund respectfully requests a Village contribution of \$1,033,790.00 for the plan year ending December 31, 2019 (to be contributed in 2020).

Attached to this request, for your review, are the Actuarial Valuation Report, the Municipal Compliance Report and a copy of the current Investment Policy. Pension Board President Steven Lee plans on attending a Village Board Meeting in September and he welcomes any questions or comments about the request.

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

Respectfully Submitted,

Adam Hyde  
Secretary

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

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

**Municipal Compliance Report  
For the Year Ended December 31, 2018**

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

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

Market Value	Year Ending December 31, 2018
Cash and Cash Equivalents	\$ 12,055
Money Market Mutual Funds	272,577
Certificates of Deposit	0
State and Local Obligations	81,222
U.S. Treasury Obligations	1,441,382
U.S. Government Agency Obligations	747,217
Corporate Bonds	4,380,880
Insurance Company Contracts	0
Common and Preferred Stocks	3,513,393
Mutual Funds	10,510,052
Accrued Interest	54,272
Prepaid Expenses	2,796
Net Liabilities	<u>(19,742)</u>
Total	<u>\$ 20,996,104</u>

As of June 30, 2019, the current market value of the assets is \$23,309,697.

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

Police Officer Contributions	<u>\$230,000</u>
Property Taxes	<u>\$850,000</u>
Additional Village Contributions	<u>\$0</u>

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

(a) Pensions and other obligations	<u>\$1,312,000</u>
(b) Annual funding requirement as prepared by fund actuary	<u>\$781,113</u>

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

**Municipal Compliance Report  
For the Year Ended December 31, 2018**

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

	Year Ending December 31, 2018	Year Ending December 31, 2017
Net income/(loss)received from Investment of Assets	<u>(\$1,469,579)</u>	<u>\$2,772,144</u>
Assumed Investment Return	<u>6.5%</u>	<u>6.5%</u>
Actual Investment Return	<u>-6.5%</u>	<u>13.8%</u>

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

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

	Year Ending December 31, 2018	
	Number	Amount
(i) Regular Retirement Pensions	<u>15</u>	<u>\$1,105,951</u>
(ii) Disability Pensions	<u>2</u>	<u>\$72,168</u>
(iii) Survivors and Childs Benefits	<u>1</u>	<u>\$17,628</u>

- 7) The funded ratio of the fund:

	Year Ending December 31, 2018	Year Ending December 31, 2017
Funded Ratio	<u>76.9%</u>	<u>80.7%</u>

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

**Municipal Compliance Report  
For the Year Ended December 31, 2018**

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

	Year Ending December 31, 2018
Unfunded Liability	<u>\$6,843,600</u>

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

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

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

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

See attached "Lincolnshire Police Pension Plan Investment Policy Statement" dated October, 2016.

**CERTIFICATION**

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

President Steve Lee Date 8/19/19

Secretary [Signature] Date 8/19/19

Trustee [Signature] Date 8/19/19

Trustee Catech Zullini Date 19 Aug 19

Trustee [Signature] Date 8/19/19

**Lincolnshire Police Pension Plan**

**Investment Policy Statement**

**October 2016**

# **Lincolnshire Police Pension Plan**

## **INVESTMENT POLICY STATEMENT**

Dated: October 2016

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

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

### **Objectives**

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

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

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

- 1) As an investment return goal, the total return on the assets, net of fees, shall strive to exceed the Consumer Price Index plus 5% over five year moving periods. In addition, the total return on the assets, net of fees, shall strive to exceed a 7.5% nominal rate of return over five year moving periods. It is understood that the overall nature of the markets will have a great effect on the actual returns.
- 2) The total fund shall be diversified both by asset class (e.g., equities, bonds, and cash equivalents) and within equities by economic sector, industry, quality, size, investment style, etc. However, this should not imply that assets must be diversified to the extent required to become an index of either the economy or any stock/bond exchange. The purpose of diversification is to provide reasonable assurance that no single security or class of securities will have a disproportionate impact on the total fund.

- 3) To achieve its investment objective, the Fund shall be divided into two parts: an “Equity Fund” and a “Fixed Income Fund”. The purpose of dividing the funds in this manner is to ensure that the overall asset allocation between these two major classes remains under the regular scrutiny of the Board. Over the long run, the allocation between the Equity and Fixed Income Funds is expected to be an important determinant of the Fund’s investment performance.
- 4) The purpose of the Fixed Income Fund (fixed income and cash equivalents) is to provide a deflation hedge, to reduce the overall volatility of the Fund, and to support the needs of the Plan.
- 5) The Fixed Income Fund should normally represent the asset allocation percentages specified below using market values. Should the Board determine that it is significantly above or below this target the Board will review it and may decide to change the allocation.
- 6) The purpose of the Equity Portion is to provide for growth in principal to support Pension payment requirements, while at the same time preserve the purchasing power of the Fund’s assets. It is recognized that the Equity Fund entails the assumption of greater market variability and risk.
- 7) The Equity Fund should normally represent the asset allocation percentages specified below using market values. Should the Board determine that it is significantly above or below this target the Board will review it and may decide to change the allocation. The Board may change any of the ratios at their discretion (in accordance with Illinois Statutes that govern Police Pension Plans), but it is anticipated that such changes will be infrequent.
- 8) The Multi Class category should represent approximately 15% of the total fund. The multi class asset category may offer exposure to a broad universe of investment strategies. These strategies may include, but are not limited to, equities, fixed income, commodities, real estate, etc. The purpose of the multi class allocation is to broadly diversify the portfolio.
- 9) The Board shall allocate additions to principal. As a rule, new cash will be used to rebalance the total fund to the target percentages specified below.

#### **Asset Allocation**

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

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

<b>Equity</b>	<b>40.00%</b>	<b>50.00%</b>	<b>55.00%</b>
<b>Multi-Class</b>	<b>10.00%</b>	<b>15.00%</b>	<b>20.00%</b>
<b>Fixed Income and Cash</b>	<b>35.00%</b>	<b>35.00%</b>	<b>45.00%</b>

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

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

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

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

- 1) The objective for the Equity Fund is to outperform (net of fees) MSCI All Country World Index over a full market cycle. Performance will be monitored on a quarterly basis and evaluated over rolling three and five year periods.
- 2) The Equity Fund’s goal is to be broadly diversified according to economic sector, industry, number of holdings, and other investment characteristics.
- 3) Equity investment style is expected to be a criterion for manager selection, within the context of a diversified manager structure. Active managers’ decisions as to individual

security selection, quality and quantity, number of industries, and turnover shall be made subject to the usual standards of fiduciary prudence. The same is true of any tools used and the interpretation of the results produced. However, managers are expected to invest consistently in the style for which they were hired.

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

**Guidelines for the Fixed Income Fund**

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

- 1) Interest bearing obligations that are direct obligations of the United States of America.
- 2) Interest bearing obligations to the extent that they are fully guaranteed or insured as to payment of principal and interest of the United States of America; interest bearing bonds, notes, debentures, or other similar obligations of agencies of the United States of America.
- 3) Interest bearing bonds of the State of Illinois; interest bearing bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois.
- 4) Pooled interest bearing accounts managed by IPTIP (Illinois Public Treasurers' Investment Pool)
- 5) Interest bearing funds or pooled accounts managed, operated, and administered by banks, subsidiaries of banks or subsidiaries of bank holding companies.
- 6) Money market mutual funds that are registered under the federal Investment Company Act of 1940 and Illinois Securities Law of 1953 and consist of securities guaranteed by the United States of America, bonds, notes debentures or other similar obligation of the United States or its agencies, and short-term obligations of corporations organized in the United States with assets exceeding \$ 4,000,000,000 provided the obligations mature no later than 180 days from the date of purchase and the time of purchase, the obligations are rated by at least 2 standard national rating services at one of their 3 highest classifications.
- 7) Corporate bonds managed through an investment advisor must meet all of the following requirements: The bonds must be rated as investment grade by one of the 2 largest rating services at the time of purchase.

- 8) If subsequently downgraded below investment grade, the bonds must be liquidated from the portfolio by the manager within 90 days after being downgraded.
- 9) If the portfolio's fixed income value is less than \$5 million, except for Treasuries, agency debentures or pass-throughs, no more than 10% of the fixed income assets may be invested in securities of a single issuer.
- 10) If the portfolio's fixed income value in excess of \$5 Million, except for Treasuries, agency debentures or pass-throughs, no more than 5% of the fixed income assets may be invested in a single user.
- 11) The objective of the Fixed Income Fund is to be in-line (net of fees) with the Barclays Intermediate Government/Credit Index. Performance will be monitored on a quarterly basis and evaluated over rolling three-to-five year periods.
- 12) The Fixed Income Manager is expected to employ professional management techniques; changes in average duration should be moderate and incremental. Planned changes in overall average duration should be communicated to the Board.
- 13) In general, the portfolio shall be well diversified with respect to type, duration, and government issuer in order to minimize risk exposure.

### **Risk Guidelines**

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

### **Investment Manager Restrictions**

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

- 1) There shall be no short-selling, securities lending, financial futures, margins, options, or other specialized investments.
- 2) There shall be no investments in non-marketable securities, commodities, or speculative real estate.
- 3) There shall be no investments in private placements or letter stock.
- 4) Each investment manager should insure that, an individual common stock will not represent more than 10% of that manager's portfolio. Also, if an individual common

stock represents more than 5% of the total plan market value the investment consultant will make the Board aware of this situation. The Board may decide to take action after a review of the situation.

- 5) Not more than \$100,000 of an investment manager's portfolio shall be invested in commercial paper of any one issuer and purchases are limited to A1P1 rated paper.
- 6) Not more than the FDIC insured amount shall be invested in bank certificates of deposits of any single issuer. If an outside manager feels it appropriate to invest in greater than this specified amount with any single bank, approval must be required from the Board.
- 7) If any major management or personnel changes occur within the investment manager's firm, the Board is to be immediately notified.

### **Guidelines for Transactions**

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

### **Performance Measurement**

The Fund's portfolio will be monitored on a continual basis for consistency in investment philosophy, return relative to objectives and investment risk. The Fund's performance will be reviewed by the Board on a quarterly basis, but results will be evaluated over one year, and rolling three and five year periods.

The Board will review quarterly the performance and risk characteristics of the overall Portfolio as well as the individual managers and asset classes. The Portfolio should be measured against the overall market as compared to the asset allocation and represented in a custom *Policy Index*. The current Policy Index is:

11% Russell 1000 Growth	11% Russell 1000 Value
6.5% Russell 2500 Growth	6.5% Russell 2500 Value
11% MSCI ACWI-EX US	3% T Bills
10% HFRI Fund of Funds	32% Barclays Intermediate Gov/Credit Index
5% MSCI World	4% MSCI Emerging Market

Policy Index Effective Date: June 30, 2015

**Equity Manager Review Process**

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

1. Failure to follow the Lincolnshire Police Pension Plan Investment Policy Statement may be grounds for removal. Written notification from the Board may be sent to the investment manager establishing the violation with a specific time frame to comply with the policy; non-conformance may result in termination.
2. Failure to consistently meet investment benchmarks, as established within a reconciled performance monitor, over an extended period of time may result in a manager being placed on “watch” and may eventually lead to termination. Specifically, if a manager trails their respective index or bogey by 200 basis points over 3 years and the manager is in the 50% percentile ranking or below of a comparable manager universe then the manager is immediately placed on “watch”.
3. Failure to comply with investment restrictions as provided by the Board may be grounds for removal.
4. Substantive changes in an investment manager’s philosophy, process, people or fees may result in that manager being placed on “watch” and may result in termination.

**Administrative Guidelines**

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

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

**Revisions:**

- 2/22/06 – Changed model portfolio, Large Cap 23%, International 10% and Real Estate 2%.
- 04/30/08 – Added Equity Manager Review Process
- 04/28/09 – Replaced Lehman Intermediate Government Index with Barclays Intermediate Government Index
- 04/27/2010 - Added - Not more than the FDIC insured amount shall be invested in bank certificates of deposits of any single issuer
- July 1, 2011 -Asset Allocation – Parameters to Accommodate SB 3538
- February 18, 2012 – Changed Fixed Income Objective to Barclay Intermediate Gov't / Credit
- May 15, 2012 – Changed Model Asset Allocation to accommodate Phase II of SB3538 and included expanded Fixed Income Guidelines
- May 7, 2013 – Changed Model Asset Allocation
- May 12, 2015 – Changed Model Asset Allocation
- October 2016 - Added performance measurement guidelines, policy benchmark composition. Changed Equity portfolio benchmark from the S&P 500 to the MSCI ASCWI Index.

VILLAGE OF LINCOLNSHIRE  
POLICE PENSION FUND  
ACTUARIAL VALUATION  
AS OF JANUARY 1, 2019  
CONTRIBUTIONS APPLICABLE TO THE  
PLAN/FISCAL YEAR ENDING DECEMBER 31, 2020  
GASB 67/68 DISCLOSURE INFORMATION  
AS OF DECEMBER 31, 2018

April 4, 2019

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

Re: Actuarial Valuation Report (including GASB Statements No. 67 and No. 68) – Village of Lincolnshire Police Pension Fund

Dear Board:

We are pleased to present to the Board this report of the annual actuarial valuation of the Village of Lincolnshire Police Pension Fund. Included are the related results for GASB Statements No. 67 and No. 68. The funding valuation was performed to determine whether the assets and contributions are sufficient to provide the prescribed benefits and to develop the appropriate funding requirements for the applicable plan year. The calculation of the liability for GASB results was performed for the purpose of satisfying the requirements of GASB Statements No. 67 and No. 68. Use of the results for other purposes may not be applicable and produce significantly different results.

The valuations have been conducted in accordance with generally accepted actuarial principles and practices, including the applicable Actuarial Standards of Practice as issued by the Actuarial Standards Board, and reflects laws and regulations issued to date pursuant to the provisions of Article 3, Illinois Pension Code, as well as applicable federal laws and regulations. In our opinion, the assumptions used in this valuation, as adopted by the Board of Trustees, represent reasonable expectations of anticipated plan experience. Future actuarial measurements may differ significantly from the current measurements presented in this report for a variety of reasons including: changes in applicable laws, changes in plan provisions, changes in assumptions, or plan experience differing from expectations. Due to the limited scope of the valuation, we did not perform an analysis of the potential range of such future measurements.

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

The total pension liability, net pension liability, and certain sensitivity information shown in the GASB results are based on an actuarial valuation performed as of the valuation date.

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

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

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

Respectfully submitted,

Foster & Foster, Inc.

By:   
Heidi E. Andorfer, FSA, EA, MAAA

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

HEA/lke  
Enclosures

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## SUMMARY OF REPORT

The regular annual actuarial valuation of the Village of Lincolnshire Police Pension Fund, performed as of January 1, 2019, has been completed and the results are presented in this Report. The contribution amounts set forth herein are applicable to the plan/fiscal year ended December 31, 2020.

The contribution requirements, compared with those set forth in the January 1, 2018 actuarial report, are as follows:

Valuation Date Applicable to Fiscal Year Ending	1/1/2019 <u>12/31/2020</u>	1/1/2018 <u>12/31/2019</u>
Total Recommended Contribution	\$1,261,131	\$1,033,134
% of Projected Annual Payroll	54.3%	50.9%
Member Contributions (Est.)	230,341	200,997
% of Projected Annual Payroll	9.9%	9.9%
Village Recommended Contribution	1,030,790	832,137
% of Projected Annual Payroll	44.4%	41.0%

As you can see, the Total Recommended Contribution shows an increase when compared to the results determined in the January 1, 2018 actuarial valuation report. The increase is attributable to an increase in the plan's Normal Cost due to a change in active demographics as well as changes in assumptions since the prior year.

Plan experience was unfavorable overall on the basis of the plan's actuarial assumptions. Sources of unfavorable experience included an investment return of 3.28% (Actuarial Asset Basis) which fell short of the 6.50% assumption, more retirements than expected, and unfavorable turnover experience. These losses were offset in part by a gain associated with more inactive mortality than expected.

## CHANGES SINCE PRIOR VALUATION

### Plan Changes Since Prior Valuation

No plan changes have occurred since the prior valuation.

### Actuarial Assumption/Method Changes Since Prior Valuation

Based on the results of the 2017 Department of Insurance experience study, the following assumption changes were made:

- Updated retirement, termination and disability rate tables.
- Updated the percentage of disabilities assumed to be in the line of duty from 70% to 60%.
- Updated the percentage of deaths assumed to be in the line of duty from 5% to 10%.
- The marriage assumption percentage was updated from 85% to 80%.

Additionally, the mortality rates were updated to reflect the PubS-2010 tables. Given the recent release of a report by the Society of Actuaries on public pension mortality, we feel that these tables are the most representative of the population in question. These tables are the first to consider only public plan mortality experience, analyzing the data from over 78 public pension plans which included 46 million life-years of exposure and around 580,000 deaths. To address expected future mortality improvement, we have projected the tables 5 years past the valuation date using the MP-2018 projection table which is the most recent table available for mortality projection.

There were no method changes since the prior valuation.

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS

	New Assump <u>1/1/2019</u>	Old Assump <u>1/1/2019</u>	<u>1/1/2018</u>
<b>A. Participant Data</b>			
Number Included			
Actives	24	24	21
Service Retirees	15	15	14
Beneficiaries	1	1	1
Disability Retirees	2	2	3
Terminated Vested	<u>4</u>	<u>4</u>	<u>3</u>
Total	46	46	42
Total Annual Payroll	\$2,324,325	\$2,324,325	\$2,028,220
Payroll Under Assumed Ret. Age	2,324,325	2,324,325	2,028,220
Annual Rate of Payments to:			
Service Retirees	1,159,473	1,159,473	1,059,840
Beneficiaries	17,628	17,628	17,628
Disability Retirees	65,444	65,444	90,279
Terminated Vested	0	0	0
<b>B. Assets</b>			
Actuarial Value	22,746,039	22,746,039	22,244,334
Market Value	20,996,104	20,996,104	22,690,640
<b>C. Liabilities</b>			
Present Value of Benefits			
Actives			
Retirement Benefits	13,181,864	11,929,416	11,659,348
Disability Benefits	1,324,161	1,464,842	1,256,841
Death Benefits	131,044	237,231	217,615
Vested Benefits	1,045,232	1,442,807	1,312,081
Service Retirees	18,466,860	18,029,681	16,474,440
Beneficiaries	162,093	155,010	159,033
Disability Retirees	939,226	841,586	1,068,278
Terminated Vested	<u>55,342</u>	<u>55,342</u>	<u>72,178</u>
Total	35,305,822	34,155,915	32,219,814

C. Liabilities - (Continued)	New Assump <u>1/1/2019</u>	Old Assump <u>1/1/2019</u>	<u>1/1/2018</u>
Present Value of Future Salaries	24,919,747	23,641,665	20,447,622
Present Value of Future Member Contributions	2,469,547	2,342,889	2,026,359
Normal Cost (Retirement)	436,420	393,079	349,086
Normal Cost (Disability)	88,884	101,871	79,499
Normal Cost (Death)	7,316	12,236	10,237
Normal Cost (Vesting)	<u>61,907</u>	<u>83,800</u>	<u>72,668</u>
Total Normal Cost	594,527	590,986	511,490
Present Value of Future Normal Costs	5,716,183	5,345,946	4,640,060
Accrued Liability (Retirement)	8,828,132	8,266,044	8,379,976
Accrued Liability (Disability)	466,663	499,992	497,676
Accrued Liability (Death)	62,893	134,210	134,338
Accrued Liability (Vesting)	608,430	828,104	793,835
Accrued Liability (Inactives)	<u>19,623,521</u>	<u>19,081,619</u>	<u>17,773,929</u>
Total Actuarial Accrued Liability	29,589,639	28,809,969	27,579,754
Unfunded Actuarial Accrued Liability (UAAL)	6,843,600	6,063,930	5,335,420
Funded Ratio (AVA / AL)	76.9%	79.0%	80.7%

	New Assump <u>1/1/2019</u>	Old Assump <u>1/1/2019</u>	<u>1/1/2018</u>
<b>D. Actuarial Present Value of Accrued Benefits</b>			
<b>Vested Accrued Benefits</b>			
Inactives	19,623,521	19,081,619	17,773,929
Actives	2,378,088	2,479,626	2,579,165
Member Contributions	<u>1,805,710</u>	<u>1,805,710</u>	<u>1,792,393</u>
Total	23,807,319	23,366,955	22,145,487
Non-vested Accrued Benefits	<u>741,163</u>	<u>752,294</u>	<u>748,959</u>
Total Present Value Accrued Benefits	24,548,482	24,119,249	22,894,446
Funded Ratio (MVA / PVAB)	85.5%	87.1%	99.1%
<b>Increase (Decrease) in Present Value of Accrued Benefits Attributable to:</b>			
Plan Amendments	0	0	
Assumption Changes	429,233	0	
New Accrued Benefits	0	1,025,341	
Benefits Paid	0	(1,248,113)	
Interest	0	1,447,575	
Other	<u>0</u>	<u>0</u>	
Total	429,233	1,224,803	

Valuation Date	New Assump 1/1/2019	Old Assump 1/1/2019	1/1/2018
Applicable to Fiscal Year Ending	<u>12/31/2020</u>	<u>12/31/2020</u>	<u>12/31/2019</u>

E. Pension Cost

Normal Cost (with interest)	\$633,171	\$629,400	\$544,737
% of Total Annual Payroll <sup>1</sup>	27.2	27.1	26.9
Administrative Expenses (with interest)	34,680	34,680	35,096
% of Total Annual Payroll <sup>1</sup>	1.5	1.5	1.7
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 22 years (as of 1/1/2019, with interest)	593,280	525,689	453,301
% of Total Annual Payroll <sup>1</sup>	25.6	22.6	22.3
Total Recommended Contribution	1,261,131	1,189,769	1,033,134
% of Total Annual Payroll <sup>1</sup>	54.3	51.2	50.9
Expected Member Contributions	230,341	230,341	200,997
% of Total Annual Payroll <sup>1</sup>	9.9	9.9	9.9
Expected Village Contribution	1,030,790	959,428	832,137
% of Total Annual Payroll <sup>1</sup>	44.4	41.3	41.0

F. Past Contributions

Plan Years Ending:	<u>12/31/2018</u>
Total Recommended Contribution	1,055,165
Village Requirement	849,742
Actual Contributions Made:	
Members (excluding buyback)	205,423
Village	<u>850,296</u>
Total	1,055,719

G. Net Actuarial (Gain)/Loss 894,939

<sup>1</sup> Contributions developed as of 1/1/2019 are expressed as a percentage of total annual payroll at 1/1/2019 of \$2,324,325.

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

<u>Year</u>	<u>Projected Unfunded Accrued Liability</u>
2019	6,843,600
2020	6,695,154
2021	6,537,059
2026	5,578,417
2031	4,264,994
2036	2,465,491
2041	0

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

		<u>Actual</u>	<u>Assumed</u>
Year Ended	12/31/2018	5.20%	4.33%
Year Ended	12/31/2017	5.31%	4.22%
Year Ended	12/31/2016	4.45%	4.32%

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

		<u>Actual</u>	<u>Assumed</u>
Year Ended	12/31/2018	3.28%	6.50%
Year Ended	12/31/2017	6.66%	6.50%
Year Ended	12/31/2016	5.40%	6.50%

DEVELOPMENT OF JANUARY 1, 2019 AMORTIZATION PAYMENT

(1)	Unfunded Actuarial Accrued Liability as of January 1, 2018	\$5,335,420
(2)	Sponsor Normal Cost developed as of January 1, 2018	310,493
(3)	Expected administrative expenses for the year ended December 31, 2018	32,954
(4)	Expected interest on (1), (2) and (3)	368,055
(5)	Sponsor contributions to the System during the year ended December 31, 2018	850,296
(6)	Expected interest on (5)	27,635
(7)	Expected Unfunded Actuarial Accrued Liability as of December 31, 2018, (1)+(2)+(3)+(4)-(5)-(6)	5,168,991
(8)	Change to UAAL due to Assumption Change	779,670
(9)	Change to UAAL due to Actuarial (Gain)/Loss	894,939
(10)	Unfunded Accrued Liability as of January 1, 2019	6,843,600
(11)	UAAL Subject to Amortization (100% AAL less Actuarial Assets)	6,843,600

<u>Date</u> <u>Established</u>	<u>Years</u> <u>Remaining</u>	<u>1/1/2019</u> <u>Amount</u>	<u>Amortization</u> <u>Amount</u>
1/1/2019	22	6,843,600	557,070

## DETAILED ACTUARIAL (GAIN)/LOSS ANALYSIS

(1) Unfunded Actuarial Accrued Liability (UAAL) as of January 1, 2018	\$5,335,420
(2) Expected UAAL as of January 1, 2019	5,168,991
(3) Summary of Actuarial (Gain)/Loss, by component:	
Investment Return (Actuarial Asset Basis)	711,909
Salary Increases	(18,896)
Active Decrements	225,646
Inactive Mortality	(89,047)
Other	<u>65,327</u>
Change in UAAL due to (Gain)/Loss	894,939
Assumption Changes	<u>779,670</u>
(4) Actual UAAL as of January 1, 2019	\$6,843,600

## RECONCILIATION OF CHANGES IN CONTRIBUTION REQUIREMENT

(1) Contribution Determined as of January 1, 2018	\$832,137
(2) Summary of Contribution Impact by component:	
Change in Normal Cost	84,663
Change in Assumed Administrative Expense	(416)
Investment Return (Actuarial Asset Basis)	61,716
Salary Increases	(1,638)
Active Decrements	19,562
Inactive Mortality	(7,720)
Contributions (More) or Less than Recommended	(50)
Change in Expected Member Contributions	(29,344)
Assumption Change	71,362
Other	518
	198,653
(3) Contribution Determined as of January 1, 2019	\$1,030,790

## STATUTORY MINIMUM REQUIRED CONTRIBUTION

Contribution requirements shown on this page are calculated according to statutory minimum funding requirements of the Illinois Pension Code. We do not believe this method is sufficient to fund future benefits; as such, we recommend funding according to the contributions developed in Section E of this report.

	New Assump 1/1/2019	Old Assump 1/1/2019	1/1/2018
Valuation Date	<u>12/31/2019</u>	<u>12/31/2019</u>	<u>12/31/2018</u>
Applicable to Fiscal Year Ending			
Actuarial Accrued Liability (PUC)	28,415,533	27,771,994	26,495,020
Actuarial Value of Assets	<u>22,746,039</u>	<u>22,746,039</u>	<u>22,244,334</u>
Unfunded Actuarial Accrued Liability (UAAL)	5,669,494	5,025,955	4,250,686
UAAL Subject to Amortization	2,827,941	2,248,756	1,601,184
Normal Cost (with interest)	\$731,616	\$723,932	\$634,778
% of Total Annual Payroll <sup>1</sup>	31.6	31.1	31.3
Administrative Expenses (with interest)	34,680	34,680	35,096
% of Total Annual Payroll <sup>1</sup>	1.5	1.5	1.7
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 22 years (as of 1/1/2019, with interest)	245,158	194,947	99,722
% of Total Annual Payroll <sup>1</sup>	10.4	8.4	4.9
Total Required Contribution	1,011,454	953,559	769,596
% of Total Annual Payroll <sup>1</sup>	43.5	41.0	37.9
Expected Member Contributions	230,341	230,341	200,997
% of Total Annual Payroll <sup>1</sup>	9.9	9.9	9.9
Expected Village Contribution	781,113	723,218	568,599
% of Total Annual Payroll <sup>1</sup>	33.6	31.1	28.0
Assumptions and Methods:			
Actuarial Cost Method	Projected Unit Credit		
Amortization Method	90% Funding by 2040		

All other assumptions and methods are as described in the Actuarial Assumptions and Methods section.

<sup>1</sup> Contributions developed as of 1/1/2019 are expressed as a percentage of total annual payroll at 1/1/2019 of \$2,324,325.

PROJECTION OF BENEFIT PAYMENTS

Year	Payments for Current Actives	Payments for Current Inactives	Total Payments
2019	24,013	1,288,030	1,312,043
2020	57,665	1,261,463	1,319,128
2021	86,479	1,286,613	1,373,092
2022	127,872	1,310,293	1,438,165
2023	175,205	1,332,421	1,507,626
2024	223,159	1,363,710	1,586,869
2025	281,242	1,385,164	1,666,406
2026	333,874	1,405,169	1,739,043
2027	393,499	1,423,732	1,817,231
2028	495,455	1,440,839	1,936,294
2029	606,634	1,456,410	2,063,044
2030	721,440	1,483,512	2,204,952
2031	836,957	1,496,301	2,333,258
2032	956,398	1,506,828	2,463,226
2033	1,091,717	1,514,700	2,606,417
2034	1,228,663	1,519,469	2,748,132
2035	1,363,187	1,520,633	2,883,820
2036	1,476,464	1,517,659	2,994,123
2037	1,580,602	1,509,983	3,090,585
2038	1,686,493	1,497,026	3,183,519
2039	1,783,728	1,478,236	3,261,964
2040	1,883,496	1,453,138	3,336,634
2041	1,961,681	1,421,375	3,383,056
2042	2,036,503	1,382,780	3,419,283
2043	2,141,265	1,337,478	3,478,743
2044	2,272,190	1,285,909	3,558,099
2045	2,353,988	1,228,799	3,582,787
2046	2,427,307	1,167,073	3,594,380
2047	2,512,466	1,101,747	3,614,213
2048	2,578,276	1,033,878	3,612,154
2049	2,693,685	964,553	3,658,238
2050	2,757,554	894,789	3,652,343
2051	2,826,540	825,505	3,652,045
2052	2,872,994	757,506	3,630,500
2053	2,910,674	691,424	3,602,098
2054	2,939,051	627,741	3,566,792
2055	2,958,378	566,798	3,525,176
2056	2,967,304	508,808	3,476,112
2057	2,966,037	453,897	3,419,934
2058	2,953,308	402,155	3,355,463

## ACTUARIAL ASSUMPTIONS AND METHODS

Interest Rate 6.50% per year compounded annually, net of investment related expenses.

Mortality Rate **Healthy Active Lives:**  
PubS-2010 Mortality Table for Employees. 10% of active deaths are assumed to be in the line of duty.

**Healthy Retiree Lives:**  
PubS-2010 Mortality Table for Healthy Retirees.

**Disabled Lives:**  
PubS-2010 Mortality Table for Disabled Retirees.

**Beneficiary Lives:**  
PubS-2010 Mortality Table for Contingent Survivors.

The mortality assumptions for all participants are sex distinct with mortality improvement projected 5 years beyond the valuation date using scale MP-2018 and a base year of 2010. We feel these assumptions sufficiently accommodate anticipated future mortality improvements.

Retirement Age See table on following page. This is based on a 2017 experience study performed for the State of Illinois Department of Insurance.

Disability Rate See table on following page. 60% of the disabilities are assumed to be in the line of duty. This is based on a 2017 experience study performed for the State of Illinois Department of Insurance.

Termination Rate See table on following page. This is based on a 2017 experience study performed for the State of Illinois Department of Insurance.

Salary Increases

Rates vary by age from 25 to 55, with level increases after age 55. This assumption is consistent with assumed increase rates for other municipal Police plans.

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

Inflation

2.50%.

Cost-of-Living Adjustment

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

Tier 2: 1.25% per year after the later of attainment of age 60 or first anniversary of retirement.

Marital Status

80% of Members are assumed to be married.

Spouse's Age

Males are assumed to be three years older than females.

Funding Method

Entry Age Normal Cost Method.

Actuarial Asset Method

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

Funding Policy Amortization Method

The UAAL is amortized according to a Level Dollar method over a period ending in 2041. The initial amortization amount is 100% of the Accrued Liability less the Actuarial Value of Assets.

Payroll Growth

None assumed. Level dollar amortization.

Administrative Expenses

Expenses paid out of the fund other than investment-related expenses are assumed to be equal to those paid in the previous year.

Decrement Tables

<u>% Terminating During the Year</u>		<u>% Becoming Disabled During the Year</u>		<u>% Retiring During the Year (Tier 1)</u>		<u>% Retiring During the Year (Tier 2)</u>	
<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>
20	14.00%	20	0.000%	50 - 51	15%	50 - 54	5%
25	10.40%	25	0.030%	52 - 54	20%	55	40%
30	5.60%	30	0.140%	55 - 64	25%	56 - 64	25%
35	3.10%	35	0.260%	65 - 69	40%	65 - 69	40%
40	1.90%	40	0.420%	70+	100%	70+	100%
45	1.50%	45	0.590%				
50	1.50%	50	0.710%				
56+	0.00%	55	0.900%				
		60	1.150%				

## GLOSSARY

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

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

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

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

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

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

(a) The normal cost accrual rate equals:

(i) the present value of future benefits for the participant, determined as of the participant's entry age, divided by

(ii) the present value of the compensation expected to be paid to the participant for each year of the participant's anticipated future service, determined as of the participant's entry age.

(b) In calculating the present value of future compensation, the salary scale is applied both retrospectively and prospectively to estimate compensation in years prior to and subsequent to the valuation year based on the compensation used for the valuation.

(c) The accrued liability is the sum of the individual accrued liabilities for all participants and beneficiaries. A participant's accrued liability equals the present value, at the participant's attained age, of future benefits less the present value at the participant's attained age of the individual normal costs payable in the future. A beneficiary's accrued liability equals the present value, at the beneficiary's attained age, of future benefits. The unfunded accrued liability equals the total accrued liability less the actuarial value of assets.

(d) Under this method, the entry age used for each active participant is the participant's age at the time he or she would have commenced participation if the plan had always been in existence under current terms, or the age as of which he or she first earns service credits for purposes of benefit accrual under the current terms of the plan.

## DISCUSSION OF RISK

ASOP No. 51, Assessment and Disclosure of Risk Associated with Measuring Pension Obligations and Determining Pension Plan Contributions, states that the actuary should identify risks that, in the actuary's professional judgment, may reasonably be anticipated to significantly affect the plan's future financial condition.

Throughout this report, actuarial results are determined under various assumption scenarios. These results are based on the premise that all future plan experience will align with the plan's actuarial assumptions; however, there is no guarantee that actual plan experience will align with the plan's assumptions. Whenever possible, the recommended assumptions in this report reflect conservatism to allow for some margin of unfavorable future plan experience. However, it is still possible that actual plan experience will differ from anticipated experience in an unfavorable manner that will negatively impact the plan's funded position.

Below are examples of ways in which plan experience can deviate from assumptions and the potential impact of that deviation. Typically, this results in an actuarial gain or loss representing the current-year financial impact on the plan's unfunded liability of the experience differing from assumptions; this gain or loss is amortized over a period of time determined by the plan's amortization method. When assumptions are selected that adequately reflect plan experience, gains and losses typically offset one another in the long term, resulting in a relatively low impact on the plan's contribution requirements associated with plan experience. When assumptions are too optimistic, losses can accumulate over time and the plan's amortization payment could potentially grow to an unmanageable level.

- **Investment Return:** When the rate of return on the Actuarial Value of Assets falls short of the assumption, this produces a loss representing assumed investment earnings that were not realized. Further, it is unlikely that the plan will experience a scenario that matches the assumed return in each year as capital markets can be volatile from year to year. Therefore, contribution amounts can vary in the future.
- **Salary Increases:** When a plan participant experiences a salary increase that was greater than assumed, this produces a loss representing the cost of an increase in anticipated plan benefits for the participant as compared to the previous year. The total gain or loss associated with salary increases for the plan is the sum of salary gains and losses for all active participants.
- **Payroll Growth:** The plan's payroll growth assumption, if one is used, causes a predictable annual increase in the plan's amortization payment in order to produce an amortization payment that remains constant as a percentage of payroll if all assumptions are realized. If payroll does not increase according to the plan's payroll growth assumption, the plan's amortization payment can increase significantly as a percentage of payroll even if all assumptions other than the payroll growth assumption are realized.
- **Demographic Assumptions:** Actuarial results take into account various potential events that could happen to a plan participant, such as retirement, termination, disability, and death. Each of these potential events is assigned a liability based on the likelihood of the event and the financial consequence of the event for the plan. Accordingly, actuarial liabilities reflect a blend of financial consequences associated with various possible outcomes (such as retirement at one of various possible ages). Once the outcome is known (e.g. the participant retires) the liability is adjusted to reflect the known outcome. This adjustment produces a gain or loss depending on whether the outcome was more or less favorable than other outcomes that could have occurred.

- Contribution risk: Risks associated with the items outlined above will inherently create varying liabilities and assets resulting in volatility in contributions. Actuarial losses on assets and liabilities will lead to higher contribution amounts, while actuarial gains on assets and liabilities will lead to lower contribution amounts.

It is important to note that the actuary has identified the risks above as the most significant risks based on the characteristics of the plan and the nature of the project, however, it is not an exhaustive list of potential risks that could be considered. Additional advanced modelling, as well as the identification of additional risks, can be provided at the request of the reader.

STATEMENT OF FIDUCIARY NET POSITION  
December 31, 2018

<u>ASSETS</u>	MARKET VALUE
Cash and Cash Equivalents:	
Checking Account	12,055
Money Market	1,358,722
Total Cash and Equivalents	1,370,777
Receivables:	
Prepays	2,796
Accrued Past Due Interest	54,272
Total Receivable	57,068
Investments:	
Fixed Income	6,650,701
Stocks	3,085,978
Mutual Funds	9,851,321
Total Investments	19,588,000
Total Assets	21,015,845
 <u>LIABILITIES</u>	
Liabilities:	
Payable:	
Expenses	19,741
Total Liabilities	19,741
Net Assets:	
Active and Retired Members' Equity	20,996,104
NET POSITION RESTRICTED FOR PENSIONS	20,996,104
TOTAL LIABILITIES AND NET ASSETS	21,015,845

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE YEAR ENDED December 31, 2018  
Market Value Basis

ADDITIONS

Contributions:

Member	205,423
Village	850,296

Total Contributions	1,055,719
---------------------	-----------

Investment Income:

Net Increase in Fair Value of Investments	(2,028,436)
Interest & Dividends	628,891
Less Investment Expense <sup>1</sup>	(70,034)

Net Investment Income	(1,469,579)
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Total Additions	(413,860)
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DEDUCTIONS

Distributions to Members:

Benefit Payments	1,195,746
Refund of Contributions/Transfers	52,367

Total Distributions	1,248,113
---------------------	-----------

Administrative Expenses	32,563
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Total Deductions	1,280,676
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Net Increase in Net Position	(1,694,536)
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NET POSITION RESTRICTED FOR PENSIONS

Beginning of the Year	22,690,640
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End of the Year	20,996,104
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<sup>1</sup> Investment Related expenses include investment advisory, custodial and performance monitoring fees.

ACTUARIAL ASSET VALUATION

December 31, 2018

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

Plan Year Ending	Gain/(Loss)	Gains/(Losses) Not Yet Recognized				
		Amounts Not Yet Recognized by Valuation Year				
		2019	2020	2021	2022	2023
12/31/2015	(1,529,463)	(305,893)	0	0	0	0
12/31/2016	69,445	27,778	13,889	0	0	0
12/31/2017	1,463,179	877,907	585,272	292,636	0	0
12/31/2018	(2,937,159)	(2,349,727)	(1,762,295)	(1,174,864)	(587,432)	0
Total		(1,749,935)	(1,163,134)	(882,228)	(587,432)	0

Development of Investment Gain/Loss

Market Value of Assets, 12/31/2017	22,690,640
Contributions Less Benefit Payments & Administrative Expenses	(224,957)
Expected Investment Earnings <sup>1</sup>	1,467,580
Actual Net Investment Earnings	<u>(1,469,579)</u>
2018 Actuarial Investment Gain/(Loss)	(2,937,159)

<sup>1</sup> Expected Investment Earnings = 6.50% x (22,690,640 + 0.5 x -224,957)

Development of Actuarial Value of Assets

Market Value of Assets, 12/31/2018	20,996,104
(Gains)/Losses Not Yet Recognized	<u>1,749,935</u>
Actuarial Value of Assets, 12/31/2018	22,746,039
(A) 12/31/2017 Actuarial Assets:	22,244,334
(I) Net Investment Income:	
1. Interest and Dividends	628,891
2. Realized Gains (Losses)	(2,028,436)
3. Change in Actuarial Value	2,196,241
4. Investment Expenses	<u>(70,034)</u>
Total	726,662
(B) 12/31/2018 Actuarial Assets:	22,746,039
Actuarial Asset Rate of Return = (2 x I) / (A + B - I):	3.28%
Market Value of Assets Rate of Return:	-6.51%
12/31/2018 Limited Actuarial Assets:	22,746,039
Actuarial Gain/(Loss) due to Investment Return (Actuarial Asset Basis)	(711,909)

CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS  
December 31, 2018  
Actuarial Asset Basis

INCOME		
Contributions:		
Member	205,423	
Village	850,296	
Total Contributions		1,055,719
Earnings from Investments		
Interest & Dividends	628,891	
Net Realized Gain (Loss)	(2,028,436)	
Change in Actuarial Value	2,196,241	
Total Earnings and Investment Gains		796,696
EXPENSES		
Administrative Expenses:		
Investment Related <sup>1</sup>	70,034	
Other	32,563	
Total Administrative Expenses		102,597
Distributions to Members:		
Benefit Payments	1,195,746	
Refund of Contributions/Transfers	52,367	
Total Distributions		1,248,113
Change in Net Assets for the Year		501,705
Net Assets Beginning of the Year		22,244,334
Net Assets End of the Year <sup>2</sup>		22,746,039

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

<sup>2</sup> Net Assets may be limited for actuarial consideration.

STATISTICAL DATA

	<u>1/1/2016</u>	<u>1/1/2017</u>	<u>1/1/2018</u>	<u>1/1/2019</u>
<u>Actives - Tier 1</u>				
Number	19	19	15	16
Average Current Age	42.0	42.5	42.7	43.8
Average Age at Employment	27.5	27.2	27.4	30.2
Average Past Service	14.5	15.3	15.3	13.6
Average Annual Salary	\$98,379	\$101,409	\$106,034	\$107,278
<u>Actives - Tier 2</u>				
Number	4	3	6	8
Average Current Age	26.6	27.9	27.1	27.0
Average Age at Employment	25.3	25.6	25.8	25.6
Average Past Service	1.3	2.3	1.3	1.4
Average Annual Salary	\$68,673	\$74,478	\$72,953	\$75,985
<u>Service Retirees</u>				
Number	11	12	14	15
Average Current Age	65.1	65.6	64.7	64.7
Average Annual Benefit	\$76,189	\$73,392	\$75,703	\$77,298
<u>Beneficiaries</u>				
Number	1	1	1	1
Average Current Age	71.0	72.0	73.0	74.0
Average Annual Benefit	\$17,628	\$17,628	\$17,628	\$17,628
<u>Disability Retirees</u>				
Number	3	3	3	2
Average Current Age	65.4	66.4	67.4	62.8
Average Annual Benefit	\$29,484	\$29,788	\$30,093	\$32,722
<u>Terminated Vested</u>				
Number	2	2	3	4
Average Current Age	33.7	34.7	33.2	29.2
Average Annual Benefit <sup>1</sup>	N/A	N/A	N/A	N/A

<sup>1</sup> Terminated vested participants shown are awaiting a refund of employee contributions. Therefore, they are not entitled to a future annual benefit from the plan.

## AGE AND SERVICE DISTRIBUTION

### PAST SERVICE

AGE	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30+	Total
15 - 19	0	0	0	0	0	0	0	0	0	0	0	0
20 - 24	1	0	0	0	0	0	0	0	0	0	0	1
25 - 29	4	0	0	0	0	0	0	0	0	0	0	4
30 - 34	0	1	0	0	1	1	0	0	0	0	0	3
35 - 39	0	0	0	0	0	0	4	0	0	0	0	4
40 - 44	1	0	0	0	0	0	0	4	0	0	0	5
45 - 49	0	0	0	0	0	0	0	2	2	0	0	4
50 - 54	1	0	1	0	0	0	0	0	1	0	0	3
55 - 59	0	0	0	0	0	0	0	0	0	0	0	0
60 - 64	0	0	0	0	0	0	0	0	0	0	0	0
65+	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>7</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>4</b>	<b>6</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>24</b>

## VALUATION PARTICIPANT RECONCILIATION

### 1. Active lives

a. Number in prior valuation 1/1/2018	21
b. Terminations	
i. Vested (partial or full) with deferred benefits	(3)
ii. Non-vested or full lump sum distribution received	0
iii. Transferred service to other fund	0
c. Deaths	
i. Beneficiary receiving benefits	0
ii. No future benefits payable	0
d. Disabled	0
e. Retired	(1)
f. Continuing participants	17
g. New entrants	7
h. Total active life participants in valuation	24

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

	Service Retirees, Vested Receiving <u>Benefits</u>	Receiving Death <u>Benefits</u>	Receiving Disability <u>Benefits</u>	Vested <u>Deferred</u>	<u>Total</u>
a. Number prior valuation	14	1	3	3	21
Retired	1	0	0	0	1
Vested Deferred	0	0	0	3	3
Death, With Survivor	0	0	0	0	0
Death, No Survivor	0	0	(1)	0	(1)
Disabled	0	0	0	0	0
Refund of Contributions	0	0	0	(1)	(1)
Transferred service	0	0	0	(1)	(1)
Rehires	0	0	0	0	0
Expired Annuities	0	0	0	0	0
Data Corrections	0	0	0	0	0
Hired/Termed in Same Year	0	0	0	0	0
b. Number current valuation	15	1	2	4	22

## SUMMARY OF CURRENT PLAN

### Article 3 Pension Fund

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

### Plan Administration

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

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

### Credited Service

Complete years of service as a sworn police officer employed by the Municipality.

### Normal Retirement

Date

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

**Tier 2:** Age 55 with 10 years of Credited Service.

Benefit

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

**Tier 2:** 2.50% per year of service times the average salary for the eight consecutive years prior to retirement times the number of years of service, up to a maximum of 75% of average salary. The minimum monthly benefit is \$1,000 per month.

Form of Benefit

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

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

### Early Retirement

Date

**Tier 1:** Age 60 and 8 years of Credited Service.

**Tier 2:** Age 50 with 10 years of Credited Service.

Benefit

**Tier 1:** Normal Retirement benefit with no minimum.

**Tier 2:** Normal Retirement benefit, reduced 6% each year before age 55, with no minimum benefit.

Form of Benefit

Same as Normal Retirement.

### Disability Benefit

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

Benefit Amount A maximum of:

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

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

### Cost-of-Living Adjustment

#### **Tier 1:**

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

*Disabled Retirees:* An annual increase equal to 3.00% per year of the original benefit amount beginning at age 60. Those that become disabled prior to age 60 receive an increase of 3.00% of the original benefit amount for each year since benefit commencement upon reaching age 60.

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

### Pre-Retirement Death Benefit

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

Non-Service Incurred A maximum of:

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

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

Vesting (Termination)

Vesting Service Requirement **Tier 1:** 8 years.

**Tier 2:** 10 years.

Non-Vested Benefit Refund of Member Contributions.

Vested Benefit Either the termination benefit, payable upon reaching age 60 (55 for Tier 2), provided contributions are not withdrawn, or a refund of member contributions. The termination benefit is 2.50% of annual salary held in the year prior to termination (8-year final average salary for Tier 2) times creditable service.

Contributions

Employee 9.91% of Salary.

Municipality Remaining amount necessary for payment of Normal (current year's) Cost and amortization of the accrued past service liability.

STATEMENT OF FIDUCIARY NET POSITION  
December 31, 2018

<u>ASSETS</u>	MARKET VALUE
Cash and Cash Equivalents:	
Checking Account	12,055
Money Market	1,358,722
Total Cash and Equivalents	1,370,777
Receivables:	
Prepays	2,796
Accrued Past Due Interest	54,272
Total Receivable	57,068
Investments:	
Fixed Income	6,650,701
Stocks	3,085,978
Mutual Funds	9,851,321
Total Investments	19,588,000
Total Assets	21,015,845
 <u>LIABILITIES</u>	
Liabilities:	
Payable:	
Expenses	19,741
Total Liabilities	19,741
Net Assets:	
Active and Retired Members' Equity	20,996,104
NET POSITION RESTRICTED FOR PENSIONS	20,996,104
TOTAL LIABILITIES AND NET ASSETS	21,015,845

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE YEAR ENDED December 31, 2018  
Market Value Basis

ADDITIONS

## Contributions:

Member	205,423	
Village	850,296	

Total Contributions		1,055,719
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## Investment Income:

Net Increase in Fair Value of Investments		(2,028,436)
Interest & Dividends		628,891
Less Investment Expense <sup>1</sup>		(70,034)

Net Investment Income		(1,469,579)
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Total Additions		(413,860)
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DEDUCTIONS

## Distributions to Members:

Benefit Payments	1,195,746	
Refund of Contributions/Transfers	52,367	

Total Distributions		1,248,113
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Administrative Expenses		32,563
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Total Deductions		1,280,676
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Net Increase in Net Position		(1,694,536)
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## NET POSITION RESTRICTED FOR PENSIONS

Beginning of the Year		22,690,643
Adjustment to beginning of year		(3)

End of the Year		20,996,104
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<sup>1</sup> Investment Related expenses include investment advisory, custodial and performance monitoring fees.

NOTES TO THE FINANCIAL STATEMENTS

(For the Year Ended December 31, 2018)

Plan Description

*Plan Administration*

The Plan is a single employer defined benefit pension plan administered by a Board of Trustees comprised of:

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

*Plan Membership as of January 1, 2019:*

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	18
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	4
Active Plan Members	24
	46
	46

*Benefits Provided*

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

Normal Retirement:

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

Date Tier 2: Age 55 with 10 years of Credited Service.

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

Benefit Tier 2: 2.50% per year of service times the average salary for the eight consecutive years prior to retirement times the number of years of service, up to a maximum of 75% of average salary. The minimum monthly benefit is \$1,000 per month.

Early Retirement:

Date Tier 1: Age 60 and 8 years of Credited Service.

Date Tier 2: Age 50 with 10 years of Credited Service.

Benefit Tier 1: Normal Retirement benefit with no minimum.

Benefit Tier 2: Normal Retirement benefit, reduced 6% each year before age 55, with no minimum benefit.

Disability:

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

Benefit Amount: A maximum of:

- a.) 65% of salary attached to the rank held by Member on last day of service, and;
  - b.) The monthly retirement pension that the Member is entitled to receive if he or she retired immediately.
- For non-service connected disabilities, a benefit of 50% of salary attached to rank held by Member on last day of service.

Cost-of-Living Adjustments:

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

Tier 1: Disabled Retirees - An annual increase equal to 3.00% per year of the original benefit amount beginning at age 60. Those that become disabled prior to age 60 receive an increase of 3.00% of the original benefit amount for each year since benefit commencement upon reaching age 60.

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

Pre-Retirement Death Benefit:

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

Non-Service Incurred: A maximum of:

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

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

Vesting (Termination):

Vesting Service Requirement: Tier 1: 8 years.

Vesting Service Requirement: Tier 2: 10 years.

Non-Vested Benefit: Refund of Member Contributions.

Vested Benefit: Either the termination benefit, payable upon reaching age 60, provided contributions are not withdrawn, or a refund of member contributions. The termination benefit is 2.50% of annual salary held in the year prior to termination (8-year final average salary for Tier 2) times creditable service.

*Contributions*

Employee: 9.91% of Salary.

Village: Remaining amount necessary for payment of Normal (current year's) Cost and amortization of the accrued past service liability.

**Investments**

*Investment Policy:*

The following was the Board's adopted asset allocation policy as of December 31, 2018:

<u>Asset Class</u>	<u>Target Allocation</u>
Large Cap US Equities	22.00%
Mid Cap US Equities	6.50%
Small Cap US Equities	6.50%
International Equities	15.00%
Multi-Class	15.00%
Intermediate Term Fixed Income	32.00%
Cash	3.00%
Total	100.00%

*Concentrations:*

The Plan did not hold investments in any one organization that represent 5 percent or more of the Pension Plan's Fiduciary Net Position.

*Rate of Return:*

For the year ended December 31, 2018 the annual money-weighted rate of return on Pension Plan investments, net of pension plan investment expense, was -6.46 percent.

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

NET PENSION LIABILITY OF THE SPONSOR

The components of the Net Pension Liability of the sponsor on December 31, 2018 were as follows:

Total Pension Liability	\$ 28,530,631
Plan Fiduciary Net Position	<u>\$ (20,996,104)</u>
Sponsor's Net Pension Liability	<u>\$ 7,534,527</u>
Plan Fiduciary Net Position as a percentage of Total Pension Liability	73.59%

*Actuarial Assumptions:*

The Total Pension Liability was determined by an actuarial valuation as of January 1, 2019 using the following actuarial assumptions:

Inflation	2.50%
Salary Increases	Age based
Discount Rate	6.50%
Investment Rate of Return	6.50%

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

Disability Mortality Rate: RP-2000 Disabled Retiree Mortality, projected to the valuation date using Scale BB.

The other significant assumptions are based upon the most recent actuarial experience study performed by the State of Illinois Department of Insurance dated September 26, 2012.

The Long-Term Expected Rate of Return on Pension Plan investments can be determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Pension Plan investment expenses and inflation) are developed for each major asset class.

For 2018, the inflation rate assumption of the investment advisor was 2.50%.

These ranges are combined to produce the Long-Term Expected Rate of Return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of geometric real rates of return for each major asset class included in the Pension Plan's target asset allocation as of December 31, 2018 are summarized in the following table:

<u>Asset Class</u>	<u>Long Term Expected Real Rate of Return</u>
Large Cap US Equities	6.40%
Mid Cap US Equities	7.30%
Small Cap US Equities	8.80%
International Equities	6.40%
Multi-Class	2.20%
Intermediate Term Fixed Income	1.70%
Cash	0.00%

Discount Rate:

The Discount Rate used to measure the Total Pension Liability was 6.50 percent.

The projection of cash flows used to determine the Discount Rate assumed that Plan Member contributions will be made at the current contribution rate and that Sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the Member rate. Based on those assumptions, the Pension Plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the Long-Term Expected Rate of Return on Pension Plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

For purpose of this valuation, the expected rate of return on pension plan investments is 6.50 percent; the municipal bond rate is 4.10 percent (based on the weekly rate closest to but not later than the measurement date of the Bond Buyer 20-Bond Index as published by the The Bond Buyer); and the resulting single discount rate is 6.50 percent.

	1% Decrease 5.50%	Current Discount Rate 6.50%	1% Increase 7.50%
Sponsor's Net Pension Liability	\$ 11,790,956	\$ 7,534,527	\$ 4,075,932

## SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Last 2 Fiscal Years

	<u>12/31/2018</u>	<u>12/31/2017</u>
Total Pension Liability		
Service Cost	516,599	575,596
Interest	1,767,418	1,694,486
Changes of Benefit Terms	-	-
Differences Between Expected and Actual Experience	196,223	249,838
Changes of Assumptions	-	-
Benefit Payments, Including Refunds of Employee Contributions	<u>(1,248,113)</u>	<u>(1,429,667)</u>
Net Change in Total Pension Liability	1,232,127	1,090,253
Total Pension Liability - Beginning	<u>27,298,504</u>	<u>26,208,251</u>
Total Pension Liability - Ending (a)	<u>\$ 28,530,631</u>	<u>\$ 27,298,504</u>
Plan Fiduciary Net Position		
Contributions - Employer	850,296	803,700
Contributions - Employee	205,423	215,212
Net Investment Income	(1,469,579)	2,772,293
Benefit Payments, Including Refunds of Employee Contributions	(1,248,113)	(1,429,667)
Administrative Expense	<u>(32,563)</u>	<u>(32,955)</u>
Net Change in Plan Fiduciary Net Position	(1,694,536)	2,328,583
Plan Fiduciary Net Position - Beginning	22,690,643	20,362,060
Adjustment to beginning of year	(3)	-
Plan Fiduciary Net Position - Ending (b)	<u>\$ 20,996,104</u>	<u>\$ 22,690,643</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 7,534,527</u>	<u>\$ 4,607,861</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	73.59%	83.12%
Covered Payroll	\$ 2,324,325	\$ 2,028,220
Net Pension Liability as a Percentage of Covered Payroll	324.16%	227.19%

SCHEDULE OF CONTRIBUTIONS

Last 2 Fiscal Years

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a percentage of Covered Payroll
12/31/2018	\$ 849,742	\$ 850,296	\$ (554)	\$ 2,324,325	36.58%
12/31/2017	\$ 803,666	\$ 803,700	\$ (34)	\$ 2,028,220	39.62%

Notes to Schedule:

Valuation Date: 01/01/2017

Actuarially Determined Contribution is calculated as of January 1, two years prior year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

- Mortality Rate: RP-2000 Combined Healthy Mortality with a blue collar adjustment, projected to the valuation date with Scale BB.
- Disabled Mortality Rate: RP-2000 Disabled Retiree Mortality, projected to the valuation date with Scale BB.
- Interest Rate: 6.50% per year compounded annually, net of investment related expenses.
- Retirement Age: See table on following page. This is based on an experience study performed in 2012.
- Disability Rate: See table on following page. 70% of the disabilities are assumed to be in the line of duty. This is based on an experience study performed in 2012.
- Termination Rate: See table on following page. This is based on an experience study performed in 2012.
- Salary Increases: Rates vary by age from 25 to 55, with level increases after age 55. This assumption is consistent with assumed increase rates for other municipal Police plans.

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

- Payroll Growth: None assumed. Level dollar amortization.
- Inflation: 2.50%.
- Cost-of-Living Adjustment: Tier 1: 3.00% per year after age 55. Those that retire prior to age 55 receive an increase of 1/12 of 3.00% for each full month since benefit commencement upon reaching age 55.  
Tier 2: 1.25% per year after the later of attainment of age 60 or first anniversary of retirement.
- Marital Status: 85% of Members are assumed to be married.
- Spouse's Age: Male spouses are assumed to be three years older than female spouses.
- Funding Method: Entry Age Normal Cost Method.
- Funding Policy Amortization Method: 100% of the UAAL is amortized according to a Level Dollar method over a period of 30 years beginning January 1, 2011, with a floor of 15 years.
- Actuarial Asset Method: Investment gains and losses are smoothed over a 5-year period.

Decrement Tables:

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

% Retiring During the Year	
Age	Rate
<=49	0.00%
50-54	20.00%
55-59	25.00%
60-62	33.00%
63-69	50.00%
>=70	100.00%

## SCHEDULE OF INVESTMENT RETURNS

Last 2 Fiscal Years

Fiscal Year Ended	Annual Money-Weighted Rate of Return Net of Investment Expense
12/31/2018	-6.46%
12/31/2017	13.75%

NOTES TO THE FINANCIAL STATEMENTS

(For the Year Ended December 31, 2018)

General Information about the Pension Plan

*Plan Administration*

The Plan is a single employer defined benefit pension plan administered by a Board of Trustees comprised of: a.) Two members appointed by the Village, b.) Two active Members of the Police Department elected by the Membership, and c.) One retired Member of the Police Department elected by the Membership.

*Plan Membership as of January 1, 2019:*

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	18
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	4
Active Plan Members	24
	46
	46

*Benefits Provided*

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

Normal Retirement:

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

Date Tier 2: Age 55 with 10 years of Credited Service.

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

Benefit Tier 2: 2.50% per year of service times the average salary for the eight consecutive years prior to retirement times the number of years of service, up to a maximum of 75% of average salary. The minimum monthly benefit is \$1,000 per month.

Early Retirement:

Date Tier 1: Age 60 and 8 years of Credited Service.

Date Tier 2: Age 50 with 10 years of Credited Service.

Benefit Tier 1: Normal Retirement benefit with no minimum.

Benefit Tier 2: Normal Retirement benefit, reduced 6% each year before age 55, with no minimum benefit.

Disability:

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

Benefit Amount: A maximum of:

a.) 65% of salary attached to the rank held by Member on last day of service, and;

b.) The monthly retirement pension that the Member is entitled to receive if he or she retired immediately.

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

Cost-of-Living Adjustments:

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

Tier 1: Disabled Retirees - An annual increase equal to 3.00% per year of the original benefit amount beginning at age 60. Those that become disabled prior to age 60 receive an increase of 3.00% of the original benefit amount for each year since benefit commencement upon reaching age 60.

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

Pre-Retirement Death Benefit:

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

Non-Service Incurred: A maximum of:

a.) 50% of salary attached to the rank held by Member on last day of service, and;

b.) The monthly retirement pension earned by the deceased Member at the time of death, regardless of whether death occurs before or after age 50.

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

Vesting (Termination):

Vesting Service Requirement: Tier 1: 8 years.

Vesting Service Requirement: Tier 2: 10 years.

Non-Vested Benefit: Refund of Member Contributions.

Vested Benefit: Either the termination benefit, payable upon reaching age 60, provided contributions are not withdrawn, or a refund of member contributions. The termination benefit is 2.50% of annual salary held in the year prior to termination (8-year final average salary for Tier 2) times creditable service.

*Contributions*

Employee: 9.91% of Salary.

Village: Remaining amount necessary for payment of Normal (current year's) Cost and amortization of the accrued past service liability.

Net Pension Liability

The measurement date is December 31, 2018.

The measurement period for the pension expense was January 1, 2018 to December 31, 2018.

The reporting period is January 1, 2018 through December 31, 2018.

The Sponsor's Net Pension Liability was measured as of December 31, 2018.

The Total Pension Liability used to calculate the Net Pension Liability was determined as of that date.

*Actuarial Assumptions:*

The Total Pension Liability was determined by an actuarial valuation as of January 1, 2019 using the following actuarial assumptions:

Inflation	2.50%
Salary Increases	Age based
Discount Rate	6.50%
Investment Rate of Return	6.50%

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

Disability Mortality Rate: RP-2000 Disabled Retiree Mortality, projected to the valuation date using Scale BB.

The other significant assumptions are based upon the most recent actuarial experience study performed by the State of Illinois Department of Insurance dated September 26, 2012.

The Long-Term Expected Rate of Return on Pension Plan investments can be determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Pension Plan investment expenses and inflation) are developed for each major asset class.

For 2018, the inflation rate assumption of the investment advisor was 2.50%.

These ranges are combined to produce the Long-Term Expected Rate of Return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of geometric real rates of return for each major asset class included in the Pension Plan's target asset allocation as of December 31, 2018 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Large Cap US Equities	22.00%	6.40%
Mid Cap US Equities	6.50%	7.30%
Small Cap US Equities	6.50%	8.80%
International Equities	15.00%	6.40%
Multi-Class	15.00%	2.20%
Intermediate Term Fixed Income	32.00%	1.70%
Cash	3.00%	0.00%
Total	100.00%	

**Discount Rate:**

The Discount Rate used to measure the Total Pension Liability was 6.50 percent.

The projection of cash flows used to determine the Discount Rate assumed that Plan Member contributions will be made at the current contribution rate and that Sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the Member rate. Based on those assumptions, the Pension Plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the Long-Term Expected Rate of Return on Pension Plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

For purpose of this valuation, the expected rate of return on pension plan investments is 6.50 percent; the municipal bond rate is 4.10 percent (based on the weekly rate closest to but not later than the measurement date of the Bond Buyer 20-Bond Index as published by the The Bond Buyer); and the resulting single discount rate is 6.50 percent.

## CHANGES IN NET PENSION LIABILITY

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances at December 31, 2017	\$ 27,298,504	\$ 22,690,643	\$ 4,607,861
Adjustment to beginning of year	-	(3)	3
Changes for a Year:			
Service Cost	516,599	-	516,599
Interest	1,767,418	-	1,767,418
Differences Between Expected and Actual Experience	196,223	-	196,223
Changes of Assumptions	-	-	-
Changes of Benefit Terms	-	-	-
Contributions - Employer	-	850,296	(850,296)
Contributions - Employee	-	205,423	(205,423)
Net Investment Income	-	(1,469,579)	1,469,579
Benefit Payments, Including Refunds of Employee Contributions	(1,248,113)	(1,248,113)	-
Administrative Expense	-	(32,563)	32,563
New Changes	1,232,127	(1,694,536)	2,926,663
Balances at December 31, 2018	<u>\$ 28,530,631</u>	<u>\$ 20,996,104</u>	<u>\$ 7,534,527</u>

*Sensitivity of the Net Pension Liability to changes in the Discount Rate.*

	Current Discount		
	1% Decrease	Rate	1% Increase
	5.50%	6.50%	7.50%
Sponsor's Net Pension Liability	\$ 11,790,956	\$ 7,534,527	\$ 4,075,932

*Pension Plan Fiduciary Net Position.*

Detailed information about the Pension Plan's Fiduciary Net Position is available in a separately issued Plan financial report.

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

For the year ended December 31, 2018, the Sponsor will recognize a pension expense of \$1,299,132.

On December 31, 2018, the Sponsor reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	510,041	196,722
Changes of Assumptions	-	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,749,935	-
Total	\$ 2,259,976	\$ 196,722

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

Year ended December 31:			
2019	\$	655,557	
2020	\$	349,664	
2021	\$	363,553	
2022	\$	661,776	
2023	\$	32,704	
Thereafter	\$	-	

## SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Last 2 Fiscal Years

	<u>12/31/2018</u>	<u>12/31/2017</u>
Total Pension Liability		
Service Cost	516,599	575,596
Interest	1,767,418	1,694,486
Changes of Benefit Terms	-	-
Differences Between Expected and Actual Experience	196,223	249,838
Changes of Assumptions	-	-
Benefit Payments, Including Refunds of Employee Contributions	<u>(1,248,113)</u>	<u>(1,429,667)</u>
Net Change in Total Pension Liability	1,232,127	1,090,253
Total Pension Liability - Beginning	27,298,504	26,208,251
Total Pension Liability - Ending (a)	<u>\$ 28,530,631</u>	<u>\$ 27,298,504</u>
Plan Fiduciary Net Position		
Contributions - Employer	850,296	803,700
Contributions - Employee	205,423	215,212
Net Investment Income	(1,469,579)	2,772,293
Benefit Payments, Including Refunds of Employee Contributions	(1,248,113)	(1,429,667)
Administrative Expense	<u>(32,563)</u>	<u>(32,955)</u>
Net Change in Plan Fiduciary Net Position	(1,694,536)	2,328,583
Plan Fiduciary Net Position - Beginning	22,690,643	20,362,060
Adjustment to beginning of year	(3)	-
Plan Fiduciary Net Position - Ending (b)	<u>\$ 20,996,104</u>	<u>\$ 22,690,643</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 7,534,527</u>	<u>\$ 4,607,861</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	73.59%	83.12%
Covered Payroll	\$ 2,324,325	\$ 2,028,220
Net Pension Liability as a Percentage of Covered Payroll	324.16%	227.19%

## SCHEDULE OF CONTRIBUTIONS

Last 2 Fiscal Years

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a percentage of Covered Payroll
12/31/2018	\$ 849,742	\$ 850,296	\$ (554)	\$ 2,324,325	36.58%
12/31/2017	\$ 803,666	\$ 803,700	\$ (34)	\$ 2,028,220	39.62%

Notes to Schedule:

Valuation Date: 01/01/2017

Actuarially Determined Contribution is calculated as of January 1, two years prior year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

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

Disabled Mortality Rate: RP-2000 Disabled Retiree Mortality, projected to the valuation date with Scale BB.

Interest Rate: 6.50% per year compounded annually, net of investment related expenses.

Retirement Age: See table on following page. This is based on an experience study performed in 2012.

Disability Rate: See table on following page. 70% of the disabilities are assumed to be in the line of duty. This is based on an experience study performed in 2012.

Termination Rate: See table on following page. This is based on an experience study performed in 2012.

Salary Increases: Rates vary by age from 25 to 55, with level increases after age 55. This assumption is consistent with assumed increase rates for other municipal Police plans.

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

Payroll Growth: None assumed. Level dollar amortization.

Inflation: 2.50%.

Cost-of-Living Adjustment: Tier 1: 3.00% per year after age 55. Those that retire prior to age 55 receive an increase of 1/12 of 3.00% for each full month since benefit commencement upon reaching age 55.

Tier 2: 1.25% per year after the later of attainment of age 60 or first anniversary of retirement.

Marital Status: 85% of Members are assumed to be married.

Spouse's Age: Male spouses are assumed to be three years older than female spouses.

Funding Method: Entry Age Normal Cost Method.

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

Actuarial Asset Method: Investment gains and losses are smoothed over a 5-year period.

Decrement Tables:

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

% Retiring During the Year	
Age	Rate
<=49	0.00%
50-54	20.00%
55-59	25.00%
60-62	33.00%
63-69	50.00%
>=70	100.00%

**COMPONENTS OF PENSION EXPENSE**  
**FISCAL YEAR DECEMBER 31, 2018**

	Net Pension Liability	Deferred Inflows	Deferred Outflows	Pension Expense
Beginning Balance	\$ 4,607,861	\$ 1,474,507	\$ 1,059,934	
<b>Total Pension Liability Factors:</b>				
Service Cost	516,599	-	-	516,599
Interest	1,767,418	-	-	1,767,418
Changes in Benefit Terms	-	-	-	-
Differences Between Expected and Actual Experience With Regard to Economic or Demographic Assumptions	196,223	-	196,223	-
Current Year Amortization	-	(65,574)	(134,330)	68,756
Changes in Assumptions About Future Economic or Demographic Factors or Other Inputs	-	-	-	-
Current Year Amortization	-	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(1,248,113)	-	-	-
Net Change	<u>1,232,127</u>	<u>(65,574)</u>	<u>61,893</u>	<u>2,352,773</u>
<b>Plan Fiduciary Net Position:</b>				
Contributions - Employer	850,296	-	-	-
Contributions - Employee	205,423	-	-	(205,423)
Projected Net Investment Income	1,467,581	-	-	(1,467,581)
Difference Between Projected and Actual Earnings on Pension Plan Investments	(2,937,160)	-	2,937,160	-
Current Year Amortization	-	(306,525)	(893,325)	586,800
Benefit Payments, Including Refunds of Employee Contributions	(1,248,113)	-	-	-
Administrative Expenses	(32,563)	-	-	32,563
Net Change	<u>(1,694,536)</u>	<u>(306,525)</u>	<u>2,043,835</u>	<u>(1,053,641)</u>
Adjustment to beginning of year	(3)	-	-	-
Ending Balance	<u>\$ 7,534,527</u>	<u>\$ 1,102,408</u>	<u>\$ 3,165,662</u>	<u>\$ 1,299,132</u>

AMORTIZATION SCHEDULE - EXPERIENCE

Increase (Decrease) in Pension Expense Arising from the Recognition of the Effects of Differences between Expected and Actual Experience

Year Base Established	Differences Between Expected and Actual Experience	Recognition Period (Years)	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
2018	\$ 196,223	6	\$ 32,703	\$ 32,704	\$ 32,704	\$ 32,704	\$ 32,704	\$ 32,704	\$ -	\$ -	\$ -	\$ -
2017	\$ 249,838	6	\$ 41,640	\$ 41,640	\$ 41,640	\$ 41,640	\$ 41,640	\$ -	\$ -	\$ -	\$ -	\$ -
2016	\$ 359,920	6	\$ 59,987	\$ 59,987	\$ 59,987	\$ 59,987	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2015	\$ (459,019)	7	\$ (65,574)	\$ (65,574)	\$ (65,574)	\$ (65,574)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in Pension Expense			\$ 68,756	\$ 68,757	\$ 68,757	\$ 68,757	\$ 74,344	\$ 32,704	\$ -	\$ -	\$ -	\$ -

AMORTIZATION SCHEDULE - CHANGES OF ASSUMPTIONS

Year Base Established	Change of Assumptions	Recognition Period (Years)	Increase (Decrease) in Pension Expense Arising from the Recognition of the Effects of Changes of Assumptions													
			2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028			
2018	\$ -	6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2017	\$ -	6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2016	\$ -	6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in Pension Expense			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

AMORTIZATION SCHEDULE - INVESTMENTS

Increase (Decrease) in Pension Expense Arising from the Recognition of the of Differences Between Projected and Actual Earnings on Pension Plan Investments

Year Base Established	Differences Between Projected and Actual Earnings	Recognition Period (Years)	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
2018	\$ 2,937,160	5	\$ 587,432	\$ 587,432	\$ 587,432	\$ 587,432	\$ 587,432	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2017	\$ (1,463,179)	5	\$ (292,636)	\$ (292,636)	\$ (292,636)	\$ (292,636)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2016	\$ (69,445)	5	\$ (13,889)	\$ (13,889)	\$ (13,889)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2015	\$ 1,529,463	5	\$ 305,893	\$ 305,893	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in Pension Expense			\$ 586,800	\$ 586,800	\$ 280,907	\$ 294,796	\$ 587,432	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Valuation Date Applicable to Fiscal Year Ending	New Assump 1/1/2019 <u>12/31/2020</u>	Old Assump 1/1/2019 <u>12/31/2020</u>	1/1/2018 <u>12/31/2019</u>
<b>E. Pension Cost</b>			
Normal Cost (with interest)	\$633,171	\$629,400	\$544,737
% of Total Annual Payroll <sup>1</sup>	27.2	27.1	26.9
Administrative Expenses (with interest)	34,680	34,680	35,096
% of Total Annual Payroll <sup>1</sup>	1.5	1.5	1.7
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 22 years (as of 1/1/2019, with interest)	593,280	525,689	453,301
% of Total Annual Payroll <sup>1</sup>	25.6	22.6	22.3
Total Recommended Contribution	1,261,131	1,189,769	1,033,134
% of Total Annual Payroll <sup>1</sup>	54.3	51.2	50.9
Expected Member Contributions	230,341	230,341	200,997
% of Total Annual Payroll <sup>1</sup>	9.9	9.9	9.9
Expected Village Contribution	1,030,790	959,428	832,137
% of Total Annual Payroll <sup>1</sup>	44.4	41.3	41.0

**REQUEST FOR BOARD ACTION  
Committee of the Whole  
September 23, 2019**

**Subject:** Authorization of Surplus Property Disposal

**Action Requested:** Consideration and Direct Placement on the October 15, 2019  
Consent Agenda for Approval

**Originated  
By/Contact:** Ben Gilbertson, Assistant Village Manager/CED Director

**Referred To:** Village Board

**Summary / Background:**

Several departments are in possession of surplus, obsolete, or non-operational equipment requiring sale or disposal. This includes vehicles and surplus police, office, and park equipment. Equipment will be traded-in, auctioned, or recycled. An ordinance is required by Chapter 65, Section 5/11-76-4 of the Illinois Compiled Statutes authorizing the disposal of surplus equipment.

**Budget Impact:**

To be determined as a result of sale of surplus property.

**Service Delivery Impact:**

All equipment in question is broken beyond repair, has been replaced, or has become obsolete. Staff does not foresee any issues of service delivery impact.

**Recommendation:**

Consideration of the draft ordinance and direct placement on the October 15, 2019 Village Board consent agenda for approval.

**Reports and Documents Attached:**

- Document 1: Draft Ordinance
- Document 2: Exhibit A containing all equipment to be disposed

<b>Meeting History</b>	
Committee of the Whole Meeting	October 15, 2019

**ORDINANCE NO. 19-\_\_\_\_\_ - \_\_\_\_\_**

**AN ORDINANCE AUTHORIZING THE SALE OF SURPLUS PROPERTY**

**WHEREAS**, the Mayor and Board of Trustees may designate property no longer needed by the Village of Lincolnshire (“Village”) to provide services or that does not otherwise benefit the Village as surplus property; and

**WHEREAS**, pursuant to Section 11-76-4 of the Illinois Municipal Code, 65 ILCS 5/11-76-4, the Mayor and Board of Trustees may authorize the sale and disposal of surplus property; and

**WHEREAS**, the Mayor and Board of Trustees have determined it is no longer necessary or useful, or in the best interests of the Village, to retain items listed on Exhibit A attached to this ordinance, currently owned by the Village (“Surplus Property”); and

**WHEREAS**, the Mayor and Village Board of Trustees have determined it is in the best interest of the Village to dispose of the Surplus Property.

**NOW, THEREFORE, BE IT ORDAINED** BY THE MAYOR AND BOARD OF TRUSTEES OF THE VILLAGE OF LINCOLNSHIRE, LAKE COUNTY, ILLINOIS, as follows:

**SECTION ONE:** The foregoing recitals are incorporated in this Ordinance as the findings of the Mayor and Board of Trustees.

**SECTION TWO:** Pursuant to Section 11-76-4 of the Illinois Municipal Code, 65 ILCS 5/11-76-4, the Mayor and Board of Trustees find that the Surplus Property described in the attached Exhibit A, now owned by said jurisdiction, is no longer necessary or useful to the jurisdiction and the best interests of the jurisdiction would be best served by its disposal.

**SECTION THREE:** The Village Manager is hereby authorized and directed to dispose of the aforementioned Surplus Property. Surplus Property identified on Exhibit A as having a minimum bid shall be sold to the highest bidder following a public auction. Surplus Property identified on Exhibit A as having no value shall be disposed of in such a manner deemed appropriate.

**SECTION FOUR:** The Village Manager is hereby authorized to and may direct North West Municipal Conference (“NWMC”) to advertise the sale of the aforementioned Surplus Property prior to said public auction.

**SECTION FIVE:** The Village Manager is hereby authorized to direct NWMC to enter into an agreement for the sale of said Surplus Property whereby said property may be sold at a public auction.

**SECTION SIX:** Upon payment of the full auction price for the aforesaid items of Surplus Property, the Village Manager is authorized to direct NWMC to convey and transfer the title and ownership of said Surplus Property, to the successful bidder.

**SECTION SEVEN:** This Ordinance shall be in full force and effect from and after its passage, by a vote of at least three-fourths of the corporate authorities, and approval in the manner provided by law.

**PASSED** this \_\_\_<sup>th</sup> day of \_\_\_\_\_, 2019, by the Corporate Authorities of the Village of Lincolnshire, on a roll call vote as follows:

**AYES:**

**NAYS:**

**ABSENT:**

**ABSTAIN:**

**APPROVED:** this \_\_\_<sup>th</sup> day of \_\_\_\_\_, 2019

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Elizabeth J. Brandt, Mayor

**ATTEST:**

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Barbara Mastandrea, Village Clerk

**EXHIBIT A**

Disposal Inventory Form

Your Name: Ben Gilbertson  
 Agency Name: Village of Lincolnshire  
 Agency Address: One Olde Half Day Road  
 Lincolnshire, IL 60069  
 Agency Phone: (847) 913-8600

**Disposal Options**

Auction  
 Trade-In  
 Recycle  
 Disposal

Village Staff Point of Contact	Make	Model	Type	Unit #	Date of Acquisition	Serial Number/VIN	Quantity	MLG/HRS	Disposal Process
<b>Vehicles/Equipment</b>									
Matt Liewehr	OTC	A	Engine Hoist			3840	1		Auction
Matt Liewehr	OTC	1770A	Dual Wheel Dolly			0103AK717457	1		Auction
Matt Liewehr	ESAB	PCM-625	Plasma Cutter			35551	1		Auction
Matt Liewehr	Miller	Blue Star 6000	Gas Powered Welder	464	1999	KK150358	1		Auction
Matt Liewehr	Contrx	PBJLT436	Lift Jib			22390	1		Auction
Matt Liewehr	Ford	F-350	Truck 240, 244, 247 Rear Bumpers				3		Auction
Matt Liewehr	Ford	F-350	Truck 240, 244, 247 Tailgates				3		Auction
Matt Liewehr	Snap-On		Sand Blaster	467	2003		1		Auction
Matt Liewehr	Toro	GroundMaster 328D	Riding Lawn Mower	507	2004	30627-240000411	1	786	Auction
Matt Liewehr	Troy-Bilt	Horse	Tiller	661	2006	1E176K80012	1		Auction
Matt Liewehr	Honda	WT20X	2" Trash Pump	616	2004	WAAJ-1013389	1		Auction
Matt Liewehr	Ariens	911089	Push Mower			1908	1		Auction
Matt Liewehr	Snapper	ET 200	Edger	671	1990	84657870	1		Auction
Matt Liewehr	Textron	930323A	Walk Behind Mower	623	2005	93032300933	1		Auction
<b>Computer Equipment</b>									
Allison\Nick	HP	LaserJet 4050N	LaserJet Printer	P106	1/1/2000	USBB254275	1		Recycle
Allison\Nick	HP	HP Compaq dc7900	Desktop		12/19/2008	MXL85114GH	1		Recycle
Allison\Nick	HP	HP Compaq dc7900	Desktop		12/19/2008	MXL9471JB8	1		Recycle
Allison\Nick	HP	HP Compaq 8100 Elite	Desktop		1/17/2011	MXL10216S4	1		Recycle
Allison\Nick	HP	HP Pro3500	Desktop		8/15/2013	MXL3331CT5	1		Recycle
Allison\Nick	HP	HP Pro3500	Desktop		10/19/2013	MXL3421QT7	1		Recycle
Allison\Nick	HP	HP Pro3500	Desktop		10/21/2013	MXL3421XX6	1		Recycle
Allison\Nick	HP	HP Pro3500	Desktop		10/21/2013	MXL341XY3	1		Recycle
Allison\Nick	HP	HP Pro3500	Desktop		10/21/2013	MXL341XY4	1		Recycle
Allison\Nick	HP	HP EliteDesk 800 G1	Desktop		7/14/2014	2UA4281B2P	1		Recycle
Allison\Nick	HP	HP ProBook 640 G1	Laptop		9/17/2014	5CG4350LGK	1		Recycle
Allison\Nick	Dell	Dell OptiPlex 7020	Desktop		1/25/2015	JXKY322	1		Recycle
Allison\Nick	Dell	Dell OptiPlex 7020	Desktop		1/25/2015	GTKT322	1		Recycle
Allison\Nick	Dell	Dell OptiPlex 7020	Desktop		1/25/2015	7M76R22	1		Recycle
Allison\Nick	Dell	Dell OptiPlex 7020	Desktop		1/25/2015	9XKT322	1		Recycle
Allison\Nick	Dell	Dell OptiPlex 7020	Desktop		1/25/2015	7985R22	1		Recycle
Allison\Nick	Dell	Dell OptiPlex 7020	Desktop		1/25/2015	5WKT322	1		Recycle
Allison\Nick	Dell	Dell OptiPlex 7020	Desktop		1/25/2015	7TL6R22	1		Recycle
Allison\Nick	Dell	Dell OptiPlex 7020	Desktop		1/25/2015	FWKY322	1		Recycle
Allison\Nick	Dell	Optiplex 7020	Desktop		1/25/2015	1XKT322	1		Recycle
Allison\Nick	Dell	Optiplex 7020	Desktop		1/25/2015	F5WX322	1		Recycle
Allison\Nick	Dell	Optiplex 7020	Desktop		1/25/2015	7FJ4R22	1		Recycle
Allison\Nick	Dell	Optiplex 7020	Desktop		1/25/2015	7H75R22	1		Recycle
Allison\Nick	Dell	Dell OptiPlex 7020	Desktop		9/25/2015	1X1SP52	1		Recycle
Allison\Nick	Dell	Dell OptiPlex 7020	Desktop		9/25/2015	1XRVP52	1		Recycle
Allison\Nick	Acer	Aspire Switch 10	Laptop	Old North Park Laptop		NK1101304E4257DD427210	1		Recycle
Allison\Nick	HP	HP Compaq d530C	Desktop			2UA3360DFL	1		Recycle

**EXHIBIT A**

Disposal Inventory Form

**Disposal Options**

Your Name: Ben Gilbertson  
 Agency Name: Village of Lincolnshire  
 Agency Address: One Olde Half Day Road  
 Lincolnshire, IL 60069  
 Agency Phone: (847) 913-8600

Auction  
 Trade-In  
 Recycle  
 Disposal

Village Staff Point of Contact	Make	Model	Type	Unit #	Date of Acquisition	Serial Number/VIN	Quantity	MLG/HRS	Disposal Process
Allison\Nick	Acer	Acer TravelMate	Laptop	VOL-PD-SRO		NXV4NAA004229066602000	1		Recycle
<b>Office Equipment</b>									
Carol Lustig	Sony	TCM-323	Cassette Recorder		unknown	None	1		Recycle
Carol Lustig	Sanyo	M-1060C	Cassette Recorder		unknown	None	1		Recycle
Carol Lustig	Sanyo	M-1060C	Cassette Recorder		unknown	None	1		Recycle
Carol Lustig	Polaroid	600 Land Camera	Camera		unknown	None	1		Recycle
Carol Lustig	Texas Instruments	TI-5045	calculator/adding machine		unknown	None	1		Recycle
Carol Lustig	Panasonic	Recorder and Foot Pedal	recorder		unknown	WP6KA001997R	1		Recycle
<b>Police Equipment</b>									
Jamie Watson	Code 3	2700	Light Bar		2007		3		Auction
Jamie Watson	American Locker Security Systems		Evidence Lockers		1993		2		Auction
Jamie Watson			4 shelf metal cabinet		1993		1		Auction

**REQUEST FOR BOARD ACTION  
Committee of the Whole Meeting  
September 23, 2019**

**Subject:** Street Use Permit for the Community Christian Church

**Action Requested:** Consideration of Community Christian Church of Lincolnshire's Request to Use Village Streets for a Community 5K Race/Walk and Waiver of the Village Street Usage Policy Cash Bond Requirement

**Originated By/Contact:** Marc Facchini, Public Works Management Analyst

**Referred To:** Mayor and Board of Trustees

**Summary / Background:**

The Community Christian Church of Lincolnshire requests use of Village streets for their Community 5K Race/Walk to take place between the hours of 7 AM and 10 AM on Saturday November 2, 2019. The Community Christian Church is expecting approximately 100 participants to race/walk in the event. The Village Street Use Policy identifies local houses of worship as a qualifying organization eligible for street usage approval.

The Community Christian Church has been cooperative in working with the Village on the approval process of the event and requests Village Board waiver of the \$1,000 cash bond, which the Village has traditionally done in the past for not-for-profit organizations.

**Budget Impact:**

None

**Service Delivery Impact:**

The 5K will start and finish near the church at the intersection of Londonderry Lane and Riverwoods Rd. The route will begin westbound on Londonderry Lane, past the former Rivershire Nature Center to Lincolnshire Drive up to Spring Lake Park, and proceed on Oxford past Wiltshire on Cumberland before returning on Lincolnshire Drive. There will be no anticipated road closures or need for police staffing during the event.

**Recommendation:**

Staff recommends the Street Use Permit to be issued and to waive the Cash Bond Requirement.

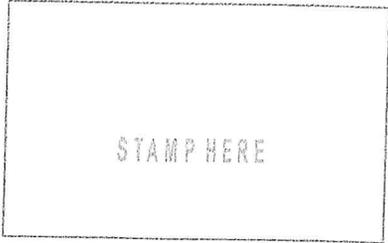
**Reports and Documents Attached:**

- Copy of Completed Street Use Permit Form
- Written Request to Waive Cash Bond
- Route Map

<b>Meeting History</b>	
<b>Initial Referral to Village Board (COW):</b>	<b>September 23, 2019</b>



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



# VILLAGE STREET USAGE PERMIT APPLICATION

## Permit #

### APPLICANT INFORMATION

Name of Event: Community 5K Race/Walk Group Sponsoring Event: Com. Ch. Church  
 Name of Event Director: Derek A. Gilna  
 Address: 1970 Riverwoods Rd. Unit #: \_\_\_\_\_  
 City: Lincolnshire, State: IL Zip Code: 60069  
 Telephone: (847)`)`878-0160 Business: ( ) \_\_\_\_\_  
 Email: dgilna1948@yahoo.com  
 Date & Time Requested November 2, 2019 from 7 am to 19 am.

<b>Spring</b> (March, April, May)	<b>Summer</b> (June, July, Aug.)	<b>Fall</b> (Sept., Oct.)
-----------------------------------	----------------------------------	---------------------------

Date of Event: Saturday, November 2, 2019  
 Starting Time: 7:00 a.m.  
 Est. Number of Participants: 100  
 Ending Time: 10:00 a.m.

Has your group held an event in Lincolnshire before? Yes  No   
 If so, when was the most recent event? 2018

How many consecutive years has the event been held? Over ten

Medical personnel must be present during the entire event. Please list the names of the doctors who will be participating: Chris Chon, MD.

- A cash bond in the amount of \$1,000 is required and must be submitted at least 30 days prior to the event.
- A Certificate of insurance must be provided to the village showing the applicant has coverage of comprehensive general liability and automobile liability in a minimum amount of one (1) million dollars.
- There shall be a maximum of 1,000 participants and the event shall be limited to 3.1 miles or 5km.

### SIGNATURE

Derek A Gilna  
 Signature of Applicant

Chair of General Board  
 Printed Name and Title

The permit for the event proposed is hereby approved, based upon the information contained in this application and the provisions of the Village Code and Village Street Usage Policy. THIS PERMIT MAY BE REVOKED FOR DUE CAUSE OR IN CASE OF AN EMERGENCY AT THE SOLE DISCRETION OF THE VILLAGE

Date Approved: \_\_\_\_\_  
 \_\_\_\_\_  
 Public Works Director

Girl Scouts  
Y Princesses and Y Guides  
League of Women Voters  
Lincolnshire Morningstar Rotary Club  
Toastmaster of Lincolnshire

B. The organization must be not-for-profit and have no political affiliation and must have a significant relationship with the Lincolnshire community. This can be demonstrated by meeting one of the following:

C. Being one of the following taxing bodies serving Village residents:

Lincolnshire-Riverwoods Fire Protection District  
School District # 103  
School District # 125 Vernon Area Public Library Vernon Township  
West Deerfield Township

D. Being one of the following entities serving the Village:

Federal, State and Local Representatives for purposes of holding Town Meetings, which will not be allowed within 30 days of an election if the representatives are running for office.

Being an organization of Lincolnshire business whose purpose is to support and encourage business within the Village

E. Being an organization which provides a recreational service within Lincolnshire

F. Being an organization which provides services for people with special needs:

Special Recreation Association of Central Lake County (SRACLC)  
Riverside Foundation

If the organization does not meet the above criteria, then they shall have an opportunity to present to the Mayor and Board of Trustees an explanation for consideration.

### 3. Number of Events

The number of events held per year shall be determined by Village Staff. **Each event will be limited to 1,000 participants.** Events are to be held between March 1<sup>st</sup> and November 1<sup>st</sup> of each year. The designations will be as follows: Spring (March, April, May) Summer (June, July, August) Fall (September, October). There shall not be any activities allowed during November, December, January and February. This is due to the leaf collection and snow and ice control programs. The awarding of a particular day and/or time slot shall be on a first come, first served basis. Street usage permits are limited to one application per day anywhere throughout the Village.



**From:** [Derek Gilna](#)  
**To:** [Marc Facchini](#)  
**Subject:** Re: Community 5 K Race/walk  
**Date:** Tuesday, September 17, 2019 3:30:16 PM  
**Attachments:** [5K Route.ppt](#)  
[Tax ID Letter.pdf](#)  
[image001.png](#)

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Apologies, Mark, for not including the race route and 501c3 letter. We are requesting that the Village waive the bonding requirement. We have already secured insurance coverage for the event. Thanks.

On Tuesday, September 17, 2019, 12:29:27 PM CDT, Marc Facchini <[mfacchini@lincolnshireil.gov](mailto:mfacchini@lincolnshireil.gov)> wrote:

Hi Derek,

I have received your application for street usage for the Community Church's 5K Race/Walk. In reviewing the application I noticed that we do not have the map of the race route. Can you please provide that to me as soon as possible?

We also still need the \$1,000 cash bond, unless you would like to petition to have the Village Board waive the bond requirement. In order for the Village to waive the cash bond requirement, you would need to submit a written request to waive the fee. I'd like to bring this to the Village Board as soon as next Monday, in order to do that we need to have the street map and all materials no later than at the end of tomorrow's business day.

Please let me know if you have any questions. Thank you!

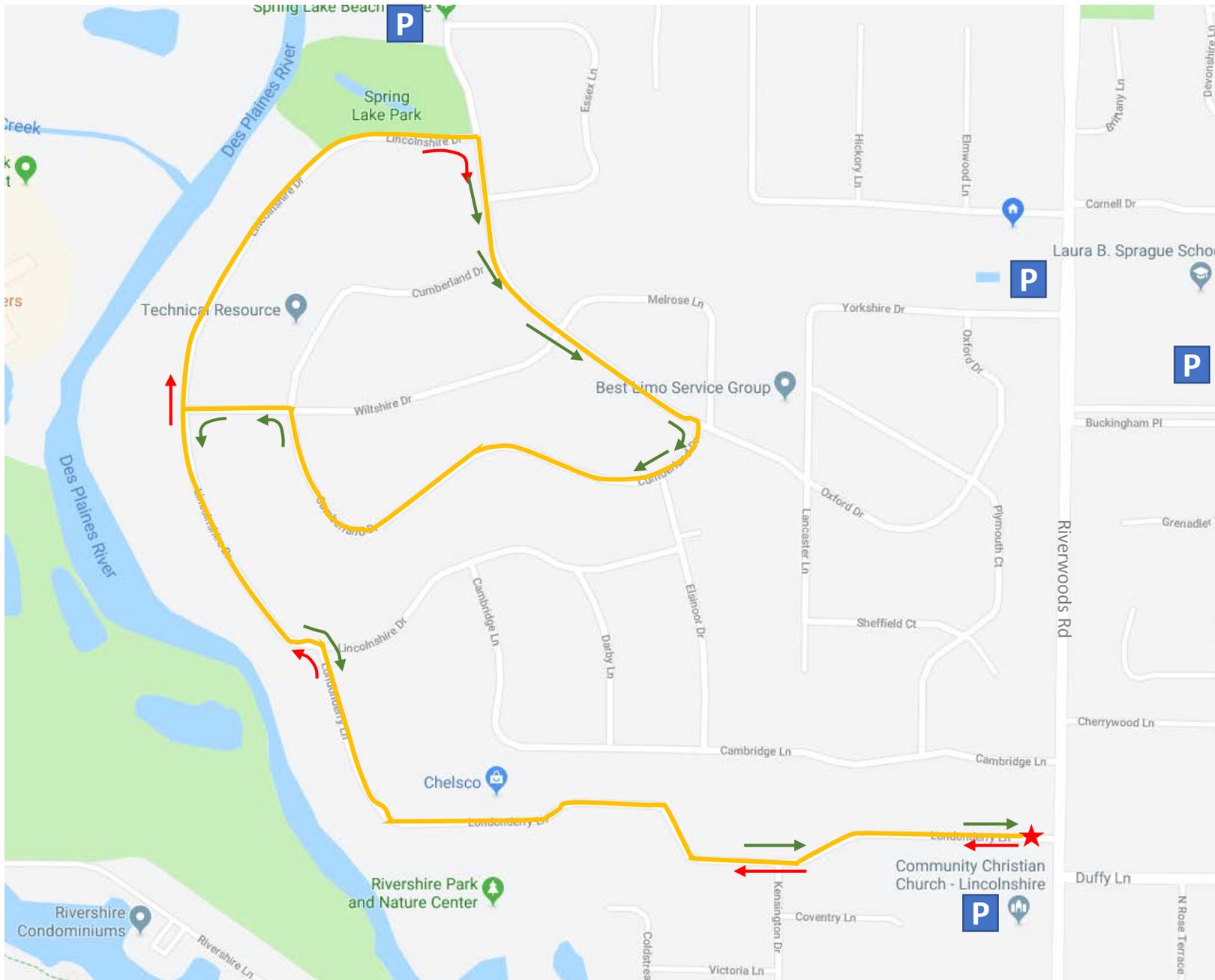
Sincerely,

**Marc Facchini** | Public Works Management Analyst



Direct: 847-913-2356 | Email: [mfacchini@lincolnshireil.gov](mailto:mfacchini@lincolnshireil.gov)

Website: <http://www.lincolnshireil.gov>



### Keys

- ★ Starting and finishing lines
- ← Forward route
- Return route
- P Parking Lots

**REQUEST FOR BOARD ACTION  
COMMITTEE OF THE WHOLE  
September 23, 2019**

**Subject:** An Ordinance Amending Title 3 (Business and License Regulations), Chapter 3 (Liquor Control), Section 3-3-2-1 (Liquor License Classes) of the Lincolnshire Village Code

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**Action Requested:** Consideration, Discussion and Placement on the October 14, 2019 Consent Agenda for Approval

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**Originated  
By/Contact:** Joseph Leonas, Chief of Police

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**Referred To:** Village Board

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**Summary / Background:**

Staff recently identified the Class C, E, and F Liquor License Classes sections were missing the required parameter “for consumption on premises.” This requirement was inadvertently omitted in the comprehensive rewrite to the liquor licensing provisions of the code. By adding the *consumption on premises* requirement, liquor cannot be sold as a packaged liquor sale unless the business has secured the additional packaged liquor license (Class H).

Staff recommends adding this requirement to the license classes listed below.

- Class C (Restaurant – beer and wine only)  
Issued to authorize the sale of beer and wine only in conjunction with the sale of food and only for **consumption on the premises**. No bar shall be permitted.
- Class E (Bar or lounge – hotel/motel only)  
Issued to authorize the sale of alcoholic liquor at a bar or lounge located in a hotel or motel only **for consumption on the premises**.
- Class F (Golf courses and private clubs for profit)  
Issued to authorize the sale of alcoholic liquor at golf courses at the club house or from carts on the course. Issued to authorize the sale of alcoholic liquor at private clubs to members and guests of the members only **for consumption on the premises**.

**Budget Impact:**

None.

**Service Delivery Impact:**

None.

**Recommendation:**

Staff recommends approval of this ordinance as part of the October 14, 2019 consent agenda.

**Reports and Documents Attached:**

- An Ordinance Amending Title 3 (Business and License Regulations), Chapter 3 (Liquor Control), Section 3-3-2-1 (Liquor License Classes) of the Lincolnshire Village Code



**Agenda Item  
2.41 COW**

<b>Meeting History</b>	
<b>Initial Referral to Village Board (COW):</b>	<b>September 23, 2019</b>
<b>Regular Village Board Meeting:</b>	

**ORDINANCE NO.**

**AN ORDINANCE AMENDING TITLE 3 (BUSINESS AND LICENSE REGULATIONS), CHAPTER 3 (LIQUOR CONTROL), SECTION 3-3-2-1 (LIQUOR LICENSE CLASSES) OF THE LINCOLNSHIRE VILLAGE CODE**

**WHEREAS**, from time to time the Village reviews its codes and the regulation of liquor establishments to ensure that they are up to date and that they regulate matters as intended by the Village; and

**WHEREAS**, the Village Staff recently undertook a review of the Lincolnshire Municipal Code for those purposes, and the Village Staff has recommended to the Mayor and Board of Trustees of the Village of Lincolnshire that it adopt revised regulations governing Liquor License Classes to limit the consumption of alcoholic beverages at certain establishments to the licensed premises; and

**WHEREAS**, the Mayor and Board of Trustees have reviewed and considered the recommendations of the Village Staff and have considered all the facts and circumstances related to the proposed Municipal Code amendments.

**NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND BOARD OF TRUSTEES OF THE VILLAGE OF LINCOLNSHIRE, LAKE COUNTY, ILLINOIS, IN THE EXERCISE OF THEIR HOME RULE POWERS, AS FOLLOWS:**

**SECTION ONE:** The foregoing recitals are incorporated into this Ordinance as findings and intent of the Mayor and Board of Trustees.

**SECTION TWO:** Section 3-3-2-1 of the Village Code of the Village of Lincolnshire, under the title "Liquor License Classes", shall be revised as follows [added text **bolded and underlined**; deleted text ~~struck through~~]:

**3-3-2-1: Liquor License Classes**

Retail liquor licenses shall be divided into the following classes:

- Class A (Not-for-profit clubs and organizations)  
Issued only to such civic, benevolent, fraternal, patriotic, social, recreational, or other organizations that qualify as a not-for-profit corporation under the General Corporations Not-for-Profit Act of the State of Illinois, and shall permit the sale of alcoholic liquor by the drink only and for consumption on the premises only; (Ord. 86-868-05)
- Class B (Restaurant – full liquor)  
Issued to authorize the sale of alcoholic liquor in conjunction with the sale of food and service of food, for consumption on the premises only
- Class C (Restaurant – beer and wine only)

Issued to authorize the sale of beer and wine only in conjunction with the sale of food **and only for consumption on the premises.** No bar shall be permitted.

- Class D (Hotel-motel)  
Issued to authorize the sale, consumption, or delivery of alcoholic beverages to patrons, of a hotel or motel defined as and consisting of: guests, overnight guests, invitees of those guests and invitees of the hotel or motel, so long as those patrons are using the dining, banquet or conference facilities of the hotel or motel in conjunction with the offering, service or sale of food. Issued to authorize the sale of alcoholic liquor for consumption on the premises by hotel patrons or within common areas of the hotel designated for consumption of food/beverages, or for "room service."
- Class E (Bar or lounge – hotel/motel only)  
Issued to authorize the sale of alcoholic liquor at a bar or lounge located in a hotel or motel only **for consumption on the premises.**
- Class F (Golf courses and private clubs for profit)  
Issued to authorize the sale of alcoholic liquor at golf courses at the club house or from carts on the course. Issued to authorize the sale of alcoholic liquor at private clubs to members and guests of the members only **for consumption on the premises.**
- Class G (One day license)  
Issued for twenty-four (24) hours, and shall only permit the sale of alcoholic liquor by the drink and for consumption on the premises. (Ord. 86-868-05)
- All applications for a one-day Class G liquor license must be submitted at least fifteen (15) days prior to the date of issuance of such license. No person, firm, corporation, partnership, club, or association shall be entitled to the issuance of more than three (3) one-day Class G liquor licenses within a period of twelve (12) months. No more than six (6) one-day Class G liquor licenses shall be issued within a period of twelve (12) months for the same location or premises. (Ord. 88-1016-48)
- Class H (Package liquor)  
Issued to authorize the sale of alcoholic liquor only in the original package and only for consumption off the premises.
- Class I (Package beer and wine only)  
Issued to authorize the retail sale of beer and wine only, in their original packages only, and only for consumption off the premises.
- Class J (Catering)

Issued to authorize license holders operating within the village limits to cater food and alcoholic beverages off site. "Off Site" catering means the preparation of food at one location for service at another.

**Class K** (Brew Pub – full liquor)

Issued to authorize the licensee to manufacture beer only on the premises specified in the license, to make sales of the beer manufactured on the premises to importing distributors, distributors, and to non-licensees for use and consumption, to store the beer upon the premises, and to sell and offer for sale at retail.

Issued to authorize the sale of alcoholic liquor in conjunction with the sale of food only.

**Class L** (Salon/Day Spas)

Issued to authorize the retail sale of alcoholic liquor, for consumption on the specified premises, as a secondary and accessory use to a principal salon/day spa business, as such business is defined in Title 6 of the Village Code.

Customers and patrons shall: (a) not be served alcoholic beverages except for the period of time during which the customer receives salon/day spa services from the license holder; and (b) not be served more than three (3) alcoholic beverages during such period of time.

No live entertainment of any nature shall be permitted on the specified premises.

No sign or any other external indicia shall be permitted on the specified premises or surrounding property that indicates that alcoholic liquor is available for retail sale at the specified premises.

Hours for the sale and/or consumption of alcoholic liquor shall be in accordance with section 3-3-3-1 of the Code, but in no case shall the sale or consumption of alcoholic liquor take place outside the normal business hours of the salon/day spa. (Ord. 14-3311-37)

**Class M** (Movie Theaters)

Issued to authorize the retail sale of alcoholic liquor, for consumption on the licensed premises as a secondary and accessory use to a principal movie theater business.

Service of alcoholic beverages shall be limited to a designated lobby bar area.

Service of alcoholic beverages may be made only to persons purchasing a movie ticket and wearing a tamper-resistant wristband

approved by the Village. The wristband shall be valid only for the date on which it is obtained from the movie theater. A wristband may only be issued by theater personnel who meet the requirements of Section 3-3-6 of this Chapter.

Alcoholic beverages may be consumed in the movie theater auditoriums, but may not be delivered or served in any movie theater auditorium.

The containers in which alcoholic beverages are served must be of a different color, size, and design than those in which non-alcoholic beverages are served.

No more than one alcoholic beverage may be delivered to a customer in any one trip to the bar, and no customer shall be served more than three (3) alcoholic beverages on any day. The number of alcoholic beverages served to a customer each day shall be recorded on that customer's wristband.

There may be no service of alcoholic beverages unless the movie theater is actually open for the showing of movies. Under no circumstances may alcoholic beverages be served more than one hour prior to the advertised showing time of the first movie to be shown on any day, except for private rentals and events. (Ord. 14-3336-63)

Class N (Banquets)  
Issued to authorize the retail sale of alcoholic liquor for consumption on the licensed premises only in connection with a private function, in association with a rental or 3<sup>rd</sup> party contract, not open to the general public.

All new liquor licenses issued and all liquor licenses renewed after the effective date of this amendment shall be in compliance with the above classes and shall accurately reflect the nature of the licensee's actual business. (Ord. 86-868-05)

The number of licenses authorized herein for each class shall remain at the number set forth in this Chapter; provided, however, that any license in said classes which is forfeited, revoked, or not issued shall automatically reduce the number of authorized licenses of the particular class by the total number of forfeited, revoked, or non-issued licenses in the particular class. In addition, the local Liquor Commissioner shall notify in writing the Village Clerk and Board of Trustees of any revocation or non-issuance of any authorized license within ten (10) days of such occurrence. (Ord. 86-868-05; Ord. 89-1069-36; Ord. 89-1107-74; Ord. 15-3363-90)

**SECTION THREE:** That this Ordinance shall be in full force and effect from and after its adoption, approval and publication in pamphlet form.

**PASSED this 14<sup>th</sup> of October, 2019** by the Corporate Authorities of the Village of Lincolnshire on a roll call vote as follows:

AYES:

NAYS:

ABSENT:

**APPROVED this 14<sup>th</sup> of October, 2019.**

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Elizabeth J. Brandt  
Mayor

ATTEST:

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Barbara Mastandrea  
Deputy Village Clerk