

**Administrative-Finance Committee**  
**October 7, 2013**  
**6:00 p.m. – Conference Room**

- 1. Call to Order**
- 2. Public Comment**
- 3. New Business**
  - a. Discussion** – Police Pension Fund Actuarial Report - Fiscal Year Ending April 30, 2014
  - b. Discussion** – Tax Levy Determination for General and Special Purposes for Fiscal Year 2013-2014
  - c. Discussion** – Audit to Budget comparison – Fiscal Year Ending April 30, 2013
  - d. Minutes** – September 3, 2013 – Administrative-Finance Committee
- 4. Other Business**
- 5. Next Meeting – Monday, November 4, 2013**
- 6. Adjournment**

# CITY OF DARIEN

## MEMO

**TO:** Administrative/Finance Committee Members  
**FROM:** Bryon D. Vana, City Administrator  
**DATE:** October 1, 2013  
**SUBJECT:** Police Pension Fund Actuarial Report FYE 4-30-14

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The staff will present the Police Pension Fund Actuarial Report for FYE 4-30-14. This report is the basis for the police pension tax levy that will be formally approved in December.

In summary:

- the report recommends a 2013 tax levy of \$1,196,027
- last year's approved levy was \$1,115,282
- this year's recommended levy is a 7.2% increase over last year's levy
- the 3 year budget forecast estimated a police pension levy of \$1,204,505 for the 2013 tax levy



**CITY OF DARIEN**  
**DARIEN POLICE PENSION FUND**

Actuarial Valuation Report

For the Year

Beginning May 1, 2013

And Ending April 30, 2014

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*Timothy W. Sharpe, Actuary, Geneva, IL (630) 262-0600*

## TABLE OF CONTENTS

	<u>Page</u>
Introduction	3
Summary of Results	4
Actuarial Valuation of Assets	6
Asset Changes During Prior Year	7
Normal Cost	8
Accrued Liability	9
Tax Levy Requirement	10
Summary of Plan Participants	11
Duration	12
Projected Pension Payments	12
Summary of Plan Provisions	13
Actuarial Method	14
Actuarial Assumptions	15
GASB Statements No. 25 & 27 Disclosure	16

## INTRODUCTION

Police-sworn personnel of the City of Darien are covered by the Police Pension Plan that is a defined-benefit, single-employer pension plan. The purpose of this report is to disclose the Tax Levy Requirement and GASB Statements No. 25 & 27 financial information and related actuarial information for the year beginning May 1, 2013, and ending April 30, 2014.

The valuation results reported herein are based on plan provisions in effect as of May 1, 2013, the employee data furnished by the City, the financial data provided by the Fund's trustee and the actuarial methods and assumptions described later in this report. I hereby certify that to the best of my knowledge this report is complete and accurate and fairly presents the actuarial position of the Fund as of April 30, 2013, in accordance with generally accepted actuarial principles and procedures. In my opinion, the assumptions used are reasonably related to the experience of the Plan and to reasonable expectations. A reasonable request for supplementary information not included in this report should be directed to the undersigned actuary.

I, Timothy W. Sharpe, am an Enrolled Actuary and a member of the American Academy of Actuaries, and I meet the Qualifications Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

Respectfully submitted,



Timothy W. Sharpe, EA, MAAA  
Enrolled Actuary No. 11-4384

9/4/2013

Date

## SUMMARY OF RESULTS

There was a change with respect to Actuarial Assumptions from the prior year to reflect revised expectations with respect to mortality rates. The mortality rate assumption has been changed to the RP 2000 Mortality Table from the 1971 GA Mortality Table.

There were no changes with respect to Plan Provisions or Actuarial Methods from the prior year.

There were no unexpected changes with respect to the participants included in this actuarial valuation (0 new members, 0 terminations, 1 retirements, 0 incidents of disability, annual payroll increase -1.5%, average salary increase 2.1%).

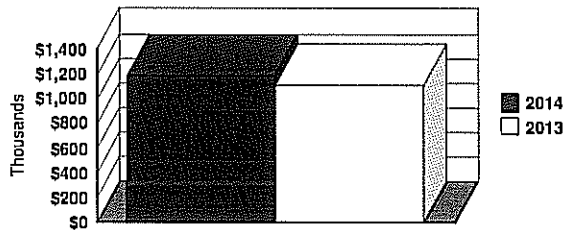
There were no unexpected changes with respect to the Fund's investments from the prior year (annual investment return 8.51%).

The City's Tax Levy Requirement has increased from \$1,115,282 last year to \$1,196,027 this year (7.2%). The increase in the Tax Levy is due to the increase in average salaries and the change to the mortality table, and was offset due to the investment return was greater than assumed. The Percent Funded has increased slightly from 62.3% last year to 62.7% this year.

SUMMARY OF RESULTS (Continued)

	For Year Ending April 30	
	<u>2014</u>	<u>2013</u>
Tax Levy Requirement	\$ 1,196,027	\$ 1,115,282
	as of May 1	
	<u>2013</u>	<u>2012</u>
City Normal Cost	561,372	526,815
Anticipated Employee Contributions	288,770	293,081
Accrued Liability	34,738,244	32,785,742
Actuarial Value of Assets	21,778,375	20,431,441
Unfunded Accrued Liability/(Surplus)	12,959,869	12,354,301
Amortization of Unfunded Accrued Liability/(Surplus)	556,410	515,505
Percent Funded	62.7%	62.3%
Annual Payroll	\$ 2,913,928	\$ 2,957,431

**TAX LEVY REQUIREMENT**  
as of April 30



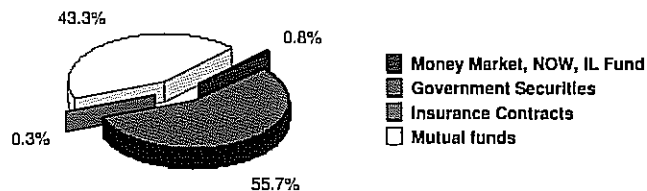
ACTUARIAL VALUATION OF ASSETS

		as of May 1	
	<u>2013</u>		<u>2012</u>
Money Market, NOW, IL Fund	\$ 172,427	\$	518,595
Certificates of Deposit	582,745		0
Government Securities	11,760,645		11,455,440
Insurance Contracts	55,066		55,646
Mutual Funds	9,144,798		7,925,496
Interest Receivable	94,028		93,540
Miscellaneous Receivable/(payable)	<u>(76,097)</u>		<u>(611)</u>
Market Value of Assets	<u>21,733,612</u>		<u>20,048,107</u>
Actuarial Value of Assets	\$ 21,778,375	\$	20,431,441

FYE 2012-2013 (Gain)/Loss: \$479,168; (\$303,422)

**SUMMARY OF ASSETS**

As Of May 1, 2013

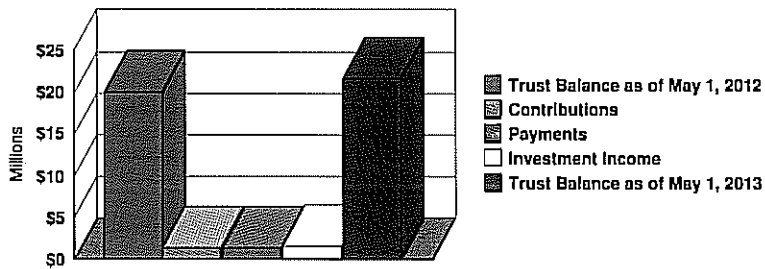




**ASSET CHANGES DURING PRIOR YEAR**

Trust Balance as of May 1, 2012		\$	20,048,107
<b>Contributions</b>			
City	1,092,730		
Employee	<u>294,600</u>		
Total			1,387,330
<b>Payments</b>			
Benefit Payments	1,322,693		
Expenses	<u>85,202</u>		
Total			1,407,895
Investment Income			<u>1,706,070</u>
Trust Balance as of May 1, 2013		\$	<u>21,733,612</u>
Approximate Annual Rate of Return			8.51%

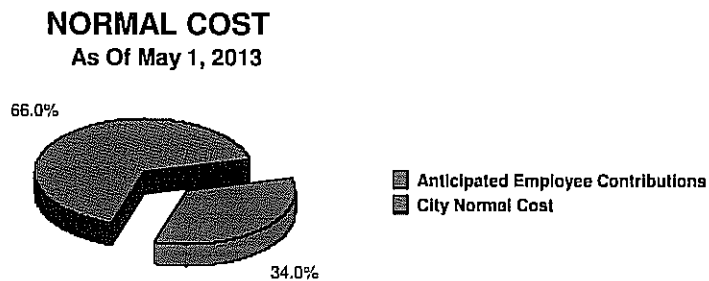
**ASSET CHANGES DURING PRIOR YEAR**



## NORMAL COST

The Normal Cost is the actuarial present value of the portion of the projected benefits that are expected to accrue during the year based upon the actuarial valuation method and actuarial assumptions employed in the valuation.

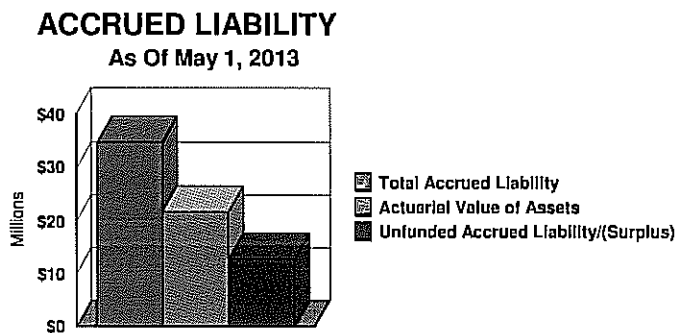
		as of May 1	
		<u>2013</u>	<u>2012</u>
Total Normal Cost	\$	850,142	\$ 819,896
Anticipated Employee Contributions		<u>288,770</u>	<u>293,081</u>
City Normal Cost		<u>561,372</u>	<u>526,815</u>
Normal Cost Payroll	\$	2,913,928	\$ 2,957,431
City Normal Cost Rate		19.27%	17.81%
Total Normal Cost Rate		29.18%	27.72%



## ACCRUED LIABILITY

The Accrued Liability is the actuarial present value of the portion of the projected benefits that has been accrued as of the valuation date based upon the actuarial valuation method and actuarial assumptions employed in the valuation. The Unfunded Accrued Liability is the excess of the Accrued Liability over the Actuarial Value of Assets.

	as of May 1	
Accrued Liability	<u>2013</u>	<u>2012</u>
Active Employees	\$ 16,565,416	\$ 15,872,675
Children Annuities	115,566	168,702
Disability Annuities	1,981,573	1,965,570
Retirement Annuities	15,258,010	13,958,457
Surviving Spouse Annuities	817,679	820,338
Terminated Vested Annuities	<u>0</u>	<u>0</u>
Total Annuities	18,172,828	16,913,067
 Total Accrued Liability	 34,738,244	 32,785,742
 Actuarial Value of Assets	 <u>21,778,375</u>	 <u>20,431,441</u>
 Unfunded Accrued Liability/(Surplus)	 \$ <u>12,959,869</u>	 \$ <u>12,354,301</u>
 Percent Funded	 62.7%	 62.3%

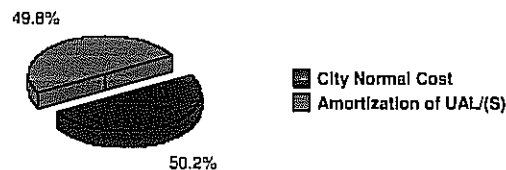


## TAX LEVY REQUIREMENT

The Public Act 096-1495 Tax Levy Requirement is determined as the annual contribution necessary to fund the normal cost, plus the amount to amortize the excess (if any) of ninety percent (90%) of the accrued liability over the actuarial value of assets as a level percentage of payroll over a thirty (30) year period which commenced in 2011, plus an adjustment for interest. Prior to 2011, the amortization amount was equal to the amount to amortize the unfunded accrued liability as a level percentage of payroll over a forty (40) year period which commenced in 1993. Beginning in 2011, the amortization period has been reset to 30 years.

	For Year Ending April 30	
	<u>2014</u>	<u>2013</u>
City Normal Cost as of Beginning of Year	\$ 561,372	\$ 526,815
Amortization of Unfunded Accrued Liability/(Surplus)	556,410	515,505
Interest for One Year	<u>78,245</u>	<u>72,962</u>
Tax Levy Requirement as of End of Year	\$ <u>1,196,027</u>	\$ <u>1,115,282</u>
<b>Public Act 096-1495 Tax Levy Requirement</b>		
1) Normal Cost (PUC)	561,372	526,815
2) Accrued Liability (PUC)	34,738,244	32,785,742
3) Amortization Payment	407,267	378,701
4) Interest for One Year	67,805	63,386
5) PA 096-1495 Tax Levy Requirement (1 + 3 + 4)	\$ 1,036,444	968,902

### TAX LEVY REQUIREMENT For Fiscal Year Ending April 30, 2014



## SUMMARY OF PLAN PARTICIPANTS

The actuarial valuation of the Plan is based upon the employee data furnished by the City. The information provided for Active participants included:

Name  
Sex  
Date of Birth  
Date of Hire  
Compensation  
Employee Contributions

The information provided for Inactive participants included:

Name  
Sex  
Date of Birth  
Date of Pension Commencement  
Monthly Pension Benefit  
Form of Payment

Membership	<u>2013</u>	<u>2013</u>	<u>2012</u>	<u>2012</u>
Current Employees				
Vested	26		25	
Nonvested	<u>6</u>		<u>8</u>	
Total	<u>32</u>		<u>33</u>	
Inactive Participants		<u>Annual Benefits</u>		<u>Annual Benefits</u>
Children	2 \$	60,696	2 \$	60,696
Disabled Employees	3	138,928	3	125,273
Retired Employees	14	1,110,105	13	1,009,907
Surviving Spouses	2	84,753	2	84,753
Terminated Vesteds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	<u>21</u>	<u>1,394,482</u>	<u>20</u>	<u>1,280,629</u>
Annual Payroll	\$	2,913,928	\$	2,957,431

SUMMARY OF PLAN PARTICIPANTS (Continued)

Age and Service Distribution

Service Age	0-4	5-9	10-14	15-19	20-24	25-29	30+	Total	Salary
20-24									
25-29	2	1						3	73,843
30-34	2	2	6					10	84,925
35-39		1	3	1				5	88,599
40-44			2	1				3	94,882
45-49					2	1		3	104,798
50-54				1	2	3	1	7	98,990
55-59						1		1	108,194
60+									
<b>Total</b>	<u>4</u>	<u>4</u>	<u>11</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>1</u>	<u>32</u>	<u>91,060</u>
<b>Salary</b>	71,187	86,195	90,090	95,364	97,774	104,756	92,448		

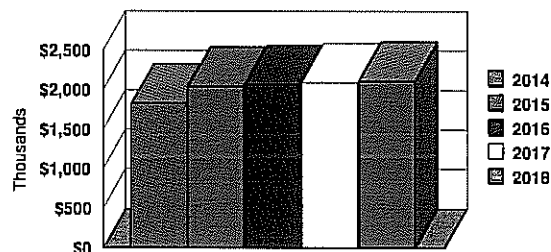
Average Age: 40.3      Average Service: 14.9

DURATION (years)    Active Members: 19.0    Retired Members: 9.6    All Members: 14.1

PROJECTED PENSION PAYMENTS

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$1,853,679	\$2,055,555	\$2,071,679	\$2,115,384	\$2,127,024

**PROJECTED PENSION PAYMENTS**  
2014-2018



## SUMMARY OF PLAN PROVISIONS

The Plan Provisions have not been changed from the prior year.

The City of Darien Police Pension Fund was created and is administered as prescribed by "Article 3. Police Pension Fund - Municipalities 500,000 and Under" of the Illinois Pension Code (Illinois Compiled Statutes, 1992, Chapter 40). A brief summary of the plan provisions is provided below.

Employees attaining the age of (50) or more with (20) or more years of creditable service are entitled to receive an annual retirement benefit of (2.5%) of final salary for each year of service up to (30) years, to a maximum of (75%) of such salary.

Employees with at least (8) years but less than (20) years of credited service may retire at or after age (60) and receive a reduced benefit of (2.5%) of final salary for each year of service.

Surviving spouses receive (100%) of final salary for fatalities resulting from an act of duty, or otherwise the greater of (50%) of final salary or the employee's retirement benefit.

Employees disabled in the line of duty receive (65%) of final salary.

The monthly pension of a covered employee who retired with (20) or more years of service after January 1, 1977, shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least (55) years, by (3%) of the originally granted pension. Beginning with increases granted on or after July 1, 1993, the second and subsequent automatic annual increases shall be calculated as (3%) of the amount of the pension payable at the time of the increase.

Employees are required to contribute (9.91%) of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than (20) years of service, accumulated employee contributions may be refunded without accumulated interest.

For Employees hired after January 1, 2011, the Normal Retirement age is attainment of age 55 and completion of 10 years of service; Early Retirement age is attainment of age 50, completion of 10 years of service and the Early Retirement Factor is 6% per year; the Employee's Accrued Benefit is based on the Employee's final 8-year average salary not to exceed \$106,800 (as indexed); Cost-of-living adjustments are simple increases (not compounded) of the lesser of 3% or 50% of CPI beginning the later of the anniversary date and age 60; Surviving Spouse's Benefits are  $66 \frac{2}{3}\%$  of the Employee's benefit at the time of death.

## ACTUARIAL METHODS

The Actuarial Methods employed for this valuation are as follows:

### Projected Unit Credit Cost Method (for years beginning on or after 2011)

Under the Projected Unit Credit Cost Method, the Normal Cost is the present value of the projected benefit (including projected salary increases) earned during the year.

The Accrued Liability is the present value of the projected benefit (including projected salary increases) earned as of the actuarial valuation date. The Unfunded Accrued Liability is the excess of the Accrued Liability over the plan's assets. Experience gains or losses adjust the Unfunded Accrued Liability.

### Entry Age Normal Cost Method (for years beginning prior to 2011)

Under the Entry Age Normal Cost Method the Normal Cost for each participant is computed as the level percentage of pay which, if paid from the earliest age the participant is eligible to enter the plan until retirement or termination, will accumulate with interest to sufficiently fund all benefits under the plan. The Normal Cost for the plan is determined as the greater of a) the sum of the Normal Costs for all active participants, and b) 17.5% of the total payroll of all active participants.

The Accrued Liability is the theoretical amount that would have accumulated had annual contributions equal to the Normal Cost been paid. The Unfunded Accrued Liability is the excess of the Accrued Liability over the plan's assets. Experience gains or losses adjust the Unfunded Accrued Liability.



## ACTUARIAL ASSUMPTIONS

The Actuarial Assumptions used for determining the Tax Levy Requirement and GASB Statements No. 25 & 27 Disclosure Information are the same (except where noted) and have been changed from the prior year (discussion on page 4). The methods and assumptions disclosed in this report may reflect statutory requirements and may reflect the responsibility of the Principal and its advisors. In the event a method or assumption conflicts with the actuary's professional judgment, the method or assumption is identified in this report. The Actuarial Assumptions employed for this valuation are as follows:

Valuation Date	May 1, 2013
Asset Valuation Method	5-year Average Market Value (PA 096-1495)
Investment Return	7.00% net of investment expenses.
Salary Scale	5.50%
Mortality	RP 2000 Mortality Table (BCA, +1M, -4F, 2x>105). There is no margin for future mortality improvement beyond the valuation date.
Withdrawal	State of Illinois DOI Experience Rates
Disability	State of Illinois DOI Experience Rates
Retirement	State of Illinois DOI Experience Rates (100% by Age 62)
Marital Status	80% Married, Female spouses 3 years younger
Plan Expenses	None

### Sample Annual Rates Per 100 Participants

<u>Age</u>	<u>Mortality</u>	<u>Withdrawal</u>	<u>Disability</u>	<u>Retirement</u>
20	0.04	6.00	0.07	
30	0.08	5.10	0.10	
40	0.14	2.85	0.20	
50	0.27		0.52	20.00
60	0.94		0.60	83.33
62	1.23			100.00

GASB STATEMENTS NO. 25 & 27 DISCLOSURE INFORMATION

The Governmental Accounting Standards Board (GASB) issued Statements No. 25 & 27 that established generally accepted accounting principles for the annual financial statements for defined benefit pension plans. The required information is as follows:

Membership in the plan consisted of the following as of:

	<u>April 30, 2013</u>	<u>April 30, 2012</u>
Retirees and beneficiaries receiving benefits	21	20
Terminated plan members entitled to but not yet receiving benefits	0	0
Active vested plan members	26	25
Active nonvested plan members	<u>6</u>	<u>8</u>
Total	<u>53</u>	<u>53</u>
Number of participating employers	1	1

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) -Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
04/30/11	18,838,718	31,056,795	12,218,077	60.7%	3,089,788	395.4%
04/30/12	20,048,107	32,785,742	12,737,635	61.1%	2,957,431	430.7%
04/30/13	21,733,612	34,738,244	13,004,632	62.6%	2,913,928	446.3%

GASB STATEMENTS NO. 25 & 27 DISCLOSURE INFORMATION (Continued)

ANNUAL PENSION COST AND NET PENSION OBLIGATION

	<u>April 30, 2013</u>	<u>April 30, 2012</u>
Annual required contribution	984,942	1,174,292
Interest on net pension obligation	(5,366)	(4,485)
Adjustment to annual required contribution	<u>3,244</u>	<u>2,638</u>
Annual pension cost	982,820	1,172,445
Contributions made	<u>1,092,730</u>	<u>1,185,029</u>
Increase (decrease) in net pension obligation	(109,910)	(12,584)
Net pension obligation beginning of year	<u>(76,657)</u>	<u>(64,073)</u>
Net pension obligation end of year	<u>(186,567)</u>	<u>(76,657)</u>

THREE-YEAR TREND INFORMATION

Fiscal Year <u>Ending</u>	Annual Pension <u>Cost (APC)</u>	Percentage of APC <u>Contributed</u>	Net Pension <u>Obligation</u>
04/30/11	1,102,913	101.0%	(64,073)
04/30/12	1,172,445	101.1%	(76,657)
04/30/13	982,820	111.2%	(186,567)

GASB STATEMENTS NO. 25 & 27 DISCLOSURE INFORMATION (Continued)

FUNDING POLICY AND ANNUAL PENSION COST

Contribution rates:

City	37.50%	40.07%
Plan members	9.91%	Same

Annual pension cost	982,820	1,172,445
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Contributions made	1,092,730	1,185,029
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Actuarial valuation date	04/30/2013	04/30/2012
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Actuarial cost method	Entry age	Same
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Amortization period	Level percentage of pay, closed	Same
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Remaining amortization period	28 years	29 years
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Asset valuation method	Market	Same
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Actuarial assumptions:

Investment rate of return*	7.00%	Same
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Projected salary increases*	5.50%	Same
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*Includes inflation at	3.00%	Same
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Cost-of-living adjustments	3.00% per year	Same
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**AGENDA MEMO**  
**Administrative/Finance Committee**  
**Meeting Date: October 7, 2013**

**Issue Statement**

Approval of tax levy determination for general and special purposes for Fiscal Year 2013-2014.

**Background/History**

The process for setting a tax levy is to determine how much revenue to collect from the property tax, and request that the County levy a tax to generate that amount of money. The first approval required is the tax levy determination, which takes place prior to the approval of the tax levy ordinance. Not less than 20 days prior to the adoption of the aggregate levy, the Council shall determine the amounts of money to be levied. There are also special requirements if the aggregate amount of the levy is more than 105% of the preceding year's extension and abatements. Unfortunately, we are still subject to a timing constraint that requires us to make our initial request by the end of December, a few months before we are far enough into the budget process to make a final judgment on what we will need. Nonetheless, we have approached the process this year with an underlying assumption that the Council will not increase property taxes for the combined general corporate purpose (general fund) and special corporate levy (police pension fund). Based on staff anticipating that assessed valuation will decrease city wide the tax rate will increase.

At the same time, the Council can approve additional abatements up to the end of March. This gives the Council the ability to request a "ceiling" amount, while allowing us to review the budget early next year and consider abatements to the original request. The council could also choose to levy a higher amount.

The attached ordinance requests a general corporate purpose (general fund) and special corporate levy (police pension fund) of \$1,629,140 which represents a 0% increase over this year's non-bond extension (\$1,126,572) and abatement (\$502,568) of \$1,629,140. Since we anticipate a decrease in the assessed valuation city wide the tax rate may increase slightly, however property owners will pay the same total amount they paid last year. I determined the levy for the police pension fund based on the actuary report conducted on the Police Pension Fund.

With respect to the tax levy for Special Service Area #1, we have a plan for maintenance expenses for these wetlands and storm water infrastructure, and the recommended revenue from this levy is proposed to be maintained at \$5,000.

Additionally, a levy for any outstanding bonds has been filed upon the adoption of the bond ordinances. The 2012 levy amount to pay for the principal and interest on these bonds totals \$996,012. Lastly, any abatement will be presented in conjunction with our budget review.

**Staff/Committee Recommendation**

Staff recommends approval of the levy determination and ordinances which:

- Set the City's 2013 general property tax levy and special corporate tax levy (police pension fund) at \$1,629,140
- Set the City's 2012 Special Service Area I property tax levy at \$5,000

**Alternate Consideration**

Levy different amounts.

**Decision Mode**

The tax levy determination will be on the October 21, 2013 Council meeting for formal consideration.

This final tax levy ordinance will be on the December 2, 2013, City Council agenda for formal consideration.

# **DRAFT**

**CITY OF DARIEN**

**DU PAGE COUNTY, ILLINOIS**

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**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE LEVYING TAXES FOR  
GENERAL AND SPECIAL CORPORATE PURPOSES  
FOR THE FISCAL YEAR COMMENCING ON THE FIRST DAY OF MAY, 2013,  
AND ENDING ON THE THIRTIETH DAY OF APRIL, 2014,  
FOR THE CITY OF DARIEN, ILLINOIS**

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**ADOPTED BY THE**

**MAYOR AND CITY COUNCIL**

**OF THE**

**CITY OF DARIEN**

**THIS \_\_\_\_\_ DAY OF DECEMBER, 2013**

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**Published in pamphlet form by authority of  
the Mayor and City Council of the City of  
Darien, DuPage County, Illinois, this  
\_\_\_\_\_ day of December, 2013.**

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE LEVYING TAXES FOR  
GENERAL AND SPECIAL CORPORATE PURPOSES  
FOR THE FISCAL YEAR COMMENCING ON THE FIRST DAY OF MAY, 2013,  
AND ENDING ON THE THIRTIETH DAY OF APRIL, 2014,  
FOR THE CITY OF DARIEN, ILLINOIS**

**WHEREAS**, the City of Darien is a home rule unit of local government pursuant to the provisions of Article VII, Section 6 of the Illinois Constitution of 1970; and

**WHEREAS**, as a home rule unit of local government, the City may exercise any power and perform any function pertaining to its government except as limited by Article VII, Section 6; and

**WHEREAS**, the City Council of the City of Darien, Illinois, adopted the Annual Budget for the City of Darien, Illinois, for the Fiscal Year beginning on May 1, 2013, and ending on April 30, 2014, and which has been duly published.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DARIEN, DU PAGE COUNTY, ILLINOIS, IN THE EXERCISE OF ITS HOME RULE POWERS**, as follows:

**SECTION 1:** A tax for the following sums of money or so much thereof as may be authorized by law to defray all expenses and liabilities of the City of Darien be, and the same is hereby levied, for the purposes specified against all taxable property in said City for the Fiscal Year commencing on the First day of May, 2013, and ending on the Thirtieth day of April, 2014.



**ORDINANCE NO. \_\_\_\_\_**

<u>Purpose</u>	<u>Amount Budgeted</u>	<u>Derived From Other Sources</u>	<u>Amount Levied</u>
<u>For Department of Administration:</u>			
For Salaries/Wages	659,270	659,270	0
For Dept. Expenses	367,975	367,975	0
<u>For Police Department:</u>			
For Salaries/Wages	6,035,968	5,602,855	433,113
For Dept. Expenses	1,381,901	1,381,901	0
<u>For Community Development Department:</u>			
For Salaries/Wages	388,402	388,402	0
For Dept. Expenses	138,509	138,509	0
<u>For Public Works Department:</u>			
For Salaries/Wages	933,272	933,272	0
Other Dept. Expenses	937,936	937,936	0
<b>Total Amount Levied for General Corporate Purposes</b>			<b><u>433,113</u></b>
Police Pension Fund.....		1,196,027 =	1,196,027
2006G.O. Bond Issue- Water System .....		104,125 =	104,125
2012G.O. Refunding Bond- Water System....		192,631 =	192,631
2007 B G.O. Bonds		497,000 =	497,000
2008 G.O. Bond- Capital Projects		202,256 =	202,256
<b>Total Amount Levied for Special Corporate Purposes &amp; Debt</b>			<b><u>2,115,584</u></b>
<b>TOTAL TAX LEVY FOR ALL FUNDS</b>			<b><u>\$2,618,152</u></b>

**SECTION 2:** The City Clerk of the City of Darien is hereby directed to file with the County Clerk of the County of DuPage, a certified copy of this Ordinance as provided by law.

**SECTION 3:** If any item or portion of this Ordinance is for any reason held invalid, such decision shall not affect the validity of the remaining portion of this Ordinance.

**SECTION 4:** This ordinance and each of its terms shall be the effective legislative act of a home rule municipality without regard to whether such ordinance should (a) contain terms contrary to the provisions of current or subsequent non-preemptive state law, or (b) legislate in a manner or

**ORDINANCE NO.** \_\_\_\_\_

regarding a matter not delegated to municipalities by state law. It is the intent of the corporate authorities of the City of Darien that to the extent that the terms of this ordinance should be inconsistent with any non-preemptive state law, that this ordinance shall supersede state law in that regard within its jurisdiction.

**SECTION 5:** This Ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form, as required by law, and shall be known as Ordinance Number \_\_\_\_\_ of the City of Darien, Illinois.

**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF DARIEN, DU PAGE COUNTY, ILLINOIS,** this 2nd day of December, 2013.

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

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

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

**APPROVED BY THE MAYOR OF THE CITY OF DARIEN, DU PAGE COUNTY, ILLINOIS,** this 2nd day of December, 2013.

ATTEST:

\_\_\_\_\_  
KATHLEEN MOESLE WEAVER, MAYOR

\_\_\_\_\_  
JOANNE E. RAGONA, CITY CLERK

APPROVED AS TO FORM:

\_\_\_\_\_  
CITY ATTORNEY

# CITY OF DARIEN

## MEMO

**TO: Administrative/Finance Committee Members**  
**FROM: Bryon D. Vana, City Administrator**  
**DATE: October 2, 2013**  
**SUBJECT: October 7<sup>th</sup> Committee Meeting –FYE 13 Audit to Budget Comparison**

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Upon completion of the annual audit the Administrative/Finance Committee reviews a comparison between the audited numbers and the estimated numbers. This year's review includes an excel document containing a summary sheet on various funds along with detailed sheets including the following columns:

- 1 budget line item title
- 2 the 4-30-13 original budget
- 3 the 4-30-13 audited revenues and expenditure line items
- 4 the 4-30-13 estimated actual numbers used for the FYE 4-30-14 budget
- 5 the difference between numbers 3 and 4 above

The excel spreadsheet includes separate tabs for each fund.

The General Fund audited fund balance exceeded the estimated balance used in the 4-30-14 budget by \$847,422. The City Council previously approved the *Capital Improvements Plan Guidelines*. Section 3 of the guidelines includes the following:

- Surplus from the general fund, in excess of 3 months operating reserve, will be transferred to the capital projects fund annually

Based on these guidelines I am recommending that the City Council transfer \$847,422 to the Capital Projects Fund from the General Fund.

**City of Darien  
 Comparison of Estimated Actual  
 Fund Balance to Audited Fund Balance  
 as of 4/30/13**

**Working Session Report**

**General Fund  
 Fund Balance**

<u>Original Budget</u>	<u>Audited</u>	<u>Estimated Actual</u>	<u>Difference between Estimated Actual and Audited</u>
\$ 2,466,332	\$ 4,671,008	\$ 3,823,586	\$ 847,422.00

**Water Fund  
 Cash Balance**

<u>Original Budget</u>	<u>Audited</u>	<u>Estimated Actual</u>	<u>Difference between Estimated Actual and Audited</u>
\$ 755,497	\$ 872,495	\$ 587,260	\$ 285,235.11

**Motor Fuel Tax Fund  
 Fund Balance**

<u>Original Budget</u>	<u>Audited</u>	<u>Estimated Actual</u>	<u>Difference between Estimated Actual and Audited</u>
\$ 233,780	\$ 292,709	\$ 337,728	\$ (45,019.00)

**Water Depreciation Fund  
 Cash Balance**

<u>Original Budget</u>	<u>Audited</u>	<u>Estimated Actual</u>	<u>Difference between Estimated Actual and Audited</u>
\$ 428,463	\$ 591,575	\$ 587,260	\$ 4,314.96

**Capital Improvement Fund  
 Fund Balance**

<u>Original Budget</u>	<u>Audited</u>	<u>Estimated Actual</u>	<u>Difference between Estimated Actual and Audited</u>
\$ 3,447,736	\$ 3,811,097	\$ 3,853,117	\$ (42,020.00)

**Debt Service Fund  
 Fund Balance**

<u>Original Budget</u>	<u>Audited</u>	<u>Estimated Actual</u>	<u>Difference between Estimated Actual and Audited</u>
\$ -	\$ 7,860	\$ 4,204	\$ 3,656.00

City of Darien General Fund Reconciliation For the FYE 4/30/13		FYE 4/30/13 Original Budget	FYE 4/30/13 Audited	FYE 4/30/13 Estimated Actual	Difference
Total Revenue		12,669,067.00	13,384,082.80	12,999,418.00	384,664.80
Total Expenses		13,634,374.00	12,942,301.85	13,309,358.00	367,056.15
Other Income		25,000.00	120,702.32	25,000.00	95,702.32
Other Expenses		0.00	0.00	0.00	0.00
					847,423.27
		FYE 4/30/13 Original Budget	FYE 4/30/13 Audited Revenue	FYE 4/30/13 Estimated Revenue	Difference
<b>Taxes</b>					
Real Estate Taxes - Current	3110	1,617,850.00	1,636,277.48	1,636,277.00	0.48
Road and Bridge Tax	3120	185,000.00	193,770.72	185,000.00	8,770.72
Municipal Utility Tax	3130	1,121,000.00	1,115,615.04	1,040,000.00	75,615.04
Amusement Tax	3140	100,000.00	78,533.81	90,000.00	(11,466.19)
Hotel/Motel Tax	3150	31,000.00	48,721.69	40,000.00	8,721.69
Personal Property Tax	3425	5,000.00	5,726.53	5,000.00	726.53
Total Taxes		3,059,850.00	3,078,645.27	2,996,277.00	82,368.27
<b>License, Permits, Fees</b>					
Business Licenses	3210	40,000.00	44,953.00	40,000.00	4,953.00
Liquor License	3212	50,000.00	55,100.00	50,000.00	5,100.00
Contractor Licenses	3214	12,000.00	18,420.00	12,000.00	6,420.00
Court Fines	3216	150,000.00	151,487.82	145,000.00	6,487.82
Ordinance Fines	3230	15,000.00	25,718.50	25,000.00	718.50
Building Permits and Fees	3240	45,000.00	140,120.41	120,000.00	20,120.41
Telecommunication Taxes	3242	965,000.00	914,896.63	920,000.00	(5,103.37)
Cable T.V. Franchise Fee	3244	320,000.00	332,167.28	332,000.00	167.28
PEG - Fees - AT&T	3245	0.00	12,639.03	0.00	12,639.03
NICOR Franchise Fee	3246	38,000.00	29,975.49	31,000.00	(1,024.51)
Public Hearing Fees	3250	5,000.00	5,159.36	4,000.00	1,159.36
Elevator Inspections	3255	4,000.00	5,307.25	4,000.00	1,307.25
Public Improvement Permit Fee	3260	0.00	3,790.00	3,740.00	50.00
Engineering/Prof Fee Reimb	3265	20,000.00	52,221.28	42,000.00	10,221.28
D.U.I. Technology Fines	3267	4,000.00	9,879.92	6,500.00	3,379.92
Police Special Service	3268	100,000.00	146,470.15	100,000.00	46,470.15
Stormwater Management Fees	3270	0.00	1,368.40	1,000.00	368.40
Total License, Permits, Fees		1,768,000.00	1,949,674.52	1,836,240.00	113,434.52
<b>Charges for Services</b>					
Inspections/Tap on/Permits	3320	0.00	2,500.00	0.00	2,500.00
Total Charges for Services		0.00	2,500.00	0.00	2,500.00
<b>Intergovernmental</b>					
State Income Tax	3410	1,722,708.00	1,990,401.33	1,900,000.00	90,401.33
Local Use Tax	3420	335,707.00	351,017.74	338,000.00	13,017.74
Sales Taxes	3430	4,900,000.00	5,013,077.51	4,900,000.00	113,077.51
Total Intergovernmental		6,958,415.00	7,354,496.58	7,138,000.00	216,496.58

City of Darien General Fund Reconciliation For the FYE 4/30/13		FYE 4/30/13 Original Budget	FYE 4/30/13 Audited	FYE 4/30/13 Estimated Actual	Difference
<b>Other Revenue</b>					
DADC Administration Fee	3450	0.00	0.00	0.00	0.00
Interest Income	3510	23,000.00	19,692.53	12,000.00	7,692.53
Gain/Loss on Investment	3515	0.00	4,315.47	0.00	4,315.47
Water Share Expense	3520	250,000.00	250,000.00	250,000.00	0.00
Towing Fees		40,000.00	100,097.50	75,000.00	25,097.50
Booking Fees		0.00	0.00	0.00	0.00
Police Report/Prints	3534	4,500.00	5,505.00	4,200.00	1,305.00
Impact Fee Revenue	3570	0.00	5,263.00	0.00	5,263.00
Grants	3560	0.00	1,004.91	0.00	1,004.91
Rents	3561	239,302.00	242,723.72	239,301.00	3,422.72
Reimbursement - Work Comp		0.00	0.00	0.00	0.00
Operations Revenue		0.00	0.00	0.00	0.00
Other Reimbursements	3562	65,000.00	115,198.62	195,000.00	(79,801.38)
Reimbursement - Rear Yard		0.00	2,638.65	0.00	2,638.65
Residential Concrete Reimb	3563	0.00	55,138.67	62,000.00	(6,861.33)
Mail Box Reimbursement	3569	0.00	2,302.65	0.00	2,302.65
Sales of Wood Chips	3572	0.00	3,890.00	0.00	3,890.00
Drug seizure receipts	3580	0.00	0.00	0.00	0.00
Miscellaneous Revenue		105,000.00	39,863.12	40,000.00	(136.88)
<b>Total Other Revenue</b>		<b>726,802.00</b>	<b>847,633.84</b>	<b>877,501.00</b>	<b>(29,867.16)</b>
<b>Business District</b>					
Other Revenue	3561				
Rents	3567	143,000.00	143,745.63	143,400.00	345.63
Maintenance - Reimbursable	3576	13,000.00	3,750.53	4,000.00	(249.47)
Operations Revenue		0.00	3,636.43	4,000.00	(363.57)
<b>Total Other Revenue</b>		<b>156,000.00</b>	<b>151,132.59</b>	<b>151,400.00</b>	<b>(267.41)</b>
<b>Total General Fund Revenue</b>		<b>12,669,067.00</b>	<b>13,384,082.80</b>	<b>12,999,418.00</b>	<b>384,664.80</b>

Other Income	3568				
Transfer from DADC		0.00	92,860.00	0.00	92,860.00
Sale of Equipment	pg 42	25,000.00	27,842.32	25,000.00	2,842.32
<b>Total Other Income</b>		<b>25,000.00</b>	<b>120,702.32</b>	<b>25,000.00</b>	<b>95,702.32</b>

Total Revenue	12,694,067.00	13,504,785.12	13,024,418.00	480,367.12
Page 42 of audit report - Total Revenue		13,476,944.00		
Page 42 of audit report - Proceeds from Sale of assets		27,842.00		

City of Darien General Fund Expenditures For the FYE 4/30/13		FYE 4/30/13 Original Budget	FYE 4/30/13 Audited Expenditures	FYE 4/30/13 Estimated Expenditures	Difference
<b>Administrative Department</b>					
<b>Salaries</b>					
Salaries	4010	453,501.00	457,488.18	456,000.00	(1,488.18)
Overtime	4030	2,000.00	83.58	2,000.00	1,916.42
<b>Total Salaries</b>		<b>455,501.00</b>	<b>457,571.76</b>	<b>458,000.00</b>	<b>428.24</b>
<b>Benefits</b>					
Social Security	4110	25,056.00	23,472.73	25,056.00	1,583.27
Medicare	4111	6,634.00	6,109.25	6,634.00	524.75
I.M.R.F.	4115	57,828.00	59,593.07	59,000.00	(593.07)
Medical/Life Insurance	4120	60,690.00	60,138.54	60,690.00	551.46
Supplemental Pensions	4135	23,984.00	24,805.82	23,984.00	(821.82)
<b>Total Benefits</b>		<b>174,192.00</b>	<b>174,119.41</b>	<b>175,364.00</b>	<b>1,244.59</b>
<b>Materials and Supplies</b>					
Dues and Subscriptions	4213	2,400.00	2,817.90	3,000.00	182.10
Liability Insurance	4219	48,120.00	30,330.74	42,000.00	11,669.26
Legal Notices	4221	8,000.00	7,052.34	8,000.00	947.66
Maintenance - Building	4223	10,400.00	2,217.58	6,000.00	3,782.42
Maintenance - Equipment	4225	13,000.00	10,793.71	7,000.00	(3,793.71)
Maintenance - Grounds	4227	7,000.00	4,165.56	6,000.00	1,834.44
Maintenance - Vehicles	4229	0.00	0.00	0.00	0.00
Postage/Mailings	4233	5,200.00	6,000.66	5,200.00	(800.66)
Printing and Forms	4235	4,000.00	2,529.06	4,000.00	1,470.94
Public Relations	4239	29,000.00	27,518.05	27,000.00	(518.05)
Rent - Equipment	4243	2,400.00	2,411.75	2,400.00	(11.75)
Service Charge	4251	0.00	0.00	0.00	0.00
Supplies - Office	4253	11,000.00	9,852.21	9,000.00	(852.21)
Supplies - Other	4257	1,250.00	41.95	200.00	158.05
Training and Education	4263	4,500.00	2,885.00	2,000.00	(885.00)
Travel/Meetings	4265	2,000.00	262.13	1,000.00	737.87
Telephone	4267	62,500.00	59,608.52	62,500.00	2,891.48
Utilities (Elec,Gas,Wtr,Sewer)	4271	3,500.00	3,101.50	3,500.00	398.50
Vehicle (Gas and Oil)	4273	7,900.00	7,227.38	6,500.00	(727.38)
ESDA	4273	2,000.00	360.00	500.00	140.00
<b>Total Materials and Supplies</b>		<b>224,170.00</b>	<b>179,176.04</b>	<b>195,800.00</b>	<b>16,623.96</b>
<b>Contractual</b>					
Audit	4320	12,000.00	12,200.00	12,200.00	0.00
Consulting/Professional	4325	86,305.00	86,689.76	86,305.00	(384.76)
Conslt/Prof Reimbursable	4328	0.00	0.00	0.00	0.00
Contingency	4330	10,000.00	3,496.25	10,000.00	6,503.75
Janitorial Service	4345	16,500.00	14,334.00	16,500.00	2,166.00
<b>Total Contractual</b>		<b>124,805.00</b>	<b>116,720.01</b>	<b>125,005.00</b>	<b>8,284.99</b>
<b>Other Charges</b>					
Transfer to Other Funds	4605	2,800,000.00	2,800,000.00	2,800,000.00	0.00
<b>Total Other Charges</b>		<b>2,800,000.00</b>	<b>2,800,000.00</b>	<b>2,800,000.00</b>	<b>0.00</b>
<b>Total Expenditures - Administrative</b>		<b>3,778,668.00</b>	<b>3,727,587.22</b>	<b>3,754,169.00</b>	<b>26,581.78</b>

City of Darien General Fund Expenditures For the FYE 4/30/13		FYE 4/30/13 Original Budget	FYE 4/30/13 Audited Expenditures	FYE 4/30/13 Estimated Expenditures	Difference
<b>City Council Department</b>					
<b>Salaries</b>					
Salaries	4010	<u>42,750.00</u>	<u>42,750.00</u>	<u>42,750.00</u>	<u>0.00</u>
Total Salaries		<u>42,750.00</u>	<u>42,750.00</u>	<u>42,750.00</u>	<u>0.00</u>
<b>Benefits</b>					
Social Security	4110	2,651.00	2,807.06	2,650.00	(157.06)
Medicare	4111	<u>620.00</u>	<u>656.65</u>	<u>620.00</u>	<u>(36.65)</u>
Total Benefits		<u>3,271.00</u>	<u>3,463.71</u>	<u>3,270.00</u>	<u>(193.71)</u>
<b>Materials and Supplies</b>					
Boards and Commissions	4205	2,600.00	1,335.06	1,500.00	164.94
Cable Operations	4206	22,500.00	34,768.00	34,000.00	(768.00)
Liability Insurance	4219	41,930.00	34,485.37	41,930.00	7,444.63
Public Relations	4239	2,000.00	1,428.81	2,000.00	571.19
Supplies - Office	4253	0.00	45.03	100.00	54.97
Travel/Meetings	4265	<u>1,000.00</u>	<u>97.00</u>	<u>1,000.00</u>	<u>903.00</u>
Total Materials and Supplies		<u>70,030.00</u>	<u>72,159.27</u>	<u>80,530.00</u>	<u>8,370.73</u>
<b>Contractual</b>					
Consulting/Professional	4325	15,000.00	3,044.50	15,000.00	11,955.50
Trolley Contracts	4366	<u>900.00</u>	<u>248.84</u>	<u>900.00</u>	<u>651.16</u>
Total Contractual		<u>15,900.00</u>	<u>3,293.34</u>	<u>15,900.00</u>	<u>12,606.66</u>
Total Expenditures - City Council		<u>131,951.00</u>	<u>121,666.32</u>	<u>142,450.00</u>	<u>20,783.68</u>



City of Darien General Fund Expenditures For the FYE 4/30/13		FYE 4/30/13 Original Budget	FYE 4/30/13 Audited Expenditures	FYE 4/30/13 Estimated Expenditures	Difference
<b>Community Development Department</b>					
<b>Salaries</b>					
Salaries	4010	277,807.00	278,924.06	278,200.00	(724.06)
Overtime		500.00	504.48	500.00	(4.48)
<b>Total Salaries</b>		<b>278,307.00</b>	<b>279,428.54</b>	<b>278,700.00</b>	<b>(728.54)</b>
<b>Benefits</b>					
Social Security	4110	15,416.00	15,384.09	16,435.00	1,050.91
Medicare	4111	4,057.00	3,940.88	4,057.00	116.12
I.M.R.F.	4115	35,368.00	35,328.87	35,368.00	39.13
Medical/Life Insurance	4120	38,522.00	38,253.20	38,522.00	268.80
Supplemental Pensions	4135	3,600.00	2,399.80	3,600.00	1,200.20
<b>Total Benefits</b>		<b>96,963.00</b>	<b>95,306.84</b>	<b>97,982.00</b>	<b>2,675.16</b>
<b>Materials and Supplies</b>					
Boards and Commissions	4205	2,400.00	1,379.00	1,900.00	521.00
Dues and Subscriptions	4213	750.00	453.00	650.00	197.00
Liability Insurance	4219	41,540.00	33,010.00	41,000.00	7,990.00
Maintenance - Vehicles	4229	1,200.00	1,090.30	1,200.00	109.70
Printing and Forms	4235	2,639.00	985.00	2,200.00	1,215.00
Supplies - Office	4253	450.00	114.15	250.00	135.85
Training and Education	4263	500.00	0.00	500.00	500.00
Travel/Meetings	4265	1,400.00	160.00	400.00	240.00
Vehicle (Gas and Oil)	4273	1,995.00	1,483.41	2,000.00	516.59
<b>Total Materials and Supplies</b>		<b>52,874.00</b>	<b>38,674.86</b>	<b>50,100.00</b>	<b>11,425.14</b>
<b>Contractual</b>					
Consulting/Professional	4325	29,467.00	46,838.48	38,000.00	(8,838.48)
Const/Prof Reimbursable	4328	54,347.00	48,083.85	50,000.00	1,916.15
<b>Total Contractual</b>		<b>83,814.00</b>	<b>94,922.33</b>	<b>88,000.00</b>	<b>(6,922.33)</b>
<b>Total Expenditures - Community Development</b>		<b>511,958.00</b>	<b>508,332.57</b>	<b>514,782.00</b>	<b>6,449.43</b>

City of Darien General Fund Expenditures For the FYE 4/30/13		FYE 4/30/13 Original Budget	FYE 4/30/13 Audited Expenditures	FYE 4/30/13 Estimated Expenditures	Difference
<b>Streets Department</b>					
Salaries					
Salaries	4010	499,022.00	517,169.18	499,022.00	(18,147.18)
Overtime	4030	80,000.00	40,604.72	40,000.00	(604.72)
<b>Total Salaries</b>		<b>579,022.00</b>	<b>557,773.90</b>	<b>539,022.00</b>	<b>(18,751.90)</b>
Benefits					
Social Security	4110	57,204.00	32,362.49	57,204.00	24,841.51
Medicare	4111	13,378.00	7,576.49	13,378.00	5,801.51
I.M.R.F.	4115	110,251.00	70,604.19	110,251.00	39,646.81
Medical/Life Insurance	4120	156,469.00	120,663.50	156,469.00	35,805.50
Supplemental Pensions	4135	2,400.00	3,368.95	2,400.00	(968.95)
<b>Total Benefits</b>		<b>339,702.00</b>	<b>234,575.62</b>	<b>339,702.00</b>	<b>105,126.38</b>
Materials and Supplies					
Liability Insurance	4219	57,142.00	52,268.17	57,000.00	4,731.83
Maintenance - Building	4223	80,986.00	45,090.69	50,000.00	4,909.31
Maintenance - Equipment	4225	21,050.00	20,443.26	18,000.00	(2,443.26)
Maintenance - Vehicles	4229	30,500.00	30,812.43	30,500.00	(312.43)
Postage/Mailings	4233	1,000.00	1,680.00	1,260.00	(420.00)
Rent - Equipment	4243	22,950.00	11,536.90	15,000.00	3,463.10
Supplies - Office	4253	1,575.00	4,460.69	4,230.00	(230.69)
Supplies - Other	4257	40,050.00	27,726.49	35,000.00	7,273.51
Small Tools & Equipment	4259	3,850.00	3,969.21	3,800.00	(169.21)
Training and Education	4263	5,675.00	1,109.00	3,500.00	2,391.00
Uniforms	4269	6,440.00	5,043.40	6,100.00	1,056.60
Utilities (Elec,Gas,Wtr,Sewer)	4271	3,650.00	3,366.19	3,000.00	(366.19)
Vehicle (Gas and Oil)	4273	96,950.00	67,882.18	88,000.00	20,117.82
<b>Total Materials and Supplies</b>		<b>371,818.00</b>	<b>275,388.61</b>	<b>315,390.00</b>	<b>40,001.39</b>
Contractual					
Consulting/Professional	4325	49,600.00	44,280.97	45,000.00	719.03
Forestry	4350	36,960.00	20,898.14	26,000.00	5,101.86
Street Light Oper & Maint.	4359	94,200.00	98,752.99	87,000.00	(11,752.99)
Mosquito Abatement	4365	40,887.00	40,887.00	40,887.00	0.00
Street Sweeping	4373	33,435.00	23,863.15	30,000.00	6,136.85
Drainage Projects	4374	34,500.00	23,497.47	27,000.00	3,502.53
Tree Trim/Removal	4375	127,702.00	84,811.50	112,000.00	27,188.50
<b>Total Contractual</b>		<b>417,284.00</b>	<b>336,991.22</b>	<b>367,887.00</b>	<b>30,895.78</b>
Capital Outlay					
Rear Yard Drain Proj-Reimb	4378	0.00	511.00	0.00	(511.00)
Residential Concrete Program	4381	0.00	69,048.92	62,000.00	(7,048.92)
Equipment	4815	152,000.00	145,833.95	138,000.00	(7,833.95)
Debt Retire	4905	0.00	0.00	0.00	0.00
<b>Total Capital Outlay</b>		<b>152,000.00</b>	<b>215,393.87</b>	<b>200,000.00</b>	<b>(15,393.87)</b>
<b>Total Expenditures - Streets</b>		<b>1,859,826.00</b>	<b>1,620,123.22</b>	<b>1,762,001.00</b>	<b>141,877.78</b>

City of Darien General Fund Expenditures For the FYE 4/30/13		FYE 4/30/13 Original Budget	FYE 4/30/13 Audited Expenditures	FYE 4/30/13 Estimated Expenditures	Difference
<b>Police Department</b>					
<b>Salaries</b>					
Salaries	4010	423,999.00	451,217.26	424,000.00	(27,217.26)
Salaries - Officers	4020	3,375,097.00	3,232,947.44	3,210,000.00	(22,947.44)
Overtime	4030	509,000.00	404,861.25	475,000.00	70,138.75
<b>Total Salaries</b>		<b>4,308,096.00</b>	<b>4,089,025.95</b>	<b>4,109,000.00</b>	<b>19,974.05</b>
<b>Benefits</b>					
Social Security	4110	28,242.00	26,555.38	28,242.00	1,686.62
Medicare	4111	55,000.00	50,034.37	55,000.00	4,965.63
I.M.R.F.	4115	53,468.00	63,853.82	53,468.00	(10,385.82)
Medical/Life Insurance	4120	505,614.00	445,340.58	505,614.00	60,273.42
Police Pension	4130	1,082,589.00	1,092,729.27	1,092,729.00	(0.27)
Supplemental Pensions	4135	52,800.00	47,613.70	50,000.00	2,386.30
<b>Total Benefits</b>		<b>1,777,713.00</b>	<b>1,726,127.12</b>	<b>1,785,053.00</b>	<b>58,925.88</b>
<b>Materials and Supplies</b>					
Animal Control	4201	1,500.00	190.00	1,500.00	1,310.00
Auxiliary Police	4203	8,400.00	3,507.08	3,900.00	392.92
Boards and Commissions	4205	41,000.00	16,038.91	16,000.00	(38.91)
Dues and Subscriptions	4213	3,700.00	2,279.00	3,700.00	1,421.00
Investigation and Equipment	4217	49,639.00	9,437.83	49,000.00	39,562.17
Liability Insurance	4219	202,790.00	198,776.44	202,790.00	4,013.56
Maintenance - Building	4223	0.00	560.00	0.00	(560.00)
Maintenance - Equipment	4225	32,183.00	20,164.71	32,000.00	11,835.29
Maintenance - Vehicles	4229	26,000.00	36,056.31	38,000.00	1,943.69
Postage/Mailings	4233	4,100.00	4,317.56	4,100.00	(217.56)
Printing and Forms	4235	4,500.00	1,122.87	3,500.00	2,377.13
Public Relations	4239	14,750.00	4,006.94	6,000.00	1,993.06
Rent - Equipment	4243	171,033.00	165,091.55	171,033.00	5,941.45
Supplies - Office	4253	7,000.00	5,399.51	7,000.00	1,600.49
Supplies - Other	4257	0.00	0.00	0.00	0.00
Training and Education	4263	20,000.00	15,268.90	16,000.00	731.10
Travel/Meetings	4265	8,800.00	4,427.68	5,000.00	572.32
Telephone	4267	12,900.00	10,760.82	12,900.00	2,139.18
Uniforms	4269	40,950.00	26,473.51	20,000.00	(6,473.51)
Utilities (Elec,Gas,Wtr,Sewer)	4271	10,000.00	5,529.88	7,000.00	1,470.12
Vehicle (Gas and Oil)	4273	136,637.00	128,785.59	125,000.00	(3,785.59)
<b>Total Materials and Supplies</b>		<b>795,882.00</b>	<b>658,195.09</b>	<b>724,423.00</b>	<b>66,227.91</b>
<b>Contractual</b>					
Consulting/Professional	4325	356,940.00	343,208.85	356,940.00	13,731.15
Contractual Services	4335	0.00	26,240.00	26,240.00	0.00
Dumeg/Fiat/Child Center	4337	26,240.00	0.00	0.00	0.00
<b>Total Contractual</b>		<b>383,180.00</b>	<b>369,448.85</b>	<b>383,180.00</b>	<b>13,731.15</b>
<b>Capital Outlay</b>					
Equipment	4815	31,800.00	91,207.42	93,500.00	2,292.58
<b>Total Capital Outlay</b>		<b>31,800.00</b>	<b>91,207.42</b>	<b>93,500.00</b>	<b>363.06</b>
<b>Total Expenditures - Police</b>		<b>7,296,671.00</b>	<b>6,934,004.43</b>	<b>7,095,156.00</b>	<b>161,151.57</b>

City of Darien General Fund Expenditures For the FYE 4/30/13		FYE 4/30/13 Original Budget	FYE 4/30/13 Audited Expenditures	FYE 4/30/13 Estimated Expenditures	Difference
<b>Business Districts Department</b>					
Materials and Supplies					
Liability Insurance	4219	3,300.00	3,500.00	3,300.00	(200.00)
Maintenance - Building	4223	0.00	0.00	0.00	0.00
Maintenance - Equipment	4225	17,500.00	468.53	2,500.00	2,031.47
Maintenance - Grounds	4227	32,000.00	15,627.98	25,000.00	9,372.02
Utilities (Elec, Gas, Wtr, Sewer)	4271	2,500.00	10,991.58	10,000.00	(991.58)
Total Materials and Supplies		55,300.00	30,588.09	40,800.00	10,211.91
Debt Service					
Debt Service - 2007A Bonds	4952	0.00	0.00	0.00	0.00
Total Debt Service		0.00	0.00	0.00	0.00
Total Expenditures - Business District		55,300.00	30,588.09	40,800.00	10,211.91
Total General Fund Expenditures		13,634,374.00	12,942,301.85	13,309,358.00	367,056.15

City of Darien Water Fund Reconciliation For the FYE 4/30/13		FYE 4/30/13 Original Budget	FYE 4/30/13 Audited	FYE 4/30/13 Estimated Actual	Difference
Total Revenue		5,324,219.00	5,770,830.98	5,723,362.00	47,468.98
Total Expenses		0.00	6,057,411.02	6,014,257.00	(43,154.02)
					4,314.96
		FYE 4/30/13 original budget	FYE 4/30/13 Audited Revenue	FYE 4/30/13 Estimated Revenue	Difference
<b>Charges for Services</b>					
Water Sales	3310	5,308,219.00	5,714,353.80	5,707,362.00	6,991.80
Inspections/Tap on/Permits	3320	4,000.00	24,502.45	4,000.00	20,502.45
Sale of Meters	3325	4,500.00	4,828.00	3,500.00	1,328.00
Other Water Sales	3390	3,500.00	8,054.60	4,500.00	3,554.60
Total Charges for Services		5,320,219.00	5,751,738.85	5,719,362.00	32,376.85
<b>Other Revenue</b>					
Interest Income	3510	4,000.00	9,940.93	4,000.00	5,940.93
Other Reimbursements	3562	-	9,151.20	0.00	9,151.20
Total Other Revenue		4,000.00	19,092.13	4,000.00	15,092.13
Total Water Fund Revenue		5,324,219.00	5,770,830.98	5,723,362.00	47,468.98
		FYE 4/30/13 Original Budget	FYE 4/30/13 Audited Expenditures	FYE 4/30/13 Estimated Expenditures	Difference
<b>Water Department</b>					
<b>Salaries</b>					
Salaries	4010	455,542.00	459,194.97	473,000.00	13,805.03
Overtime	4030	50,000.00	27,999.07	50,000.00	22,000.93
Total Salaries		505,542.00	487,194.04	523,000.00	35,805.96
<b>Benefits</b>					
Social Security	4110	34,444.00	30,592.43	34,536.00	3,943.57
Medicare	4111	8,055.00	7,154.57	8,077.00	922.43
I.M.R.F.	4115	67,672.00	50,450.64	67,861.00	17,410.36
Medical/Life Insurance	4120	109,961.00	71,391.73	109,961.00	38,569.27
Supplemental Pensions	4135	2,520.00	1,200.00	2,400.00	1,200.00
Total Benefits		222,652.00	160,789.37	222,835.00	62,045.63
<b>Materials and Supplies</b>					
Liability Insurance	4219	132,761.00	119,279.77	132,000.00	12,720.23
Maintenance - Building	4223	34,978.00	22,039.22	29,000.00	6,960.78
Maintenance - Equipment	4225	15,400.00	21,358.92	17,000.00	(4,358.92)
Maintenance - Water System	4231	129,700.00	125,073.90	129,700.00	4,626.10
Postage/Mailings	4233	1,000.00	500.94	750.00	249.06
Quality Control	4241	17,300.00	9,921.02	9,500.00	(421.02)
Water Charge	4251	250,000.00	250,000.00	250,000.00	0.00
Supplies - Operation	4255	6,360.00	256.05	6,000.00	5,743.95
Training and Education	4263	3,544.00	1,415.00	2,500.00	1,085.00
Telephone	4267	10,749.00	9,827.99	10,000.00	172.01
Uniforms	4269	3,100.00	2,317.61	2,800.00	482.39
Utilities (Elec, Gas, Wtr, Sewer)	4271	48,825.00	46,681.00	45,000.00	(1,681.00)
Vehicle (Gas and Oil)	4273	19,750.00	23,843.03	19,750.00	(4,093.03)
Total Materials and Supplies		673,467.00	632,514.45	654,000.00	21,485.55
<b>Contractual</b>					

City of Darien Water Fund Reconciliation For the FYE 4/30/13		FYE 4/30/13 Original Budget	FYE 4/30/13 Audited	FYE 4/30/13 Estimated Actual	Difference
Audit	4320	10,000.00	10,000.00	10,000.00	0.00
Consulting/Professional	4325	13,000.00	7,605.09	16,000.00	8,394.91
Leak Detection	4326	19,000.00	14,718.24	15,000.00	281.76
Data Processing	4336	150,000.00	153,109.00	150,000.00	(3,109.00)
DuPage Water Commission	4340	<u>3,266,708.00</u>	<u>3,527,280.27</u>	<u>3,533,422.00</u>	<u>6,141.73</u>
Total Contractual		3,458,708.00	3,712,712.60	3,724,422.00	11,709.40
Other Charges					
Transfer to Other Funds	4605	500,000.00	500,000.00	500,000.00	0.00
Depreciation	4620	-	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Other Charges		500,000.00	500,000.00	500,000.00	0.00
Capital Outlay					
Equipment	4815	39,365.00	68,987.13	39,000.00	(29,987.13)
Water Meter Purchases	4880	<u>25,000.00</u>	<u>14,966.95</u>	<u>20,000.00</u>	<u>5,033.05</u>
Total Capital Outlay		<u>64,365.00</u>	<u>83,954.08</u>	<u>59,000.00</u>	<u>(24,954.08)</u>
Debt Service					
Debt Retire	4905	305,908.00	115,081.90	331,000.00	215,918.10
Debt Retire-Water Refunding	4950	-	<u>26,030.58</u>	<u>0.00</u>	<u>(26,030.58)</u>
Total Debt Service		<u>305,908.00</u>	<u>141,112.48</u>	<u>331,000.00</u>	<u>189,887.52</u>
Total Expenditures - Water		<u>5,730,642.00</u>	<u>5,718,277.02</u>	<u>6,014,257.00</u>	<u>295,979.98</u>
Depreciation	4620		<u>339,134.00</u>	<u>0.00</u>	<u>(339,134.00)</u>
Total Expenses			<u>6,057,411.02</u>	<u>6,014,257.00</u>	<u>(43,154.02)</u>

Total Revenue	5,770,830.98
Total Expenses	<u>6,057,411.02</u>
Net Income/(Loss)	(286,580.04)

Beginning Cash Balance	878,155.00
Cash to Accrual Adjustment	280,920.07
Adjusted Beginning Cash Balance	1,159,075.07
Change	-286,580.04
Ending Cash Balance	872,495.03

City of Darien MFT Fund Reconciliation For the FYE 4/30/13		FYE 4/30/13 Original Budget	FYE 4/30/13 Audited	FYE 4/30/13 Estimated Actual	Difference
Total Revenue		575,000.00	638,072.02	651,500.00	(13,427.98)
Total Expenses		536,860.00	555,185.88	523,596.00	(31,589.88)
					(45,017.86)
		FYE 4/30/13 Original Revenue	FYE 4/30/13 Audited Revenue	FYE 4/30/13 Estimated Revenue	Difference
<b>Intergovernmental</b>					
Motor Fuel Tax	3440	575,000.00	525,924.40	548,000.00	(22,075.60)
Total Intergovernmental		575,000.00	525,924.40	548,000.00	(22,075.60)
<b>Other Revenue</b>					
Interest Income	3510	0.00	3,805.62	1,500.00	2,305.62
Grants	3560	0.00	102,552.00	102,000.00	552.00
Miscellaneous Revenue	3580	0.00	5,790.00	0.00	5,790.00
Total Other Revenue		0.00	112,147.62	103,500.00	8,647.62
Total MFT Fund Revenue		575,000.00	638,072.02	651,500.00	(13,427.98)
		FYE 4/30/13 original budget	FYE 4/30/13 Audited Expenditures	FYE 4/30/13 Estimated Expenditures	Difference
<b>MFT Expenditures</b>					
<b>Salaries</b>					
Salaries	4010	300,000.00	268,261.50	300,000.00	31,738.50
Overtime	4030	0.00	0.00	0.00	0.00
Total Salaries		300,000.00	268,261.50	300,000.00	31,738.50
<b>Benefits</b>					
Social Security	4110	0.00	16,632.20	0.00	(16,632.20)
Medicare	4111	0.00	3,889.79	0.00	(3,889.79)
I.M.R.F.	4115	0.00	33,908.22	0.00	(33,908.22)
Total Benefits		0.00	54,430.21	0.00	(54,430.21)
<b>Materials and Supplies</b>					
Road Material	4245	33,360.00	30,082.17	25,000.00	(5,082.17)
Salt	4249	180,000.00	178,319.55	175,428.00	(2,891.55)
Supplies - Other	4257	15,000.00	15,924.33	15,000.00	(924.33)
Pavement Striping	4261	8,500.00	8,168.12	8,168.00	(0.12)
Total Materials and Supplies		236,860.00	232,494.17	223,596.00	(8,898.17)
Total Expenditures - MFT		536,860.00	555,185.88	523,596.00	(31,589.88)

City of Darien Water Depr Fund Reconciliation For the FYE 4/30/13		FYE 4/30/13 Original Budget	FYE 4/30/13 Audited	FYE 4/30/13 Estimated Actual	Difference
Total Revenue		505,000.00	508,651.78	510,000.00	(1,348.22)
Total Expenses		163,500.00	42,207.55	172,000.00	129,792.45
					128,444.23
		FYE 4/30/13 original budget	FYE 4/30/13 Audited Revenue	FYE 4/30/13 Estimated Revenue	Difference
<b>Other Revenue</b>					
Interest Income	3510	5,000.00	8,638.63	10,000.00	(1,361.37)
Gain/Loss on Investment	3515	0.00	13.15	0.00	13.15
Transfer from Other Fund	3610	500,000.00	500,000.00	500,000.00	0.00
Total Other Revenue		505,000.00	508,651.78	510,000.00	(1,348.22)
Total Water Depr Fund Revenue		505,000.00	508,651.78	510,000.00	(1,348.22)
		FYE 4/30/13 original budget	FYE 4/30/13 Audited Expenditures	FYE 4/30/13 Estimated Expenditures	Difference
<b>Water Depreciation Expenditures</b>					
Contractual					
Consulting/Professional	4325	0.00	0.00	0.00	0.00
Total Contractual		0.00	0.00	0.00	0.00
Capital Outlay					
Equipment	4815	53,500.00	0.00	52,000.00	52,000.00
Scada System	4818	110,000.00	22,199.67	120,000.00	97,800.33
Total Capital Outlay		163,500.00	22,199.67	172,000.00	149,800.33
Debt Service					
Debt Issuance Costs	4900	0.00	30,041.00	0.00	(30,041.00)
Amortization Expense		0.00	3,539.50	0.00	(3,539.50)
Bond Interest Expense	4946	0.00	(13,572.62)	0.00	13,572.62
Total Debt Service		0.00	20,007.88	0.00	(20,007.88)
Total Expenditures - Water Depr.		163,500.00	42,207.55	172,000.00	129,792.45



City of Darien Capital Projects Fund Reconciliation For the FYE 4/30/13		FYE 4/30/13 Original Budget	FYE 4/30/13 Audited	FYE 4/30/13 Estimated Actual	Difference
Total Revenue		4,806,194.00	5,090,331.35	4,982,194.00	108,137.35
Total Expenses		3,207,744.00	3,143,942.53	2,993,785.00	(150,157.53)
					(42,020.18)
		FYE 4/30/13 original budget	FYE 4/30/13 Audited Revenue	FYE 4/30/13 Estimated Revenue	Difference
<b>Taxes</b>					
Real Estate Taxes	3110	202,194.00	203,096.86	202,194.00	902.86
Total Intergovernmental		202,194.00	203,096.86	202,194.00	902.86
<b>Other Revenue</b>					
Interest Income	3510	4,000.00	54,123.49	30,000.00	24,123.49
Reimbursement-Street Recon.		0.00	83,111.00	0.00	83,111.00
Transfer from Other Funds	3612	2,800,000.00	2,800,000.00	2,800,000.00	
Sale of Property	3573	1,800,000.00	1,950,000.00	1,950,000.00	0.00
Total Other Revenue		4,604,000.00	4,887,234.49	4,780,000.00	107,234.49
Total Capital Projects Fund Revenue		4,806,194.00	5,090,331.35	4,982,194.00	108,137.35
		FYE 4/30/13 Original Budget	FYE 4/30/13 Audited Expenditures	FYE 4/30/13 Estimated Expenditures	Difference
<b>Capital Projects Expenditures</b>					
<b>Contractual</b>					
Consulting/Professional	4325	0.00	52,277.50	52,300.00	22.50
Total Contractual		0.00	52,277.50	52,300.00	22.50
<b>Capital Outlay</b>					
Ditch Projects	4376	884,543.00	282,859.36	294,000.00	11,140.64
Sidewalk Replacement	4380	67,630.00	77,598.74	68,000.00	
Crack Seal Program	4382	92,400.00	91,476.00	91,476.00	
Curb & Gutter Replacement	4383	319,127.00	378,753.58	296,000.00	
Economic Incentive	4400	0.00	274,006.00	272,200.00	
Equipment	4815	135,600.00	135,194.19	135,600.00	
Street Recon/Rehab-Reimb	4856	0.00	168,620.80	0.00	(168,620.80)
Street Reconstruction/Rehab	4855	1,506,250.00	1,480,534.60	1,581,609.00	101,074.40
Total Benefits		3,005,550.00	2,889,043.27	2,738,885.00	(150,158.27)
<b>Debt Service</b>					
Debt Retire	4905	202,194.00	202,193.76	202,600.00	406.24
Debt Retire - Property	4945	0.00	428.00	0.00	(428.00)
Total Debt Service		202,194.00	202,621.76	202,600.00	(21.76)
Total Expenditures - Capital Projects		3,207,744.00	3,143,942.53	2,993,785.00	(150,157.53)

# City of Darien

Minutes of the Administrative Finance Committee  
September 3, 2013

The Meeting was called to order by Alderman Ted Schauer at 6:00 pm. Committee members Alderman Tina Beilke, Alderman Joe Kenny, Mayor Kathleen Weaver and Treasurer Michael Coren were also present. Staff members included City Administrator Bryon Vana, Assistant City Administrator Scott Coren, and Accounting Manager Paul Nosek. Others present included Daniel Fischer and Tom Wallace from Dotty's, Bhavana Zaveri from Veet Tobacco, Dominic Barraco from Zazzo's Pizzeria, Tim Gavin from Sikich, and resident Matt Goodwin.

## **Discussion – Draft FYE April 30, 2013 Audit**

Tim Gavin from Sikich, the auditor hired by the City of Darien, gave a presentation on the draft audit for FYE 2013. The auditor discussed the process of completing the audit and discussed the depth in which they review Darien's financial documents. He discussed the management comments, which Paul Nosek has already addressed and satisfied.

The auditor also discussed upcoming changes in 2016 to the reporting of pension liabilities and unfunded pension liability reporting on the entity balance sheet. This will be a future requirement within the audit, and may have an effect on bond ratings.

## **Resolution – Authorizing the City Administrator to construct a tower of up to 300 feet, or the most allowed by the FAA, on the property to provide rental revenues and capital projects for the City of Darien**

Assistant Administrator Coren said the City of Darien executed an agreement with World Class Wireless in May to allow them use of the existing tower at Public Works for a wireless project. After conducting a structural analysis on the tower, it was determined they could not put up their projects because the tower is at capacity. They have already paid to Darien a capital contribution and first year rent, a total of \$73,000. These monies would need to be returned if an agreement could not be made.

Staff worked with the company to investigate alternatives. They have agreed to construct a new tower next to the salt storage building and deed the tower to the City of Darien in exchange for a right to keep equipment on it for the term of their lease. The City of Darien would be able to market and rent other spots on the tower (estimated to be approximately eight additional projects, depending on the scope of each project). Currently the City of Darien has been getting \$25,000 as an initial buy-in on each project and \$4,000 per month in rent. Additionally, they have agreed to contribute \$63,805.20 to bring city water to the public works building, reconfigure parking in the lot, and help pay for a portion of paving a front area to make up for the lost space needed for operations due to the tower's footprint.

The timeframe on this project is tight, as the company would like to get the tower constructed by October 1, 2013. The company has been doing due diligence and filing with several unit of

government for permits, including the FAA. The FAA may not allow a tower height of 300 feet, and turned down the original location next to the storage shed, but a tower of similar height near the original tower will be acceptable. A variation is also required due to the height of the tower.

Alderman Beilke made a motion, Alderman Kenny seconded, and the motion carried 3-0 to recommend approval of the agreement.

**Ordinance Increasing the number of Class A liquor licenses from ten to eleven at the request of Veet Tobacco**

Veet Tobacco applied for a Class A liquor license to sell alcohol in addition to selling tobacco. The owner said she would remodel a new unit in Brookhaven Plaza next to the Dunkin Donuts if approved, and she has a lease agreement contingent on the approval.

The committee voted 3-0 to recommend approval to the City Council.

**Ordinance increasing the number of Class D liquor licenses from eight to nine at the request of Dotty's**

Dotty's applied for a Class D liquor license to open a country kitchen in the Brookhaven Plaza. Daniel Fischer discussed the business model and plan, which limits the number of drinks a customer can consume and is a brightly lit restaurant. He said they would also be applying for a gaming license with the State of Illinois on approval.

Mayor Weaver told Mr. Fischer the City Council was still reviewing video gaming in Darien, and may pass an ordinance banning it in the future.

The committee voted 3-0 to recommend approval to the City Council.

**Ordinance increasing the number of Class H liquor licenses from one to two**

Dominic Barraco from Zazzo's Pizzeria discussed his desire to expand his business to add a bar and larger restaurant into the adjacent unit. He would also like to sell carryout beer along with pizza. Currently there is one similar liquor license in Darien, held by Home Run Inn Pizza. In order to begin the process of remodeling, he wanted to secure the liquor license.

The committee voted 3-0 to recommend approval to the City Council.

**Minutes**

The committee voted 3-0 to approve the minutes to the August 5, 2013 Administrative/Finance Committee meeting.

**Adjournment**

There being no further business Alderman Schauer made a motion to adjourn, with a second by Alderman Beilke. The motion carried 3-0 at 6:46 pm.

Approved:

Ted Schauer, Chairman \_\_\_\_\_

Joseph Kenny, Member \_\_\_\_\_

Tina Beilke, Member \_\_\_\_\_