

PRESIDENT
Dr. James L. Discipio

VILLAGE MANAGER
Julia A. Cedillo

VILLAGE CLERK
Amanda G. Seidel



TRUSTEES
Scott F. Mesick
Patricia B. Rocco
Michael L. Sheehan
James P. Kucera
Mario J. Fotino
Robert T. Lautner

VILLAGE BOARD WORK SESSION MEETING

Tuesday, MARCH 10, 2015 – 7:30 P.M.

AGENDA

1. **Call to Order**
2. **Pledge of Allegiance**
3. **Roll Call**
4. **Public Participation (agenda and non-agenda related)**
5. **Public Works Committee Items**
 - A. Discussion & Action – 2015 Concrete Restoration Program *Motion: To renew a contract not to exceed \$35,000 with Schroeder & Schroeder with the same terms and conditions as agreed to in the 2014 contract*
 - B. Discussion – Sewer Point Repairs *Motion: 1) To accept the proposal of Suburban General Construction, Inc. in the amount of \$124,470; and 2) to authorize the spending of \$75,000 from the FY14/15 budget for work completed by April 30, 2015, and an additional \$49,470 from the proposed FY15/16 budget; and 3) to authorize the Village President to execute the contract documents*
 - C. Discussion – Street Pavement Mill and Overlay – Cleveland Avenue (26th to 30th) *No motion needed just consensus to move forward with the bidding process for resurfacing Cleveland Avenue from 26th to 30th*
6. **Finance Committee Items**
 - A. Discussion – Village Water Rate *Motion: To approve "an Ordinance Amending Chapter 51.43 of the Village of La Grange Park Municipal Code Establishing Water Rates"*
 - B. Discussion – Five Year Plan FY15/16 – FY19/20
 - C. Discussion – FY15/16 Budget
7. **Other Reports:**
 - A. Village Manager
 - B. Village President
Discussion – Local Government Distributive Fund (LGDF) *Motion: To approve a Resolution Opposing Reduction of State Collected Revenues Due Municipalities*
 - C. Village Clerk
 - D. Committee

VILLAGE BOARD MEETING
Tuesday, MARCH 10, 2015 – 7:30 p.m.

AGENDA (continued – Page 2)

- 8. New Business**
- 9. Executive Session** - to 1) *discuss the appointment, employment, compensation, discipline, performance or dismissal of specific employees of the public body according to 5 ILCS 120/2 (c)(1), and 2) discussing the selection of a person to fill a Village Commission/Committee according to 5 ILCS 120/2 (c)(3)*
- 10. Adjourn**

Next Village Board Meeting: March 24, 2015
Next Village Work Session Meeting: April 14, 2015



RULES FOR PUBLIC COMMENT

Village Board Work Session Meetings Village Board Meetings

1. Please step up to the microphone before speaking, and announce your name and address before beginning your comments.
2. After announcing your name and address for the record, you will be allowed to speak for three (3) minutes.
3. You may not use profane or obscene language and you may not threaten any person with bodily harm, or engage in conduct which amounts to a threat of physical harm.
4. (a) Agenda-related comments: The Village President reserves the right to disallow comments that are repetitive of comments previously made during the meeting, or comments that do not relate to agenda items.

(b) Non-agenda-related comments: The Village President reserves the right to disallow comments that are repetitive of comments previously made during the meeting, or comments that do not relate to Village business, Village services or Village governance.
5. The Village of La Grange Park complies with the Americans with Disabilities Act of 1990. If you require accommodations in order to observe or participate in the meeting, please contact Ms. Andy Bagley at (708) 354-0225 between 9:00 and 5:00 before the meeting so that the Village can make reasonable accommodations for you.

Public Works Committee

Scott Mesick, Chairman
Michael Sheehan

Village Board Agenda Memo

Date: 03/03/2015

To: President and Board of Trustees

From: Brendan McLaughlin, Public Works Director 
Julia Cedillo, Village Manager 

RE: 2015 Concrete Restoration Program

PURPOSE: To present a recommendation to renew last year's contract with Schroeder & Schroeder, in an amount not to exceed \$35,000 to complete sidewalk removal and replacement work, along with miscellaneous concrete restoration work from utility repairs.

GENERAL BACKGROUND:

In an attempt to secure competitive pricing last year, Staff worked with the Villages of La Grange, Riverside and Western Springs, and after the formal bidding process a contract was awarded to Schroeder & Schroeder for concrete restoration services.

Staff has recently received a letter from Schroeder & Schroeder offering to renew last year's contract at the same unit prices, and they have agreed to adhere to the specifications as outlined in the 2014 contract. They are requesting a response from the Village so that they can plan their 2015 workload and schedule. No work would be performed prior to May 1st.

Staff has budgeted \$25,000 for concrete repairs, and \$10,000 for slab-jacking. The sidewalk removal program continues to focus on the elimination of potential "trip" hazards to provide safe public sidewalks. The sidewalks that are determined to be a potential trip hazard will be removed and replaced at no cost to residents.

STAFF RECOMMENDATION:

Staff recommends renewing last year's contract with Schroeder & Schroeder for an amount not to exceed \$35,000. As noted in Mr. Schroeder's February 10th letter, Schroeder & Schroeder is facing a 20% increase in concrete prices for the 2015 season, so we feel the Village will benefit by entering into a contract which will lock in 2014 unit prices.

MOTION / ACTION REQUESTED:

Due to the timing of this project, Staff is requesting that the Board discuss this item and vote on it at the March 13th Work Session meeting.

"Motion to renew a contract not to exceed \$35,000 with Schroeder & Schroeder with the same terms and conditions as agreed to in the 2014 contract."

DOCUMENTATION:

- 2/10/15 Letter from Chris Schroeder, President, Schroeder & Schroeder



Schroeder & Schroeder Inc.



CONCRETE CONTRACTORS

7306 CENTRAL PARK - SKOKIE, ILLINOIS 60076

PHONE 847-933-0526 • FAX 847-933-0528

February 10, 2015

Brendan McLaughlin
Public Works Director
Village of LaGrange Park
447 N Catherine Ave
LaGrange Park, IL 60526

RE: Renewal of the Sidewalk Replacement Contract for 2015

Dear Brendan:

Schroeder & Schroeder Inc. would like to renew the 2014 Sidewalk Replacement Contract to include the planned repairs for 2015. The unit prices will remain the same as the 2014 Contract and adhere to the specifications in the document.

Please note that Schroeder & Schroeder Inc. is facing a 20% increase in concrete for the 2015 season which equates to a 6% margin cut overall. Therefore, we ask that the work order is in one (1) mobilization and roughly the same budget as last year. Also, we ask that the list is not all 1 square of sidewalk or 3 foot pieces of curb. We realize that in some cases that is all that needs to be done, so a few locations with small quantities is acceptable.

As always, Schroeder & Schroeder Inc. is prepared to service the Village of LaGrange Park, its residents and business owners in an efficient and timely manner.

Sincerely,

Chris Schroeder
President

Village Board Agenda Memo

Date: 3/4/2015

To: President & Board of Trustees

From: Brendan McLaughlin, Director of Public Works *BJM*
Julia Cedillo, Village Manager *JC*

RE: Sewer Point Repairs

PURPOSE: The purpose of this agenda item is to authorize sewer point repair work necessary to improve and rehabilitate combination sewer pipes throughout the Village, using funds budgeted in the FY14/15 and also the upcoming FY15/16 proposed budget.

GENERAL BACKGROUND:

Sewer inspections were conducted last year and the inspection reports were reviewed by staff and Hancock Engineering. From these reports, a list of areas in need of sewer point repairs was compiled. The sewer repairs consist of replacing various depths of sewer main with and without service connections. The total project cost includes funds for all necessary restoration work. These point repairs will reduce the chances of total pipe failure and reduce the likelihood of sewer backups in nearby homes.

Bid specifications were prepared by Hancock Engineering. A Notice to Bidders was published in the Suburban Life Newspaper on February 18, 2015. The bid opening was held on March 3rd, and the lowest responsible bidder is Suburban General Construction Inc. with a total bid of \$124,470. The following bids were received:

- | | |
|-------------------------------------|-----------|
| • Suburban General Construction Inc | \$124,470 |
| • Gerardi Sewer & Water Co. | \$311,500 |
| • Anchor Construction Co. Inc. | \$330,775 |

In this fiscal year, the Village has budgeted in the Sewer Fund – Capital Outlay (05-44-4-420) \$75,000 for point repairs and restoration. In the proposed FY15/16 budget, another \$50,000 is budgeted in this line item. Work will be split over the two fiscal years.

STAFF RECOMMENDATION:

Staff is requesting that the Board accept the bid proposal from Suburban General Construction Inc. in the amount of \$124,470.

MOTION / ACTION REQUESTED:

A motion: (1) to accept the proposal of Suburban General Construction Inc. in the amount of \$124,470; and (2) to authorize the spending of \$75,000 from the FY14/15 budget for work completed by April 30, 2015, and an additional \$49,470 from the proposed FY15/16 budget; and (3) to authorize the Village President to execute the contract documents.

DOCUMENTATION

- Letter of Recommendation dated March 3, 2015, from Hancock Engineering



HANCOCK
ENGINEERING

100+ Years of
Excellence

Civil Engineers ♦ Municipal Consultants ♦ Established 1911

March 3, 2015

President and Board of Trustees
Village of LaGrange Park
447 North Catherine Avenue
LaGrange Park, Illinois 60526

Re: 2015 Sewer Repair Project
Bid Opening Results

Dear President and Board of Trustees:

Bids were received for the above referenced project on March 3, 2015. We offer the following comments and recommendations on the bid results.

The plans and specifications for the project were obtained by seven (7) contractors, and the Village received bids from three (3) qualified companies. A summary of the bids received is as follows:

Suburban General Construction Inc.	\$124,470.00
Gerardi Sewer & Water Co.	\$311,500.00
Anchor Construction Co. Inc.	\$330,775.00
Engineer's Estimate	\$150,475.00

The bids were checked and found to be in order. The lowest bidder Suburban General Construction Inc., is a well-qualified, local Chicago area contractor who has satisfactorily completed municipal projects in the suburban area surrounding Chicago. Therefore, we recommend that the Village accept the bid proposal submitted by Suburban General Construction Inc. in the amount of \$124,470.00.

We have enclosed a copy of the bid tabulation for the project and the original bid proposals.

Please feel free to contact our office should you have any questions or require additional information.

Very truly yours,

EDWIN HANCOCK ENGINEERING CO.



Paul E. Flood, Principal

Enclosures

cc: Ms. Julia Cedillo, Village Manager (W/Bid Tab)
Mr. Brendan McLaughlin, Director of Public Works (W/Bid Tab)

Edwin Hancock Engineering Company

9933 Roosevelt Road ♦ Westchester, IL 60154-2749 ♦ Phone: 708-865-0300 ♦ Fax: 708-865-1212 ♦ www.ehancock.com

BID TABULATION

BID DATE & TIME: Tuesday, March 3, 2015 @ 11:00 A.M.

PROJECT: 2015 Sewer Repair Project

k:/bitab/LAGRNGPK/15026 - 2015 Sewer Repair.xls

	QUANTITY	UNIT	ENGINEER'S ESTIMATE		SUBURBAN GEN		GERARDI SWR & WTR		ARCHOR CONSTR	
			UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE
1. 8" DIA PVC SWR PIPE, 5'-15' LONG, 8'-12- DEEP	16	Foot	400.00	6,400.00	390.00	6,240.00	850.00	13,600.00	1,028.10	16,449.60
2. 12" DIA PVC SWR PIPE, 5'-15' LONG, <8' DEEP	83	Foot	350.00	29,050.00	335.00	27,805.00	800.00	66,400.00	762.45	63,283.35
3. 12" DIA PVC SWR PIPE, 5'-15' LONG, 8'-12- DEE	39	Foot	400.00	15,600.00	375.00	14,625.00	850.00	33,150.00	928.60	36,215.40
4. 15" DIA PVC SWR PIPE, 5'-15' LONG, 8'-12- DEE	55	Foot	425.00	23,375.00	335.00	18,425.00	900.00	49,500.00	737.95	40,587.25
5. 15" DIA PVC SWR PIPE, 26' LONG, 8'-12- DEEP	26	Foot	425.00	11,050.00	290.00	7,540.00	750.00	19,500.00	386.80	10,056.80
6. ADD'L 8" DIA PVC SEWER REPLACEMENT	15	Foot	150.00	2,250.00	5.00	75.00	150.00	2,250.00	744.05	11,160.75
7. ADD'L 12" DIA PVC SEWER REPLACEMENT	55	Foot	150.00	8,250.00	5.00	275.00	175.00	9,625.00	584.25	32,133.75
8. ADD'L 15" DIA PVC SEWER REPLACEMENT	30	Foot	150.00	4,500.00	5.00	150.00	200.00	6,000.00	463.10	13,893.00
9. 8"X6" PVC SEWER SERVICE CONNECTION	2	Each	450.00	900.00	350.00	700.00	575.00	1,150.00	372.00	744.00
10. 12"X6" PVC SEWER SERVICE CONNECTION	17	Each	550.00	9,350.00	450.00	7,650.00	650.00	11,050.00	609.00	10,353.00
11. 15"X6" SEWER SERVICE CONNECTION	13	Each	750.00	9,750.00	550.00	7,150.00	675.00	8,775.00	1,188.00	15,444.00
12. SEWER SERV LATERAL REPAIR, 6" PVC	100	Foot	15.00	1,500.00	5.00	500.00	20.00	2,000.00	37.10	3,710.00
13. TRENCH BACKFILL	400	CuYd	20.00	8,000.00	5.00	2,000.00	40.00	16,000.00	75.20	30,080.00
14. TRAFFIC CONTROL AND PROTECTION	7,000.00	1 L.S.	7,000.00	7,000.00	24,585.00	24,585.00	50,000.00	50,000.00	17,864.10	17,864.10
15. TELEVISED SEWER INSPECTION	4,500	Foot	3.00	13,500.00	1.50	6,750.00	5.00	22,500.00	6.40	28,800.00
TOTAL AMOUNT OF BID				\$ 150,475.00		\$ 124,470.00		\$ 311,500.00		\$ 330,775.00

Village Board Agenda Memo

Date: 03/03/15

To: President and Board of Trustees

From: Brendan McLaughlin, Public Works Director *BJM*
Julia Cedillo, Village Manager *JCE*

RE: Street Pavement Mill and Overlay – Cleveland Avenue (26th to 30th)

PURPOSE: Staff is seeking the Board’s consent to go out to bid for a mill and asphalt overlay project for Cleveland Avenue from 26th Street to 30th Street, prior to the approval of the FY15/16 budget.

GENERAL BACKGROUND:

Cleveland Avenue is the top ranked local street needing resurfacing. Cleveland Avenue has deteriorated to a point where Public Works Crews are limited in what can economically be done to extend the life of this street.

The proposed FY15/16 budget includes \$319,800 for the project.

	Construction	Engineering	TOTAL
Capital Fund	\$229,400	\$36,704	\$266,104
Sewer Fund	<u>46,290</u>	<u>7,406</u>	<u>53,696</u>
	\$275,690	\$44,110	\$319,800

By bidding this project now, bids can be opened on April 8th and a contract awarded at the April 14th Work Session. Staff will be pushing to get the work started in early May.

STAFF RECOMMENDATION:

Staff is looking for the Board’s consent to move forward with the bidding process for this project, ahead of the formal approval of the FY15/16 budget.

MOTION/ACTION REQUESTED:

Village Board consensus to have Staff move forward with the bidding process for resurfacing Cleveland Avenue from 26th to 30th.

Finance Committee

Patricia Rocco, Chairwoman

Scott Mesick

James Kucera

Village Board Agenda Memo

Date: March 3, 2015

To: Finance Committee Chair Patricia Rocco
President Discipio and Board of Trustees

From: Larry Noller, Finance Director 
Julia Cedillo, Village Manager 

Re: Village Water Rate

PURPOSE

To approve an ordinance adjusting the Village's water rate effective May 1, 2015. The rate increase is necessary to offset the increase of the cost to purchase water from the Brookfield North Riverside Water Commission and to provide for the operation and maintenance of the Village's water system.

BACKGROUND

The Village purchases its Lake Michigan water supply from the Brookfield North Riverside Water Commission (BNRWC). The BNRWC approved a 12.8% increase in the rate charged to their customers from \$4.29 per 1,000 gallons to \$4.84 per 1,000 gallons, effective January 1, 2015. The BNRWC rate adjustment was in response to a 15% increase from their supplier of Lake Michigan water, the City of Chicago. The new BNRWC rate also includes an increase for operating costs. The Village has been paying the new rate on water purchased from the BNRWC since January.

This year is the last of the planned double digit rate increases included as part of the City of Chicago's 2012 Budget, as listed below:

25% effective January 1, 2012
15% effective January 1, 2013
15% effective January 1, 2014
15% effective January 1, 2015
Annual increases according to CPI, 2016 and on

It should be noted that in 2012, the West Central Municipal Conference (WCMC), of which the Village is one of 38 member communities, established a Regional Water Rate Task Force in response to the water rate increases imposed by the City of Chicago. The Task Force met with the City of Chicago, requesting additional information as to why these increases are necessary. The Task Force also requested that the rates be rolled back to 2011 levels until more detailed information about system improvements become available, but the request was denied. The Task Force joined with state legislators in crafting legislation aimed at establishing the Water Rate Protection Act to regulate the rates imposed by the City Chicago. The Act was introduced last year by State Senator Steve Landek and State Representative Chris Welch, each of whom represents La Grange Park. Representative Welch recently re-introduced the Act as HB 1556.

STAFF RECOMMENDATION

Village staff has examined the impact of the BNRWC rate increase on the financial condition of the Water Fund. Based on the BNRWC increase and the operation and capital demands on the fund it is recommended that the Village Board approve an adjustment to the Village's water rate from \$6.47 per 100 cubic feet to \$6.99 per 100 cubic feet. This equates to an 8.0% increase, of which 7.7% is attributable to the cost of water and 0.3% is attributable to other costs related to the operations and maintenance of the Village's water system.

Without a rate increase, the Water Fund will draw down cash reserves to fund the operation and maintenance of the Village's water system over the next year. Utilizing cash reserves will require larger rate increases in the future to support necessary capital projects, including the continued replacement of water mains along La Grange Road. There are currently over \$2.85 million in water system improvements in the Five Year Plan.

The table below lists the 10 year history of water rate increases approved by the Board.

Approved	Effective Date	Rate per 100 cu. ft.	% Increase
1/25/2005	2/1/2005	\$3.83	4.1%
2/28/2006	3/1/2006	\$3.90	1.8%
2/26/2008	5/1/2008	\$4.30	10.3%
2/24/2009	5/1/2009	\$4.73	10.0%
3/23/2010	5/1/2010	\$4.96	5.0%
2/28/2012	3/1/2012	\$5.58	12.5%
3/26/2013	5/1/2013	\$5.99	7.3%
3/25/2014	5/1/2014	\$6.47	8.0%
Proposed	5/1/2015	\$6.99	8.0%

For a typical family of four using 2400 cubic feet of water per quarter, the quarterly water bill will increase \$12.44 from \$155.28 to \$167.72. The minimum quarterly water bill based on 600 cubic feet will increase \$3.11 from \$38.82 to \$41.93.

ACTION REQUESTED

Approve the attached ordinance at the March 24, 2015 Village Board meeting.

Motion to approve "An Ordinance Amending Chapter 51, Section 51.43 of the Village of La Grange Park Municipal Code Establishing Water Rates."

DOCUMENTATION

- Ordinance Amending Chapter 51, Section 51.43 of the Village of La Grange Park Municipal Code Establishing Water Rates
- 2015 water rate notice from the Brookfield-North Riverside Water Commission.

ORDINANCE NO. ____

**AN ORDINANCE AMENDING CHAPTER 51,
SECTION 51.43 OF THE VILLAGE OF LA GRANGE
PARK MUNICIPAL CODE ESTABLISHING WATER RATES**

WHEREAS, the Village of La Grange Park operates and maintains a municipal water system to provide potable water to all water users connected to said municipal water system; and

WHEREAS, the Village of La Grange Park purchases its total supply of potable water from the Brookfield North Riverside Water Commission pursuant to a long term supply contract; and

WHEREAS, the Brookfield North Riverside Water Commission has imposed new and higher rates to the Village of La Grange Park for the purchase of potable water; and

WHEREAS, the President and Board of Trustees, after reviewing the circumstances and ramifications of the water rate increase imposed by the Brookfield North Riverside Water Commission, have determined that it is in the best interests of the Village to increase the rates charged to customers of the Village of La Grange Park water system;

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

SECTION 1: That Section 51.43 of Chapter 51 of the Village of La Grange Park Municipal Code is repealed and the following Section 51.43 is substituted therefor:

Section 51.43 Rates Established.

The water rate which shall be paid by every person using the Village water supply shall be as follows:

(a) Six dollars and ninety nine cents (\$6.99) for each one hundred (100) cubic feet of water if the payment is received by the due date printed on the bill.

(b) Seven dollars and sixty nine cents (\$7.69) for each one hundred (100) cubic feet of water if the payment is received after the due date printed on the bill.

(c) A minimum bill shall be calculated on the basis of six hundred (600) cubic feet for those persons using less than 600 cubic feet of water during the billing period.

(d) The above rates are to be effective May 1, 2015.

SECTION 2: All ordinances of this Village in conflict herewith are hereby repealed.

SECTION 3: This ordinance shall be in full force and effect after its passage, approval and publication as required by law.

APPROVED by the President and Board of Trustees of the Village of La Grange Park, Cook County, Illinois this 24th day of March, 2015.

Dr. James L. Discipio
Village President

ATTEST:

Amanda Seidel
Village Clerk

APPROVED AS TO FORM - VILLAGE ATTORNEY

DEC 11 2014

BROOKFIELD-NORTH RIVERSIDE WATER COMMISSION

8636 Brookfield Avenue
Phone: (708) 485-4244

Brookfield, Illinois 60513
FAX: (708) 485-9321

Jean M. DiMonte, Treasurer
Janice J. Decosola, Clerk
John T. O'Connell, Attorney
Robert F. Novotny, Superintendent



COMMISSIONERS
Edward J. Durec, Chairman
David B. Wilken, Commissioner
Mark Lucas, Commissioner

December 11, 2015

Village of LaGrange Park
447 North Catherine Avenue
LaGrange Park, IL. 60525-2099

Re: 2015 Water Rates

Dear Customer:

The City of Chicago has notified the Brookfield North Riverside Water Commission that it has enacted a 15% water rate increase of \$0.50 over the 2014 rate of \$3.31. The new Chicago water rate is \$3.81 per thousand gallons effective January 1, 2013. This is the rate that the Brookfield North Riverside Water Commission pays the City of Chicago per thousand gallons purchased. This rate increase is the final one associated with the City of Chicago Improvements schedule. We do not have knowledge of any additional rate increases the City may be looking at in 2016 at this time.

The Brookfield North Riverside Water Commission operates five (5) pumping stations and over 9 miles of water mains to deliver water to their customer base. The 2013 cost of operating these facilities was \$0.98 per thousand gallons. At this time the Water Commission will be increasing their operating fees by \$0.05 to \$1.03, over the above 2015 Chicago Rate, to cover increasing costs of new construction projects, electricity, repairs, upgrades, chemicals, salaries and general operating expenses. Therefore the new water rate for 2015 will increase from the old rate of \$4.29 per thousand to \$4.84 per thousand gallons. This will be reflected on your February water bill for water used in January 2015.

Sincerely,


Robert F. Novotny
Water Superintendent

President's Report

Village Board Agenda Memo

Date: March 4, 2015
To: Village Board of Trustees
From: James L. Discipio, Village President
RE: **Local Government Distributive Fund (LGDF)**

Governor Rauner's recent Budget Address proposed that the Local Government Distributive Fund (LGDF) revenue be reduced by 50 percent as a measure to help reduce the massive state budget deficit. The Village urges the Governor and the General Assembly to prioritize the protection of local government revenues that are collected by the State of Illinois. We depend on this revenue for public safety, infrastructure, and other municipal services. The state is faced with increasing pension obligations and a budget deficit that has been allowed to grow over several years while local governments have been reducing their budgets and making cuts to align spending with lower revenue projections.

The LGDF is not a subsidy to local governments from the state; it is the local share of income tax collected. The state income tax was imposed more than 40 years ago with the agreement that local municipalities would share in the revenue. Up until January of 2011, municipalities received 10% of total income tax collected. In 2011, the state increased the income tax rate – but cut municipalities out of any additional revenue received. As a consequence, none of the additional money paid as a result of the increase came back to our communities. Today, municipalities receive just 9% of the total income tax collected, a full percentage point less than what was prescribed in the legislation that created this shared tax. For the Village of La Grange Park, this 9% translates to an estimated \$1.3 million or about 16% of all revenues collected in our General Fund. Clearly, if the state legislature votes to take away 50% of our share of the income tax, Village services would be devastated – and very different than what we have now.

In the post-recession years, the Village experienced a sharp decline in revenue, including the LGDF. The declining revenues forced the Village to make tough budgetary decisions, cutting programs, capital projects, and not filling vacant positions. Today, our lean organization is even leaner. The Village of La Grange Park simply cannot tolerate any seizure of this revenue as we depend on it to provide critical services such as public safety and infrastructure improvements.

The Village opposes any reduction of the LGDF because we know that it will have devastating impacts to municipalities throughout our state. As a fiscally conservative non-home rule community, La Grange Park would be particularly impacted. We already run a cost effective organization where a full array of services are provided by a lean staff, which include a very dedicated volunteer paid-on-call fire department.

For this reason, the Village is actively reaching out to our legislators and we will continue to do so in the coming months. We encourage our residents (and Illinois residents everywhere) to make their voice heard on this issue. Any cut to the LGDF will impact the quality of life for residents. As such, I am proposing that the Village pass the attached Resolution, a copy of which will be sent to our legislators, in the furtherance of voicing our concerns on this critical issue.

MOTION / ACTION REQUESTED (for March 24, 2015):

Discussion and Action Requested: Motion To Approve a Resolution Opposing Reduction Of State Collected Revenues Due Municipalities.

RESOLUTION NO. _____

**RESOLUTION OPPOSING REDUCTION OF STATE COLLECTED
REVENUES DUE MUNICIPALITIES**

WHEREAS all Illinois municipalities provide direct frontline services to their citizens; and

WHEREAS these services have an immediate and fundamental reality to those citizens who depend on local police and fire protection, water and sewer service, snow removal, roads and traffic safety; and

WHEREAS local citizens pay income taxes to the State for both the State budget and local municipal budgets and the revenue is collected by the State; and

WHEREAS since the inception of the State income tax in 1969, municipalities have received, relied upon and provided services with those revenues to their local taxpaying citizens; and

WHEREAS the fiscal reality is that municipalities have already experienced less income tax revenues from the State; and

WHEREAS the 2011 Temporary Income Tax Increase (PA 96-1496) provided new revenues all of which went to the State budget – NONE OF THE INCREASE WAS RECEIVED BY CITIES – costing over \$2.7 billion in lost revenues for local governments; and

WHEREAS the State, through its Legislature and Governor, is contemplating further reductions to municipal revenues;

WHEREAS the Governor's February 2015 Budget Address proposed an additional 50% reduction of State-collected income tax from cities and counties, which would reduce revenues by \$50.00 per capita, resulting in an annual loss of \$679,000 for La Grange Park; and

NOW THEREFORE BE IT RESOLVED that the Village of La Grange Park cannot preserve basic services with this tremendous loss of income tax revenues. Losing any state-collected local government revenue would affect the Village's ability to fund priorities like public safety, social services, and basic infrastructure.

BE IT FURTHER RESOLVED that the Village strongly opposes further reduction in state collected revenues and demands that the General Assembly and Governor take NO FURTHER ACTION TO FINANCIALLY RUIN MUNICIPALITIES.

ADOPTED BY THE PRESIDENT AND THE BOARD OF TRUSTEES of the Village of La Grange Park, Cook County, Illinois this 24th day of March 2015.

YES:

NOS:

ABSENT:

Approved this 24th day of March 2015.

Dr. James L. Discipio, Village President

ATTEST:

Amanda Seidel, Village Clerk

LGDF REVENUE DRIVES VALUE FOR LOCAL TAXPAYERS

LGDF IS A SUCCESSFUL STATE-LOCAL FUNDING PARTNERSHIP

The Local Government Distributive Fund (LGDF) is a state fund into which a portion of state income tax revenue is deposited annually. Cities and counties currently receive 8% of total state income tax revenues through this fund.

LGDF SUPPORTS CORE SERVICES AND HELPS KEEP LOCAL TAXES LOW

Since 1969, Illinois municipalities have partnered with the State to fund core municipal services such as police, fire, roads, sidewalks, planning and zoning, public safety, water and sewer, public works, and snowplowing. This funding partnership is made possible by revenue from the Local Government Distributive Fund (LGDF).



In addition to funding core everyday services to Illinois citizens, LGDF distributions play a role in keeping the local tax burden low. Without LGDF, communities across Illinois would need to explore increases to local taxes. This includes property taxes. It is widely believed that Illinois has a high property tax burden and this would undoubtedly be worsened if LGDF funds were reduced or eliminated.

LGDF FUNDING HAS ALREADY BEEN REDUCED

Until January of 2011, 10% of total income tax collections were deposited into LGDF for distribution to cities and counties. Distributions occur on a per capita basis. The percentage share of state income tax revenue was reduced from 10% to 6% following the enactment of the temporary income tax increase in 2011. The percentage was decreased because the state opted to keep the entirety of the new increased revenues for itself. When the income tax rates declined in January 2015, the LGDF share increased to 8% of total collections. In the absence of any statutory changes, this percentage will remain the same until 2025 when it will return to approximately 10% of total state income tax collections.



LGDF PROVIDES OUTSTANDING VALUE FOR ILLINOIS TAXPAYERS

Illinois collected approximately \$20.8 billion in state income tax revenue during Municipal Fiscal Year 2014. The amount of revenue deposited into LGDF for this period was only \$1.25 billion.

Good management and efficiency at the local level make LGDF dollars the best return on investment that taxpayers will ever get... and it's a direct return of their dollars to their community.

Illinois cities have managed their LGDF revenue responsibly over the years while receiving just a small portion of state income tax collections. Illinois cities will continue to balance their budgets and fund core municipal services while receiving 8 cents of each state income tax dollar during the upcoming municipal fiscal year. Despite receiving 92 cents of each income tax dollar, the State will continue to be mired in debt and unable to pay its bills in a timely manner for the foreseeable future.

This record of excellent fiscal stewardship by municipal governments, encouraged by accountability to local voters, is a compelling argument to drive additional value for taxpayers by maintaining, and even increasing the municipal share of LGDF revenue.

Additional LGDF revenues could be used to help offset the growing costs incurred from unfunded state mandates, the most notable of which includes paying for pension benefits that were increased by the State.



Educate. Advocate. Empower.

Estimated State Shared Municipal Revenue MFY 2016 (MAY 2015 to APRIL 2016)

The *Estimating Revenue* article that ran in the *January Review* covered the estimated state shared revenue through MFY 2015. This brief article contains the MFY 2016 estimates. The MFY 2016 estimates are conservative in predicting a continued recovery. They also assume no policy/legislative changes to any of the underlying statutory language, which means no state reduction. The 2015 legislative session will focus on revenue issues, but I am not predicting an outcome.

TAX	MFY 2012 Actual	MFY 2013 Actual	MFY 2014 Actual	MFY 2015 11/14 Estimate	MFY 2016 02/15 Estimate
Income Tax (LGDF)	\$81.44	\$90.12	\$97.46	\$97.00	\$99.00
State Use Tax	\$14.71	\$15.92	\$17.06	\$18.50	\$19.40
Motor Fuel Tax	\$24.80	\$24.03	\$24.56	\$24.30	\$23.80
Total Per Capita	\$120.95	\$130.07	\$139.08	\$139.80	\$142.20

INCOME TAX (LGDF) ESTIMATE

For MFY 2016 (May 2015 through April 2016), IML estimates \$99.00 per capita. This estimate assumes 2.06% growth from our most recent MFY 2015 estimate of \$97.00 per capita.

1% LOCAL SHARE OF ILLINOIS USE TAX ESTIMATE

For MFY 2016 (May 2015 through April 2016), IML estimates \$19.40 per capita. This estimate assumes 4.86% growth from our most recent MFY 2015 estimate of \$18.50 per capita.

MUNICIPAL SHARE OF ILLINOIS MOTOR FUEL TAX ESTIMATE

For MFY 2016 (May 2015 through April 2016), IML estimates \$23.80 per capita. This estimate assumes a 2.06% decline from our most recent MFY 2015 estimate of \$24.30 per capita.

CORPORATE PERSONAL PROPERTY REPLACEMENT TAX (CPPRT) ESTIMATE

For MFY 2016 (May 2015 through April 2016), IML estimates no change from our most recent MFY 2015 estimate of \$1.38 billion.

UNACCEPTABLE

For every dollar paid by an Illinois taxpayer in income tax, the State receives \$0.92 while cities and local municipal services get \$0.08. This reduction (from \$0.10 to \$0.08) has created tough times since 2008 and local municipal leaders have cut back, sacrificed, and still barely managed to balance their budgets each year as required by law. Meanwhile, the State has reaped the full benefit of the income tax increase while local municipal budgets continue to suffer. Taking more local dollars is unacceptable and bad public policy.



Items of Interest

VILLAGE OF LA GRANGE PARK
La Grange Park Village Hall, 447 N. Catherine Ave., La Grange Park, Illinois

Wednesday, April 29th

WCMC Legislative Drive-Down
Springfield (dinner @ 7:00 pm)

2015 MEETINGS REMINDER

March 24, 2015	Village Board Meeting	7:30 p.m.	Village Hall
April 14, 2015	Work Session Meeting	7:30 p.m.	Village Hall
April 28, 2015	Village Board Meeting	7:30 p.m.	Village Hall
May 12, 2015	Work Session Meeting	7:30 p.m.	Village Hall
May 26, 2015	Village Board Meeting	7:30 p.m.	Village Hall
June 9, 2015	Work Session Meeting	7:30 p.m.	Village Hall
June 23, 2015	Village Board Meeting	7:30 p.m.	Village Hall
July 14, 2015	Work Session Meeting	7:30 p.m.	Village Hall
July 28, 2015	Village Board Meeting	7:30 p.m.	Village Hall
August 11, 2015	Work Session Meeting	7:30 p.m.	Village Hall
August 25, 2015	Village Board Meeting	7:30 p.m.	Village Hall
September 8, 2015	Work Session Meeting	7:30 p.m.	Village Hall
September 22, 2015	Village Board Meeting	7:30 p.m.	Village Hall
October 13, 2015	Work Session Meeting	7:30 p.m.	Village Hall
October 27, 2015	Village Board Meeting	7:30 p.m.	Village Hall
November 10, 2015	Work Session Meeting	7:30 p.m.	Village Hall
November 24, 2015	Village Board Meeting	7:30 p.m.	Village Hall
December 8, 2015	Work Session Meeting	7:30 p.m.	Village Hall