

**VILLAGE OF LINCOLNWOOD  
PRESIDENT AND BOARD OF TRUSTEES  
COMMITTEE OF THE WHOLE MEETING  
VILLAGE HALL COUNCIL CHAMBERS  
APRIL 5, 2016**

**Call to Order**

President Turry called the Committee of the Whole meeting of the Lincolnwood Board of Trustees to order at 6:30 PM, Tuesday, April 5, 2016 in the Council Chambers of the Municipal Complex, 6900 North Lincoln Avenue, Village of Lincolnwood, County of Cook and State of Illinois.

**Roll Call**

On roll call by Village Clerk Beryl Herman the following were:

PRESENT: President Turry, Trustees Bass, Cope, Elster, Klatzco, Patel, Spino

ABSENT: None

A quorum was present. Also present: Timothy Wiberg, Village Manager; Douglas Petroschius, Assistant Village manager; Amanda Pazdan, Management Analyst; Robert Merkel, Finance Director; Charles Greenstein, Village Treasurer; Robert LaMantia, Police Chief; Charles Meyer, Assistant to the Village Manager.

**Approval of Minutes**

Minutes of the March 15, 2016 Committee of the Whole meeting were distributed in advance of the meeting and were examined. Trustee Cope moved to approve the minutes. Trustee Patel seconded the motion. The motion was approved by Voice Vote.

**Regular Business**

**1. Discussion Concerning the Proposed Fiscal Year 2016/17 Budget**

This item was presented by Finance Director Merkel with use of Power Point.

**Budget Preparation Process**

\*Budget team (Mr. Wiberg, Mr. Merkel and Mr. Petroschius). Finance Committee (Trustees Klatzco, Cope and Elster).

\*Budget team met with each Department Head to approve budget submissions and propose department goals.

\*Budget Workshop held on February 18

\*Village Finance Committee met on March 2 to discuss the budget in detail

\*Public Meeting held on April 5

\*Formal Village Board consideration on April 19

\*Financial Policies adhered to

\*Village Board's Updated Vision 2015 Plan formed the foundation for the entire process

The Following items were presented:

\*Total Budgeted Revenue – All Funds \$34,492,503

\*Total Sales Tax Revenue at \$7,665,163 – This figure has remained level in recent years

\*Total Budgeted Expenditures – All Funds \$34,459,588

General Fund Budget Highlights and Issues

\*Property tax increase limited to less than 1% (property taxes include TIF surplus distribution)

\*20% reduction in Village's share of State income tax revenue due to budget stalemate in Springfield (\$260,000)

\*Budget includes capital expenditure for final payment on fire truck purchase

\*Budget includes normal capital expenditures for vehicle replacements

\*Budget is balanced with utilization of excess fund balance reserves

	<u>General Fund Budget</u>		
	Adopted Budget FY2016	Projected Actual FY2016	Proposed Budget FY2017
Revenues	\$20,703,735	\$20,198,906	\$20,442,803
Expenditures	20,404,689	19,681,720	20,035,310
Surplus (Deficit)	389,046	517,186	407,493
Transfers – Net	(662,255)	(303,905)	(927,500)
Net Change to Fund Balance	(273,179)	213,281	(520,007)

Personnel – Budget Related Issues

\*Cost of living adjustment for non-union positions – 2%

\*Merit for non-union positions will remain capped at 2%

\*Union contract adjustments:

- Police – 2.5%
- Public Works – 2%
- Communications Operators – in negotiation

Proposed FY2017 G.F. Transfer Activity

\*Transfers into General Fund:

• Water Fund	<u>Amount</u>
	\$200,000
• NEID TIF	<u>\$130,000</u>
	\$320,000

\*Transfers Out of General Fund:

• PEP Fund	<u>Amount</u>
	\$ 50,000
• Debt Service (fire truck loan payment)	\$ 12,500
• Lincoln Avenue Median	\$ 550,000
• Com Ed Bike Path	\$ 300,000
• E-911 Fund	\$ 320,000
• Private Sewer Line Assistance Fund	<u>\$ 25,000</u>
	\$1,257,500

\*Net Transfers \$(927,500)

Other Funds – Significant Expenditure Issues

\*Transportation Improvement Fund

- Street light replacement – Touhy Avenue,( Cicero to Karlov) \$785,000
- Third payment to Cook County for Crawford Ave Street lights \$202,403

\*NEID TIF Fund

- Parking Lot Construction \$ 850,000
- Construction of bike path (Village portion of grant) \$ 240,000
- Transfer to Devon/Lincoln TIF \$1,100,000
- Debt payments on GO bonds \$ 312,150

\*Lincoln/Touhy TIF Fund

\$ 175,775

\*Devon/Lincoln TIF Fund

- Streetscape Devon Avenue \$ 325,000
- Lincoln Avenue Medians \$ 194,225

\*Lincoln Avenue Median Fund

\$ 550,000

\*Motor Fuel Tax Fund

- Street light Replacement \$ 500,000
- Pratt Avenue Resurfacing \$ 251,500  
(Village's 30% local grant match)

\*Com Ed Bike Path

- Construction of bike path (Village portion only) \$ 302,000
- Engineering – Bike path and overpass \$ 289,000

\*PEP Fund

- Village economic assistance to businesses to improve their property facades  
Budgeted two matching grants at \$ 25,000

\*Private Sewer Line Assistance Fund

- Assistance to residents to replace sewer lines damaged by tree roots on Village parkway

Budgeted \$25,000 - \$2,000 maximum per household – assistance to residents to install overhead Sewers would also apply - \$2,000 per household

Water and Sewer Fund Expenditure Overview

\*Debt Service Payments \$682,273

\*Stormwater Management Pilot Program \$654,700

Engineering for Alternate Water Supplier \$125,000

FY2017 Capital Improvements – Significant Programs

Project	Total Cost	Grant	General Fund Cost	Other Fund Cost
Streetscape Devon Ave	\$325,000	\$0	\$0	\$325,000
Bike Path Construction	\$1,200,000	\$960,000	\$0	\$240,000
Com ED Row Bike Path Construction	\$1,000,000	\$800,000	\$200,000	\$0
Streetlight Replacement Touhy Ave	\$1,200,000	\$0	\$0	\$1,200,000
Parking Lot Construction	\$850,000	\$0	\$0	\$850,000
Pratt Avenue Resurfacing	\$ 838,000	\$586,000	\$0	\$251,500
Lincoln Ave Medians	\$920,000	\$0	\$550,000	\$370,000
Water Fund Pilot Area Storm Water Project	\$654,700	\$0	\$0	\$ 654,700
<b>Totals</b>	<b>\$6,987,7000</b>	<b>\$2,346,500</b>	<b>\$ 750,000</b>	<b>\$3,891,200</b>

The Budget, beginning May 1, 2016 will be brought to the April 19, 2016 Village Board Meeting for approval

## 2. Discussion Concerning a Proposed Tax on Public Storage Facilities

This item was presented by Mr. Petroschius using PowerPoint.

### Potential New Revenue: Self-Storage Tax

\*Previously discussed at 2016 Budget Workshop and Finance Committee

Three facilities in the Village, all on retail corridors

- Do not generate sales tax

\*Tax would be paid by renter/lessee

\*An average of 28 police calls per year has been generated over the past eight years

### Other Communities

<u>Municipality</u>	<u>Storage Tax Structure</u>	<u>Number of Facilities</u>
Morton Grove	Tax of 5% on Gross Rental or Lease	3
North Chicago	Tax of 5% on Gross Rental or Lease	2
River Grove	License Fee of \$0.01 for each square foot Of rental space in the facility	3

### Possible Storage Tax Structures

\*Village Attorney – Cannot base tax on amount charged (i.e. Gros Rental or Lease)

- State Law

\*Alternatives

A flat tax based on the number of storage units

- Example: Flat Tax of \$5.00 per month regardless of size of storage unit
- Staff estimates there are 2,000 storage units of varying sizes within three self-storage Locations

If a \$5.00 monthly tax was imposed, the Village could expect to receive \$120,000 annually

\*A progressive tax based on a square foot basis

- Example: \$1.00 per square foot per year (\$0.83/month)
- Renter/lessee of a 10x10 unit (100 square feet) would pay an additional \$100.00 per year
  - Staff estimates 235,147 square feet of potential storage space
    - Includes walkways, offices, bathrooms
    - Actual square footage of storage space difficult to estimate
  - \$235,147 annually (assumes 100% occupancy)

Discussion and questions ensued with clarification by Mr. Petroschius and Mr. Wiberg.

Some items discussed included the need for a moratorium on storage units (3 is enough in the community), the possible dependence of our budget on this tax (not in any way), should we defer this for six months (possible). It was suggested that this item be brought to a future Committee of the Whole for further discussion.

**Adjournment**

At 7:30 PM Trustee Patel moved to adjourn Committee of the Whole, seconded by Trustee Cope.

The motion passed with a Voice Vote

Respectfully Submitted,

A handwritten signature in cursive script that reads "Beryl Herman".

Beryl Herman  
Village Clerk