

Willowbrook

835 Midway Drive
Willowbrook, IL 60527-5549

Phone: (630) 323-8215 Fax: (630) 323-0787 www.willowbrookil.org

AGENDA

REGULAR MEETING OF THE FINANCE AND ADMINISTRATION
COMMITTEE OF THE VILLAGE OF WILLOWBROOK TO BE HELD ON
MONDAY, NOVEMBER 11, 2019, AT 5:30 P.M. AT THE VILLAGE HALL, 835
MIDWAY DRIVE, IN THE VILLAGE OF WILLOWBROOK, DUPAGE COUNTY,
ILLINOIS.

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF MINUTES:
 - a. October 14, 2019 Regular Meeting of the Finance & Administration Committee
4. DISCUSSION – Self Storage Facility Accommodation Tax
5. DISCUSSION – Hotel/Motel Tax Fund
6. DISCUSSION – Adult Use Recreational Cannabis Tax
7. DISCUSSION – Managed Information Technology (IT) Services
8. REPORT – Monthly Disbursement Reports – October 2019
9. REPORT – Sales Tax, Business District Sales Tax, Income Tax, Utility Tax, Places of Eating Tax, Fines, Red Light Fines, Building Permits, Water Revenues, Hotel/Motel Tax and Motor Fuel Tax
10. DISCUSSION – Revenue Assumptions for FY 2020/21 Budget
11. VISITOR'S BUSINESS
12. COMMUNICATIONS
13. ADJOURNMENT

Mayor

Frank A. Trilla

Village Clerk

Leroy R. Hansen

Village Trustees

Sue Berglund

Umberto Davi

Terrence Kelly

Michael Mistele

Gayle Neal

Paul Oggerino

Village Administrator

Brian Pabst

Chief of Police

Robert Schaller

Director of Finance

Carrie Dittman



Proud Member of the
Illinois Route 66 Scenic Byway

MINUTES OF THE REGULAR MEETING OF THE FINANCE AND ADMINISTRATION COMMITTEE OF THE VILLAGE OF WILLOWBROOK HELD ON MONDAY, OCTOBER 14, 2019 AT 5:30 P.M. AT THE VILLAGE HALL, 835 MIDWAY DRIVE, WILLOWBROOK, ILLINOIS.

1. CALL TO ORDER

The meeting was called to order by Chairwoman Berglund at 5:30 p.m.

2. ROLL CALL

Those present at roll call were Chairwoman Sue Berglund, Trustee Michael Mistele, and Director of Finance Carrie Dittman.

3. APPROVAL OF MINUTES

Minutes of the Regular Meeting of the Finance & Administration Committee held on Monday, September 9, 2019 were reviewed. Motion to approve made by Chairwoman Berglund, second by Trustee Mistele. Motion carried.

4. REPORT – Status of Annual Audit of the Village of Willowbrook for the Fiscal Year 2018-19

Director Dittman provided an update on the annual Village audit. BKD, LLP performed the audit of the Village's financial statements for the year ended April 30, 2019. A clean audit opinion is expected to be rendered and an audit presentation will be given at the October 28, 2019 board meeting. Director Dittman presented the highlights of each fund's financial performance, and commented that the General Fund ending unrestricted fund balance at 4/30/2019 is \$5,026,889 which represents about 212 days of reserves.

5. REPORT – Special Recreation Tax Levy

Director Dittman described the Special Recreation Tax Levy and the ADA expenditures that it supports. The current levy's tax impact on a \$300,000 home is about \$16.36. The 2019 levy is being recommended at \$72,750, which is a 2.24% decrease from the current levy. The impact on a \$300,000 home will be about \$15.26. The restricted funds that have accumulated are earmarked to fund park improvements at the CRC and other parks, and the detail of the expenditures is included in the agenda packet. The levy will be presented to the full board at the October 28 meeting, with adoption of the ordinance to occur in November.

6. DISCUSSION – Business License Fee Increase

Director Dittman noted that staff has been instructed to determine the impact of a fee increase to business licenses. Business license fees have not been increased in over 10 years even though staff costs to administer it have consistently increased. The annual revenue from business licenses, vending machines (excluding video gaming) and scavenger licenses is about \$80,777. A 10% increase would provide an additional \$8,078, 15% would be \$12,117 and 20% would be \$16,155. This comes from about 262 businesses (excluding liquor licenses). The committee members commented that this could be perceived as poor public relations and would not yield much revenue; ultimately, they were not in favor of the fee increase.

7. REPORT – Monthly Disbursement Reports – September 2019

The Committee reviewed and accepted the disbursement reports for the month and key items are highlighted below:

- Total cash outlay for all Village funds –fiscal Year to Date is \$5,999,411.
- Payroll monthly total for active employees including all funds - \$298,713 (2 payrolls). The average payroll for the year was \$158,262, which is a 3.16% increase from the prior fiscal year.
- Average daily outlay of cash for all Village funds for the current month: \$34,876. Daily average fiscal YTD: \$39,202. Average monthly cash outlay for all Village funds fiscal year to date (FYTD): \$1,199,882.
- Average daily expenditures for the General Fund only: \$22,574. Fiscal YTD average is \$25,750 which is a 0.94% increase from the prior year.

8. REPORT – Sales Tax, Business District Sales Tax, Income Tax, Utility Tax, Places of Eating Tax, Fines, Red Light Fines, Building Permits, Water Revenues, Hotel/Motel Tax and Motor Fuel Tax

The Committee reviewed and accepted the revenue trend reports for September and key items are highlighted below.

- Sales tax receipts - \$1,830,511 YTD up 10.22% from the prior year. Trending 12.4% over budget. The budget was increased this fiscal year by \$400,000.
- Business District sales tax receipts - Year to date is \$273,022, 44.51% above the prior year and 61.3% over budget. This represents collections of the 1.0% sales tax collected in the Village's new business district. The revenue comes from the Town Center plus Marshalls, Skechers & Pete's Fresh Market which have now opened and reported collections.
- Income Tax receipts - \$413,373 YTD up 17.93% compared to the prior year, 20.0% over budget. Director Dittman relayed that we budgeted for a continued 5% reduction in income taxes due to the state's reduction of 5%.
- Utility tax receipts - \$335,530 YTD down 6.65% from the prior year, 4.8% under budget, consisting of:
 - Telecomm tax - down 11.41%
 - Northern IL gas – down 1.65%
 - ComEd - down 6.3%
- Places of Eating Tax receipts - \$236,709 YTD up 7.31% compared to the prior year, trending 13.49% over budget.
- Fines - \$55,845 YTD up 2.76% compared with the prior year, 8.46% over budget. Fines come from County distributions and local fine tickets written by Village police officers. Director Dittman noted that we are now breaking fine revenue down by overweight fines, DUI fines, local fines and other fines collected by DuPage County.
- Red Light Fines – \$327,050 down 19.52% from the prior year receipts, trending 25.0% over budget. All three approaches are live.
- Building Permit receipts - \$165,826 YTD down 40% from the prior year, 54.71% over budget. Much of this is due to one-time, non-recurring projects that occurred this time last year, which has been excluded to arrive at the budgeted amount.
- Water sales receipts - \$1,433,812 YTD down 3.19% from the prior year, 0.09% above budget.

- Hotel/Motel Tax receipts - \$124,023 flat compared with the prior year. The revenue is trending at 2.5% higher than budget. Three of the four hotels are open and active.
- Motor Fuel Tax receipts - \$100,158 YTD, up 8.78% from the prior year, 8.8% above budget. September includes \$12,725 for the first distribution of the new Transportation Renewal Fund dollars. This is a portion of the \$0.19/gallon tax that was instituted by the state of Illinois beginning July 1, 2019.

9. VISITOR'S BUSINESS

There were no visitors present.

10. COMMUNICATIONS

There were no communications.

11. ADJOURNMENT

Motion to adjourn at 6:15 p.m. was made by Chairwoman Berglund, seconded by Trustee Mistele. Motion carried.

(Minutes transcribed by: Carrie Dittman)

FINANCE AND ADMISITRATION COMMITTEE MEETING

AGENDA ITEM SUMMARY SHEET

AGENDA ITEM DESCRIPTION

Discussion – Self Storage Facility Accommodation Tax

COMMITTEE REVIEW

- ☒ Finance/Administration
☐ Municipal Services
☐ Public Safety
☐ Law & Ordinances

Meeting Date:

November 11, 2019

- ☐ Discussion Only
☐ Seeking Feedback
☐ Regular Report
☒ Approval of Staff Recommendation (for consideration by Village Board at a later date)
☐ Approval of Staff Recommendation (for immediate consideration by Village Board)
☐ Report/documents requested by Committee

ITEM HISTORY (PREVIOUS VILLAGE BOARD REVIEWS, ACTIONS RELATED TO THIS ITEM, OTHER HISTORY)

In the 2019/2020 budget the Village Board approved a General Fund drawdown from Village reserves of \$1,722,288. The drawdown included items related to the crisis management situation, employee retirements, various capital improvement projects, and police pension increases. The Village held a Special board meeting on September 12, 2019 to review the current General Fund revenues and expenses, and staff highlighted the future year budgets including fixed debt payments, projections on sworn officers' salaries, health insurance, IMRF, police pension obligations and other expenses. Additionally, staff highlighted the items not included in the projections; such as salaries for non-union staff, capital projects, crisis management and IT related items. Based on these projections, staff estimates that the Village will drop below our Village Reserve Policy of 120 Days in the next Fiscal Year 2020/21 (Attachment #1). The Police Pension portion of these estimates is projected to increase 10% annually, from \$1,074,713 in 2021 to \$2,534,117 in 2030 (Attachment #2).

One item being considered to help close the Village's future fund balance deficit is the creation of a Self-Storage Accommodation Tax. Self-storage facilities are properties designed and used for the purpose of renting or leasing individual storage space to occupants who have access to such space for the purpose of storing and removing personal property. A Self-storage tax would be applied to the gross rental charge. The gross rental charge can be periodic; daily, monthly, quarterly, or yearly. An approved accommodation tax would be imposed upon the gross rental charge for the rental or leasing of any individual self-storage space within the Village. A sample of Morton Grove's self-storage facility accommodation tax return remittance form is attached as (Attachment #3).

Staff has researched some communities who have adopted a Self-Storage Accommodation Tax and the details are as follows:

Community	Number of Facilities	Tax Rate	Budget
Village of Harwood Heights	Two (2)	3%	\$42,000
Village of Norridge	One (1)	5%	\$20,000
Village of Morton Grove	Five (5)	5%	\$185,000
Village of Skokie	Seven (7)	5%	\$341,250 FY 2020 \$455,000 FY 2021

ITEM COMMENTARY (BACKGROUND, DISCUSSION, RECOMMENDATIONS, ETC.)

The Village of Willowbrook has two self-storage facilities currently operating, The Lock Up Self-Storage at 755 Plainfield Road and Public Storage at 801 Joliet Road. There are two additional self-storage facilities currently under construction, ROC Self-Storage on Quincy Drive and Beyond Self-Storage on Frontage Road, with an anticipated opening for both facilities in the fall 2020. Staff has construction plans for the Lock Up, Beyond Self-Storage and Roc Self-Storage but was unable to locate plans for the Public Storage Facility. Revenue estimates based on a 5% accommodation tax is as follows:

Facility	Gross Revenue – Full Capacity Estimate	5% Tax Rate Revenue	Estimated Revenue 2020	Estimated Revenue 2021	Estimated Revenue 2022
The Lock Up Building A	\$1,322,232	\$66,111	\$49,583 (25% vacancy)	\$49,583 (25% vacancy)	\$49,583 (25% vacancy)
The Lock Up Building B & C	\$133,968	\$6,698	\$5,023 (25% Vacancy)	\$5,023 (25% vacancy)	\$5,023 (25% vacancy)
Public Storage	\$65,976	\$18,298	\$13,724 (25% Vacancy)	\$13,724 (25% vacancy)	\$13,724 (25% vacancy)
Beyond Self-Storage	\$1,193,580	\$59,679	\$11,935 (80% vacancy)	\$29,839 (50% vacancy)	\$44,759 (25% vacancy)
ROC Self-Storage Bldg. A	\$778,452	\$38,922	\$7,784 (80% vacancy)	\$19,461 (50% vacancy)	\$29,191 (25% vacancy)
Roc Self-Storage Bldg. B.	\$265,848	\$13,292	\$2,658 (80% vacancy)	\$6,646 (50% vacancy)	\$9,969 (25% vacancy)
Yearly Estimate Totals			\$90,707	\$124,276	\$152,249

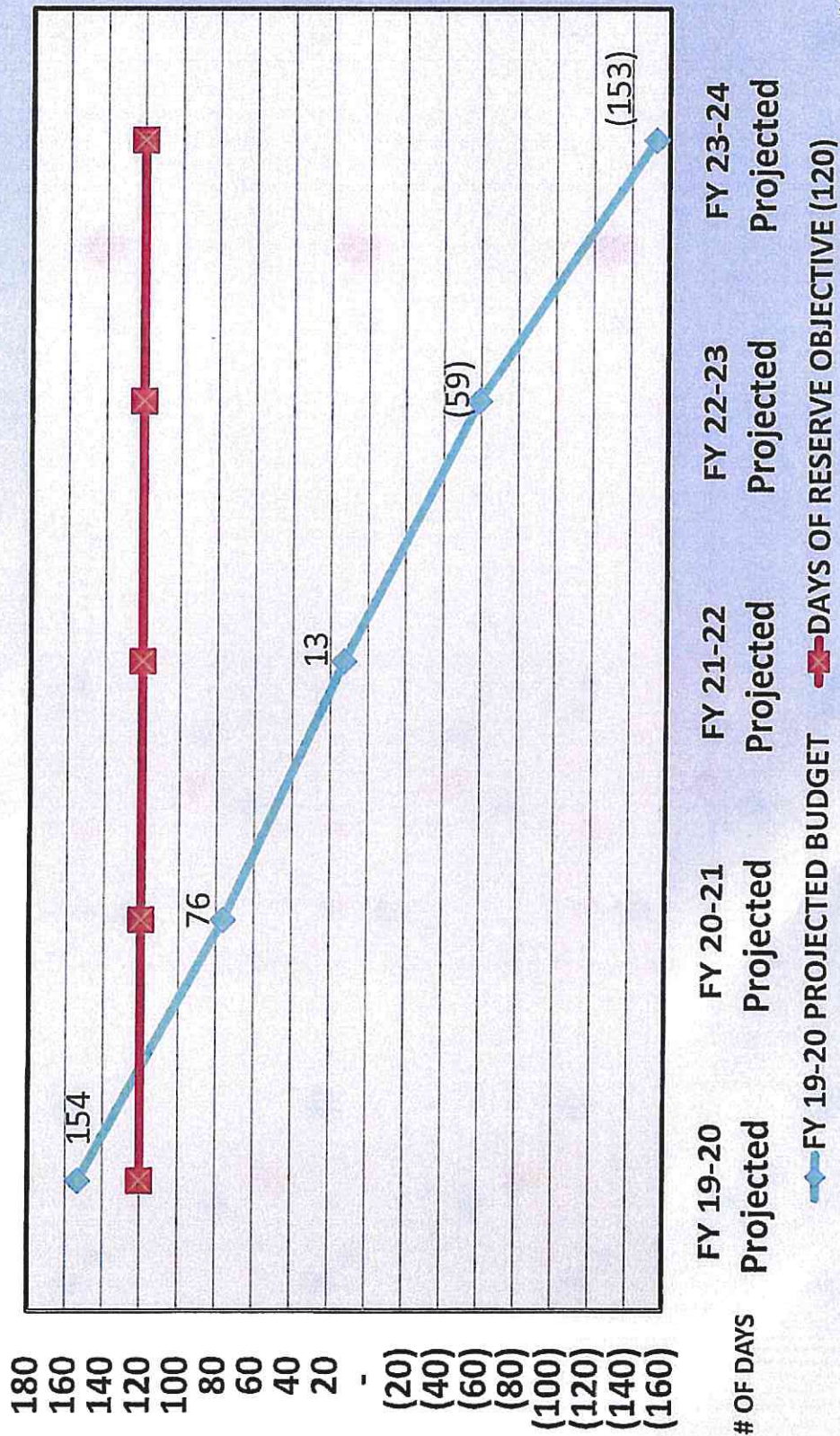
As a Home Rule community, this revenue source is an unrestricted tax. In addition, this tax has a limited impact on local residents since the majority of customers reside outside of Willowbrook. Staff is recommending that the Village consider a 5% local self-storage facility accommodation tax. Staff projects that the 5% accommodation tax would generate \$90,707 in calendar year 2020, \$124,276 in calendar year 2021 and \$152,259 in calendar year 2022. This additional revenue could be used to offset rising pension and other Village costs. Staff would recommend that the program start as of January 1, 2020 presuming the ordinance is passed by the Village Board on November 25, 2019.

Revenue projections for each facility is attached.

STAFF RECOMMENDATION

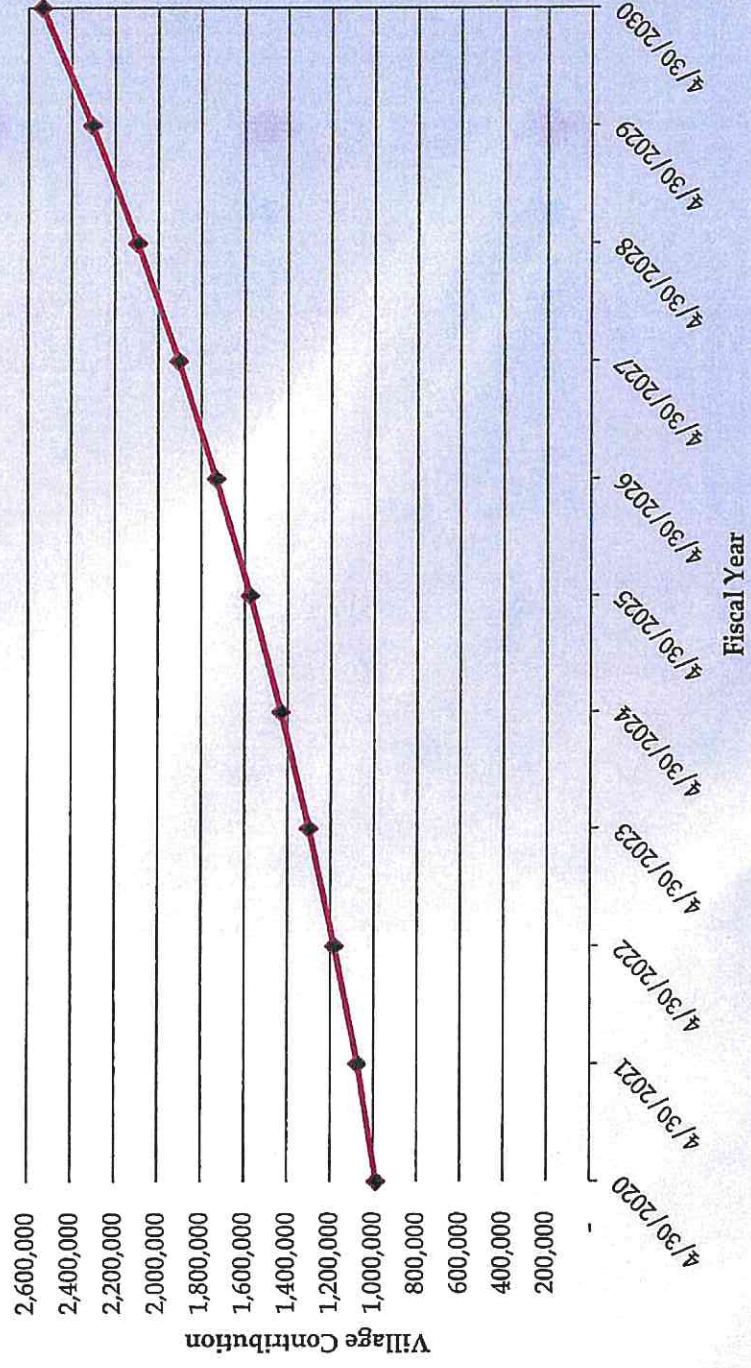
Recommended for formal Village Board consideration on November 25, 2019.

General Fund Balance Reserves - Next 5 Years Including Wage Increases, Capital & Contingency



Pension Costs: Police Pension Projected Next 10 Years

- Next year's contribution (FY 20/21) is \$1,074,713 per actuary = \$87,855 increase from FY 19/20, or 8.9%
- Subsequent Years = 10% annual increase assumed
- 4/30/2030 contribution = estimated \$2,534,117





Village of Morton Grove
**Self-Storage Facility Accommodation Tax Return
 Remittance Form**

Title 4, Chapter 17G of the Village of Morton Grove Municipal Code establishes a Self-Storage Facility Accommodations Tax. This return must be filed and all taxes due must be remitted no later than the 20th day of each month.

Month & Year
 Of Collection _____

Payee Name, Address & Telephone

Local Business Name, Address & Telephone

 Morton Grove, IL 60053
 (847) _____

IBT Number for this location
 (from Illinois DOR ST-1) _____

M. G. Business License No. _____

Step 1	Gross Monthly Rental or Lease Amount	\$ _____	(1)
Step 2	Calculate tax (Line 1 x 0.05*)	\$ _____	(2)
Step 3	Calculate late payment penalty(s), if any:		
	a) Late Payment Penalty (Line 2 x 0.05)	\$ _____	(3a)
	b) Interest Charge (Line 2 x 0.01 per month)	\$ _____	(3b)
	c) Late Filing Penalty (Line 2 x 0.05)	\$ _____	(3c)
Step 4	Subtotal of penalties (add Lines 3a to 3c)	\$ _____	(4)
Step 5	Total tax, interest & penalty due (add lines 2 and 3)	\$ _____	(5)

* The 2008 tax rate is 3%. The rate increases to 4% effective June 1, 2009 and 5% effective June 1, 2010.

Under penalties of perjury and other penalties provided by law, I declare that I have examined this return and to the best of my knowledge and belief it is true, correct and complete. I further declare that the information set forth is taken from the books and records of the business for which the return is filed.

Signature of Preparer _____ Date _____

Signature of Taxpayer _____ Date _____

Mail this completed return and payment check
 for the amount shown in Line (5) to:

Finance Department
 Village of Morton Grove
 6101 Capulina Avenue
 Morton Grove, IL 60053

If there are any questions please call (847) 965-4100. For additional forms, please visit www.mortongroveil.org.

The Lock Up - Building A

The Lockup Self Storage - Willowbrook

Bases on Arlington Heights Location

Size of Unit	Quantity	Monthly Rates - Estimated	Yearly Rate	Yearly Rate Unit Total	Self Storage Tax - 5%
3' x 10'	2	\$ 69.00	\$ 828.00	\$ 1,656.00	\$ 82.80
5' x 5'	126	\$ 47.00	\$ 564.00	\$ 71,064.00	\$ 3,553.20
4' x 10'	3	\$ 69.00	\$ 828.00	\$ 2,484.00	\$ 124.20
5' x 8'	130	\$ 69.00	\$ 828.00	\$ 107,640.00	\$ 5,382.00
5' x 10'	110	\$ 89.00	\$ 1,068.00	\$ 117,480.00	\$ 5,874.00
10' x 8	40	\$ 125.00	\$ 1,500.00	\$ 60,000.00	\$ 3,000.00
10' x 10'	160	\$ 149.00	\$ 1,788.00	\$ 286,080.00	\$ 14,304.00
10' x 15'	102	\$ 235.00	\$ 2,820.00	\$ 287,640.00	\$ 14,382.00
10' x 20'	65	\$ 321.00	\$ 3,852.00	\$ 250,380.00	\$ 12,519.00
10' x 25'	12	\$ 465.00	\$ 5,580.00	\$ 66,960.00	\$ 3,348.00
10' x 28'	1	\$ 369.00	\$ 4,428.00	\$ 4,428.00	\$ 221.40
10' x 30'	15	\$ 369.00	\$ 4,428.00	\$ 66,420.00	\$ 3,321.00
Grand Total Units	766		\$ 1,322,232.00	\$ 66,111.60	\$ 49,583.70
			Less Estimated 25% Vacancy		

Lock Up Storage Building B & C

Lock Up Self Storage Building B Size of Unit Storage Bays est 10' x 27'	Quantity	Bases on Arlington Heights Location		Yearly Rate	Yearly Rate Unit Total	Self Storage Tax - 5%
		Monthly Rates - Estimated	299.00	\$ 3,588.00	\$ 60,996.00	\$ 3,049.80
	17	\$				\$
						\$ 3,049.80

Lock Up Self Storage Building c Size of Unit Storage Bays est 10' x 28.4' Storage Bays est 12.6' x 28.4'	Quantity	Bases on Arlington Heights Location		Yearly Rate	Yearly Rate Unit Total	Self Storage Tax - 5%
		Monthly Rates - Estimated	299.00	\$ 3,588.00	\$ 39,468.00	\$ 1,973.40
	11	\$				
	8	\$	349.00	\$ 4,188.00	\$ 33,504.00	\$ 1,675.20
						\$ 3,648.60

	\$	133,968.00	\$	6,698.40
	Less Estimated 25% Vacancy	\$		5,023.80

Public Storage - ESTIMATED

Sample - Lock Up Self Storage Building B
Size of Unit
Storage Bays est 10' x 27'

Quantity
17

Bases on Arlington Heights Location
Monthly Rates - Estimated
\$ 299.00

Yearly Rate
\$ 3,588.00

Yearly Rate Unit Total
\$ 60,996.00

Self Storage Tax - 5%
\$ 3,049.80

Six Building Development

\$

\$

\$

18,298.80

\$ 365,976.00
Less Estimated 25% Vacancy \$ 18,298.80
13,724.10

Beyond Self Storage - Willowbrook	Size of Unit	Quantity	Bases on Arlington Heights Location			
			Monthly Rates - Estimated	Yearly Rate	Yearly Rate Unit Total	Self Storage Tax - 5%
	5' x 5'	83	\$ 39.00	\$ 468.00	\$ 38,844.00	\$ 1,942.20
	5' x 10'	13	\$ 39.00	\$ 468.00	\$ 6,084.00	\$ 304.20
	5 x 15'	70	\$ 99.00	\$ 1,188.00	\$ 83,160.00	\$ 4,158.00
	10' x 7'-6"	70	\$ 49.00	\$ 588.00	\$ 41,160.00	\$ 2,058.00
	10' x 5'	162	\$ 39.00	\$ 468.00	\$ 75,816.00	\$ 3,790.80
	10' x 10'	202	\$ 99.00	\$ 1,188.00	\$ 239,976.00	\$ 11,998.80
	10' x 15'	149	\$ 99.00	\$ 1,188.00	\$ 177,012.00	\$ 8,850.60
	10' x 20'	143	\$ 209.00	\$ 2,508.00	\$ 358,644.00	\$ 17,932.20
	10' x 25'	12	\$ 299.00	\$ 3,588.00	\$ 43,056.00	\$ 2,152.80
	10'x 30'	31	\$ 349.00	\$ 4,188.00	\$ 129,828.00	\$ 6,491.40
Grand Total Units		935		\$	1,193,580.00	\$ 59,679.00
Year 2020				Less Estimated 80% Vacancy	\$	11,935.80
Year 2021				Less Estimated 50% Vacancy	\$	29,839.50
Year 2022				Less Estimated 25% Vacancy	\$	44,759.25

ROC Self Storage - Building A

ROC Self Storage - Willowbrook

Bases on Arlington Heights Location

Size of Unit	Quantity	Monthly Rates - Estimated	Yearly Rate	Yearly Rate	Unit Total	Self Storage Tax - 5%
4 x 10'	2	29.00	\$ 348.00	\$	696.00	\$ 34.80
4.1' x 10'	2	29.00	\$ 348.00	\$	696.00	\$ 34.80
4.8' x 10'	38	39.00	\$ 468.00	\$	17,784.00	\$ 889.20
5' x 5'	110	39.00	\$ 468.00	\$	51,480.00	\$ 2,574.00
5' x 5.7'	2	39.00	\$ 468.00	\$	936.00	\$ 46.80
6.5' x 5.6'	4	39.00	\$ 468.00	\$	1,872.00	\$ 93.60
6' x 10'	2	39.00	\$ 468.00	\$	936.00	\$ 46.80
7.8' x 5.6'	4	39.00	\$ 468.00	\$	1,872.00	\$ 93.60
10.1' x 5.3'	5	39.00	\$ 468.00	\$	2,340.00	\$ 117.00
10.3 x 5'	1	39.00	\$ 468.00	\$	468.00	\$ 23.40
10' x 9	1	69.00	\$ 828.00	\$	828.00	\$ 41.40
10.1 x 9.8'	6	99.00	\$ 1,188.00	\$	7,128.00	\$ 356.40
10' x 10'	528	99.00	\$ 1,188.00	\$	627,264.00	\$ 31,363.20
11.5' x 10'	16	99.00	\$ 1,188.00	\$	19,008.00	\$ 950.40
10.1' x 10'	9	99.00	\$ 1,188.00	\$	10,692.00	\$ 534.60
10.1' x 14.8'	1	99.00	\$ 1,188.00	\$	1,188.00	\$ 59.40
10.1 x 15'	6	99.00	\$ 1,188.00	\$	7,128.00	\$ 356.40
10' x 15'	2	99.00	\$ 1,188.00	\$	2,376.00	\$ 118.80
14.6' x 10'	2	99.00	\$ 1,188.00	\$	2,376.00	\$ 118.80
14.1 x 10'	4	99.00	\$ 1,188.00	\$	4,752.00	\$ 237.60
14.8' x 10'	14	99.00	\$ 1,188.00	\$	16,632.00	\$ 831.60
Grand Total Units	759		\$	\$	778,452.00	\$ 38,922.60
Year 2020				Less Estimated 80% Vacancy	\$	7,784.52
Year 2021				Less Estimated 50% Vacancy	\$	19,461.30
Year 2022				Less Estimated 25% Vacancy	\$	29,191.95

ROC Vehicle Storage Building B

ROC Self Storage - Willowbrook Size of Unit	Quantity	Bases on Arlington Heights Location				
		Monthly Rates - Estimated	Yearly Rate	Yearly Rate	Unit Total	Self Storage Tax - 5%
Vehicle Storage Bays est 10 x 20	106	\$ 209.00	\$ 2,508.00	\$ 265,848.00	\$	13,292.40
	Year 2020		Less Estimated 80% Vacancy	\$		2,658.48
	Year 2021		Less Estimated 50% Vacancy	\$		6,646.20
	Year 2022		Less Estimated 25% Vacancy	\$		9,969.30

**FINANCE & ADMINISTRATION COMMITTEE MEETING
AGENDA ITEM SUMMARY SHEET**

AGENDA ITEM DESCRIPTION

DISCUSSION – HOTEL/MOTEL TAX FUND

COMMITTEE REVIEW

- ☒ Finance/Administration
☐ Municipal Services
☐ Public Safety

Meeting Date: 11/11/2019

- | | |
|---|---|
| <input type="checkbox"/> Discussion Only | <input checked="" type="checkbox"/> Approval of Staff Recommendation (for consideration by Village Board at a later date) |
| <input type="checkbox"/> Seeking Feedback | <input type="checkbox"/> Approval of Staff Recommendation (for <u>immediate</u> consideration by Village Board) |
| <input type="checkbox"/> Regular Report | <input type="checkbox"/> Report/documents requested by Committee |

BACKGROUND

The Village became a home rule unit of government in April 2019. At the time the FY 19/20 budget was adopted this had not yet occurred, so the Hotel/Motel Tax revenue (which is now unrestricted) was budgeted in the Hotel/Motel Tax Fund, along with certain other expenditures (attached). The accounting requirement to maintain the separate Hotel/Motel Tax Fund does not apply anymore, and the Village can budget for the hotel/motel taxes within the General Fund.

Because the current FY 19/20 budget did not provide for a transfer to the General Fund, the Village would likely need to pass a supplemental appropriation in the current year to transfer the remaining Hotel/Motel fund balance to the General Fund. Alternatively, the Village could budget for the transfer in FY 20/21 during the normal budget process.

REQUEST FOR FEEDBACK

N/A

STAFF RECOMMENDATION

Expenditures normally being charged to the Hotel/Motel Tax Fund would continue through April 30, 2020. For the FY 20/21 budget, staff recommends creating a new Hotel/Motel Department within the General Fund and closing the Hotel/Motel Tax Fund via a transfer of remaining fund balance to the General Fund at May 1, 2020. If the Committee concurs, this would be incorporated into the FY 20/21 budget process that begins this month.

TRIAL BALANCE REPORT FOR WILLOWBROOK

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PERIOD ENDING 11/30/2019

GL NUMBER	DESCRIPTION	2019-20 AMENDED BUDGET	END BALANCE 11/30/2019	% BDGT REMAIN
Fund 03 - HOTEL/MOTEL TAX FUND				
Assets				
03-00-110-114	IL FUNDS HOTEL/MOTEL - 5948		619,346.90	
03-00-110-257	COMMUNITY BANK OF WB - 0275		11,074.95	
TOTAL ASSETS			630,421.85	
Fund Equity				
03-00-300-101	FUND BALANCE		516,654.93	
TOTAL FUND EQUITY			516,654.93	
Revenues				
03-00-310-205	HOTEL/MOTEL TAX	248,000.00	121,600.50	50.97
03-00-320-108	INTEREST INCOME	6,000.00	5,786.42	3.56
TOTAL REVENUES		254,000.00	127,386.92	49.85
Expenditures				
03-53-401-307	FEES DUES SUBSCRIPTIONS	12,000.00	3,000.00	75.00
03-53-401-311	POSTAGE & METER RENT	250.00	0.00	100.00
03-53-435-303	WILLOWBROOK MOBILE PHONE APP	1,200.00	0.00	100.00
03-53-435-308	GRANT PILOT PROGRAM	5,000.00	0.00	100.00
03-53-435-316	LANDSCAPE BEAUTIFICATION	10,460.00	5,120.00	51.05
03-53-435-317	ADVERTISING - DCVB	25,000.00	0.00	100.00
03-53-435-318	ADVERTISING - VILLAGE	50,000.00	0.00	100.00
03-53-435-319	CHAMBER DIRECTORY	3,000.00	3,000.00	0.00
03-53-436-378	WINE & DINE INTELLIGENTLY	2,000.00	0.00	100.00
03-53-436-379	SPECIAL PROMOTIONAL EVENTS	2,500.00	2,500.00	0.00
TOTAL EXPENDITURES		111,410.00	13,620.00	87.77
Total Fund 03 - HOTEL/MOTEL TAX FUND				
TOTAL ASSETS			630,421.85	
BEG. FUND BALANCE			516,654.93	
+ NET OF REVENUES & EXPENDITURES		142,590.00	113,766.92	20.21
= ENDING FUND BALANCE			630,421.85	
+ LIABILITIES			0.00	
= TOTAL LIABILITIES AND FUND BALANCE			630,421.85	

HOTEL/MOTEL TAX FUND
FINANCIAL SUMMARY FY 2019-20
CURRENT YEAR AND 5 YEAR FORECAST

	FY 17-18 Actual	FY 18-19 Budget	FY 18-19 Projected	Year 1 FY 19-20 Proposed	Year 1 FY 19-20 Est. Actual		
Beginning Fund Balance	\$ 217,363	\$ 336,747	\$ 344,962	\$ 500,440	\$ 516,655		
Revenues	245,811	247,000	258,063	254,000	269,786	taxes	258000
% change				2.83%	6.21%	interest	11786
Operating Expenses	118,212	110,196	102,585	111,410	55,085		269786
Capital Expenses	-	-	-	-	-	fees	12000
Total Expenses	118,212	110,196	102,585	111,410	55,085	postage	125
% change				1.10%	-50.56%	landscape	10460
Net Surplus (Deficit)	127,599	136,804	155,478	142,590	214,701	advert	25000
Ending Fund Balance	\$ 344,962	\$ 473,551	\$ 500,440	\$ 643,030	\$ 731,356	directory	3000
						wine & dine	2000
						business expo	2500
							55085

FINANCE AND ADMISITRATION COMMITTEE MEETING**AGENDA ITEM SUMMARY SHEET****AGENDA ITEM DESCRIPTION****Discussion – Adult-Use Recreational Cannabis Tax****COMMITTEE REVIEW**

- ☒ Finance/Administration
☐ Municipal Services
☐ Public Safety
☐ Law & Ordinances

Meeting Date:

November 11, 2019

- | | |
|---|---|
| <input type="checkbox"/> Discussion Only | <input checked="" type="checkbox"/> Approval of Staff Recommendation (for consideration by Village Board at a later date) |
| <input type="checkbox"/> Seeking Feedback | <input type="checkbox"/> Approval of Staff Recommendation (for <u>immediate</u> consideration by Village Board) |
| <input type="checkbox"/> Regular Report | <input type="checkbox"/> Report/documents requested by Committee |

ITEM HISTORY (PREVIOUS VILLAGE BOARD REVIEWS, ACTIONS RELATED TO THIS ITEM, OTHER HISTORY)

In the 2019/2020 budget the Village Board approved a General Fund drawdown from Village reserves of \$1,722,288. The drawdown included items related to the crisis management situation, employee retirements, various capital improvement projects, and police pension increases. The Village held a Special board meeting on September 12, 2019 to review the current General Fund revenues and expenses, and staff highlighted the future year budgets including fixed debt payments, projections on sworn officers' salaries, health insurance, IMRF, police pension obligations and other expenses. Additionally, staff highlighted the items not included in the projections; such as salaries for non-union staff, capital projects, crisis management and IT related items. Based on these projections, staff estimates that the Village will drop below our Village Reserve Policy of 120 Days in the next Fiscal Year 2020/21 (Attachment #1). The Police Pension portion of these estimates is projected to increase 10% annually, from \$1,074,713 in 2021 to \$2,534,117 in 2030 (Attachment #2).

One item being considered to help close the Village's future fund balance deficit is the creation of an Adult-Use Recreational Cannabis Tax. The Illinois Economic Policy Institute projects sales of adult-use cannabis sales to be \$1.616 billion, which would yield \$350,0000 annually per dispensary. Other Illinois communities are utilizing a correlation between sales of cannabis in Colorado and the population in Illinois to make projections. In 2018, Colorado had annual adult-use cannabis sales of \$1,120,248,500. Projected Illinois annual sales (based on population) would be \$2,475,479,185. Annual sales per Illinois Dispensary (185) is estimated to be \$13,382,428. A 3% cannabis tax would generate an estimated \$401,473. This tax would only apply if the Willowbrook Board of Trustees allowed for an Adult-Use Cannabis Dispensary within the community and the State of Illinois grants a license to a dispensary to locate within our Village.

Attachments: Revenue summary, the Illinois Economic Policy Institute study, a list of communities who have voted to permit, prohibit or are undecided on adult-use cannabis sales and recreational cannabis FAQ sheet.

ITEM COMMENTARY (BACKGROUND, DISCUSSION, RECOMMENDATIONS, ETC.)

As a Home Rule community, this revenue source is an unrestricted tax. In addition, this tax has a limited impact on local residents since the majority of customers would reside outside of Willowbrook. Staff is recommending that the Village consider a 3% adult-use recreational cannabis tax. Staff projects that the 3% tax would generate \$350,000 - \$401,473 annually. This additional revenue could be used to offset rising pension and other Village costs.

STAFF RECOMMENDATION

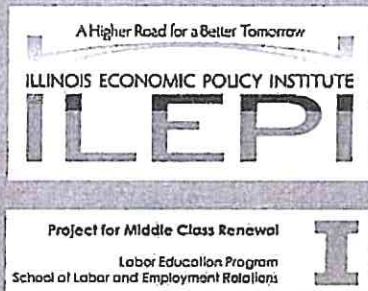
Staff would recommend that the Village Board consider an ordinance for a 3% adult-use recreational cannabis tax should the Village Board consider Opting-In on an adult-use recreational cannabis dispensary use.

Future Revenue Opportunities

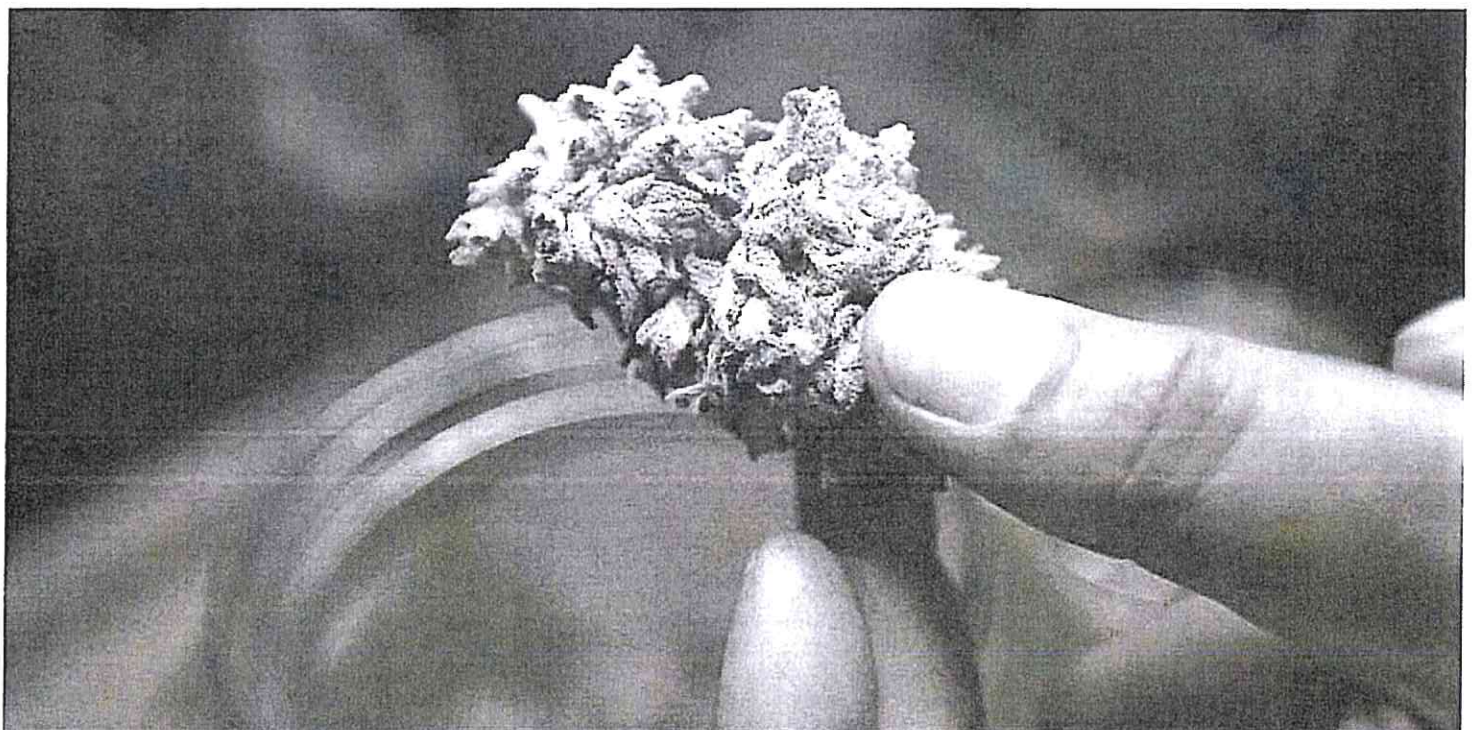
- Potential Recreational Cannabis Dispensary
 - 2018 State of Colorado annual sales = \$1,120,248,500
 - Projected Illinois annual sales (based on population) = \$2,475,749,185
 - Annual sales per IL dispensary (185) = \$13,382,428
 - 3% cannabis tax = \$401,473 (est.)
 - Sales based on Illinois Economic Policy Institute are \$1.616 billion, which would yield \$350,000 annually per dispensary
 - Assumes all dispensaries sell the same amount, does not factor in proximity to densely populated areas

November 9, 2018

The Financial Impact of Legalizing Marijuana in Illinois



Frank Manzo IV, MPP
Jill Manzo
Robert Bruno, PhD



Executive Summary

There is significant public support for legalizing, regulating, and taxing recreational marijuana in Illinois. Fully 66 percent of registered voters in Illinois support legalizing marijuana, including a bi-partisan majority of Democrats and Republicans. Furthermore, 10 states and the District of Columbia have already legalized recreational marijuana.

This report by the Illinois Economic Policy Institute (ILEPI) and the Project for Middle Class Renewal at the University of Illinois at Urbana-Champaign finds that high taxpayer costs for law enforcement and cannabis-related incarceration would be reduced by legalizing recreational marijuana. In total, Illinois taxpayers would save \$18.4 million annually in reduced incarceration costs, law enforcement spending, and legal fees from marijuana legalization. This revenue could be redirected to solve other crimes—such as homicides, robberies, and assaults.

The economy would also grow if Illinois were to legalize recreational marijuana. If marijuana were legalized, regulated, and taxed in Illinois, an estimated \$1.6 billion would be sold in the state, in part due to regional tourism. At a 26.25 percent state excise tax on retail marijuana in addition to the 6.25 percent general sales tax, Illinois would:

- generate \$525 million in new tax revenues, including \$505 million for the state and \$20 million for local governments— a move that credit rating agencies have called “credit positive;”
- create over 23,600 new jobs at more than 2,600 businesses in Illinois;
- boost the Illinois economy by \$1 billion annually; and
- allow the state to make additional pension payments and vital public investments in infrastructure, K-12 public schools, college tuition assistance programs, and drug treatment and prevention programs.

The benefits of legalization outweigh the social costs. While some legislators and constituents are concerned that legalizing recreational marijuana would increase consumption of other illicit drugs, increase motor vehicle crashes, and reduce workplace productivity, there is no evidence to support these claims. In fact, legalized cannabis has been found to reduce opioid use by as much as 33 percent, reduce traffic fatalities by as much as 11 percent, and have no effect on occupational accidents or rates of employee absenteeism. This is because marijuana consumption has not been found to increase after legalization.

Legalizing, regulating, and taxing recreational marijuana would reduce costs to taxpayers, spur economic activity, create jobs, and shrink the black market. While new tax revenues would be modest and would not solve Illinois’ fiscal issues, they would improve the state’s budget situation and credit rating outlook, fund investments in critical infrastructure and public education, and reduce criminal justice costs. Illinois *should* legalize, regulate, and tax recreational marijuana.

The Financial Impact of Legalizing Marijuana in Illinois

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About the Authors

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Robert Bruno, Ph.D. is a Professor at the University of Illinois at Urbana-Champaign School of Labor and Employment Relations and the Director of the School's Labor Education Program. He also directs the Project for Middle Class Renewal at the University of Illinois at Urbana-Champaign. His research focuses broadly on working-class and union studies issues. He earned his Doctor of Philosophy in Political Theory from New York University and his Master of Arts in Political Science from Bowling Green State University. He can be contacted at bbruno@illinois.edu.

Introduction

In 2012, Colorado and Washington became the first states to legalize marijuana for recreational purposes. The passage of Colorado Amendment 64 led to the state becoming the first to tax and legalize recreational marijuana, with commercial sales beginning in January 2014. Since marijuana is a relatively safe drug with no documented deaths from a marijuana overdose, support for legalization, regulation, and taxation of marijuana has only grown over time. Support for legalizing marijuana among American adults was just 12 percent in 1969, 48 percent by 2012, and 64 percent by 2017 (McCarthy, 2017).

Although marijuana remains illegal under federal law, 10 states and the District of Columbia have legalized recreational marijuana: Alaska, California, Colorado, Maine, Massachusetts, Michigan, Nevada, North Dakota, Oregon, Vermont, and Washington. Each state has their own guidelines, with different rates of taxation, age restrictions, packaging regulations, and possession limits. Additionally, 13 states have decriminalized the drug and 33 states— including Illinois— have legalized medical marijuana (Chappell, 2018). Of the states which have legalized recreational use, all except Vermont allow commercial sales by private for-profit businesses (Lopez, 2017a).

The legalization, regulation, and taxation of recreational marijuana has already generated hundreds of millions of dollars in tax revenues for state and local governments. During the campaign to legalize marijuana in Colorado, proponents claimed that marijuana taxes would increase state revenues by \$70 million per year. Today, tax revenues have exceeded these projections. In 2017, marijuana taxes, licenses, and fees collected in Colorado totaled \$247 million, with \$40 million of these revenues deposited into the Building Excellent Schools Today (BEST) program— which funds public school capital construction projects— every year. The additional \$207 million is allocated to the Marijuana Tax Cash Fund, which is largely used for health care, education, drug treatment, drug prevention, and law enforcement programs (Lopez, 2017b). Colorado has generated more than half a billion dollars in revenues since it legalized recreational marijuana (Pedersen, 2018).

In addition to generating tax revenues that fund public services and programs for social good, marijuana has been a job creator across the United States. In fact, the cannabis industry already employs 165,000 to 230,000 workers across the United States at retailers, wholesalers, testing labs, and related companies (McVey, 2017). In June 2018, Colorado officials approved \$447 million for 35 school construction projects using money that is partially funded by legal marijuana sales, creating thousands of blue-collar construction jobs (Whaley, 2018).¹

This Illinois Economic Policy Institute (ILEPI) and Project for Middle Class Renewal report does not discuss the moral implications of legalizing marijuana, but does present the effect on criminal justice and incarceration costs. The tax revenue and economic impacts of legalizing, regulating, and taxing recreational marijuana in Illinois are also evaluated. Evidence on the social costs of legalizing marijuana are considered. This report differs from previous studies assessing the impact of legalizing recreational

¹ In Illinois, every \$500 million in public construction project funding creates about 5,200 total jobs, including 3,000 direct construction jobs (e.g., see Craighead & Manzo, 2017).

marijuana in Illinois because it evaluates the market for legal recreational marijuana in Illinois using actual economic data and evidence from Colorado's experience, updates taxpayer savings estimates from reduced incarceration costs, illustrates potential public investments that could occur using new tax revenues, and forecasts impacts on private sector sales, business openings, and job creation.

Consumption of Marijuana and Support for Legalization in Illinois

Millions of dollars are already spent illegally in Illinois on the purchase of cannabis on the unregulated black market. According to the Marijuana Policy Project, a pro-legalization advocacy organization, an estimated 750,000 adults in Illinois reported consuming marijuana in the past month— representing nearly 6 percent of the total population in the state. Accordingly, proponents contend that the legalization of recreational marijuana would allow the State of Illinois to safely regulate the activity while collecting new tax revenues (MPP, 2017).

Marijuana is currently decriminalized for recreational use and legally permitted for medical use in Illinois. In 2016, legislators in Illinois decriminalized the possession of up to 10 grams of marijuana for individuals 21 years old or older (Pedersen, 2018). Illinois' Medical Cannabis Pilot Program, which began accepting applications in September 2014, now has more than 46,000 qualifying patients and 55 licensed medical cannabis dispensaries— about 837 patients per dispensary (State of Illinois, 2018). On March 22, 2017, state lawmakers proposed bills to legalize marijuana in Illinois (McCoppin, 2017).

The Illinois General Assembly did not pass legislation to legalize, regulate, and tax recreational marijuana during the 2017-2018 legislative session, despite a clear majority of Illinois voters supporting full legalization. A 2017 survey of 1,000 registered voters conducted by the Paul Simon Public Policy Institute at Southern Illinois University Carbondale found that two-thirds (66 percent) support legalizing, taxing, and regulating marijuana like alcohol in Illinois, including 76 percent of Democrats and 52 percent of Republicans (Paul Simon Public Policy Institute, 2017). In addition, in March 2018, Cook County residents were asked their opinion on legalizing the cultivation, manufacture, distribution, testing, and sale of recreational marijuana by adults 21 years old or older at the state-level. Fully 68 percent voted "Yes" in support of legalization (Pedersen, 2018; Ballotpedia, 2018).

Savings for Taxpayers: Reduced Law Enforcement and Incarceration Costs

Historically, the costs of police, law enforcement, and corrections associated with marijuana possession have been very high in Illinois. A 2013 report by the American Civil Liberties Union found 12,406 marijuana possession arrests were made in the state in 2010, with African Americans 7.6 times more likely to be arrested than white residents. As a result, Illinois taxpayers spent \$127 million to police marijuana consumption, \$72 million in judicial and legal fees, and \$20 million to house individuals in local jails and county correctional facilities for possession of marijuana in 2010 (ACLU, 2013).

The Financial Impact of Legalizing Marijuana in Illinois

After decriminalization, police made fewer arrests and wrote fewer tickets. In 2012, the City of Chicago decriminalized the possession of 15 grams or less of marijuana for anyone 21 years old or older. In the year prior to decriminalization, Chicago police officers made 21,000 arrests. By 2016, there were just 129 arrests and the Chicago Police Department issued fewer than 300 tickets for possession of small amounts of cannabis. In 2016, the State of Illinois decriminalized possession of 10 grams or less of marijuana for anyone 21 years old or older— making possession of small amounts of weed a civil offense rather than a crime, with fines as the penalty instead of jail time (Main, 2018).

Full legalization and taxation of recreational marijuana will further reduce taxpayer costs. In June 2016, Illinois still had 445 people incarcerated in prison due to a cannabis-related possession, manufacturing, or trafficking offense (IDOC, 2016). According to the Illinois State Commission on Criminal Justice and Sentencing Reform in a January 2017 report, it costs Illinois more than \$22,000 per year to incarcerate a prisoner (ICJIA, 2017). Using this cost estimate and adjusting it for inflation to constant 2018 dollars, Illinois could conservatively save \$10.2 million annually in reduced incarceration costs alone due to the legalization of recreational marijuana (Figure 1).

Figure 1: Estimated Taxpayer Savings from Legalizing Recreational Marijuana in Illinois

Taxpayer Savings from Recreational Marijuana Legalization	Annual Estimate
Reduced Incarceration Costs	\$10.24 million
Reduced Judicial and Legal Fees*	\$2.95 million
Reduced Policing Costs*	\$5.21 million
Total Savings	\$18.40 million

* Estimates have been adjusted for inflation using the Consumer Price Index (CPI, 2018).

Source(s): 2013 American Civil Liberties Union (ACLU, 2013); Illinois State Commission on Criminal Justice and Sentencing Reform (ICJIA, 2017).

Figure 1 presents annual taxpayer savings from full legalization of recreational marijuana in Illinois. Estimates are based on findings from the American Civil Liberties Union and the Illinois State Commission on Criminal Justice and Sentencing Reform adjusted for 2017 data on cannabis-related incarceration in Illinois. The estimates are also adjusted for inflation to today's dollars. The analysis reveals that legalizing, taxing, and regulating recreational marijuana would reduce incarceration costs by \$10.2 million per year, decrease judicial and legal fees by about \$3.0 million per year, and lower policing costs by about \$5.2 million per year. In total, legalizing recreational marijuana would save Illinois taxpayers \$18.4 million annually (Figure 1). This is in addition to the hundreds of millions of dollars that were saved from marijuana decriminalization in 2016.

Tax Revenue Impacts of Illinois Legalizing Recreational Marijuana

Illinois is about twice as large as Colorado (Figure 2). There are 4.8 million households in Illinois compared to 2.1 million households in Colorado. Additionally, according to data from the Bureau of Economic Analysis at the U.S. Chamber of Commerce, the Illinois economy produced 2.4 times as much output as Colorado (BEA, 2016). However, Illinois collects more in state and local taxes than Colorado.

The Financial Impact of Legalizing Marijuana in Illinois

Figure 2 multiplies the total number of households by their average household income in both Colorado and Illinois and then adjusts total income for purchasing power after all state, federal, and local taxes. The result is that Illinois has 2.1 times as much purchasing power as Colorado. This means that recreational marijuana sales in Illinois could feasibly be about 2.1 times as much as in Colorado.

Figure 2: Purchasing Power of Resident Households, Colorado vs. Illinois, 2016 Data

2016 Economic Data	Colorado	Illinois
Total Households (2016)	2,108,992	4,822,046
Average Household Income (2016)	\$88,246	\$84,561
Total Household Income After All Taxes*	\$129.89 billion	\$275.20 billion
Illinois Purchasing Power as a Multiple of Colorado		2.12 x
*Based on data from 2015 <i>State and Local Government Finances</i> by the U.S. Census Bureau and average federal income tax rates (Census, 2015). Note that this estimate is not the same as total labor income, which would include benefits, and not the same as gross state product (GSP).		

Source(s): 2016 American Community Survey by the U.S. Census Bureau (Census, 2016); 2015 State and Local Government Finances by the U.S. Census Bureau (Census, 2015).

The Colorado Department of Revenue is required by law to report marijuana tax data to the public (Colorado Department of Revenue, 2018a). Colorado currently taxes recreational marijuana at a 32.9 percent effective tax rate. This includes a 2.9 percent state sales tax on both medical and retail marijuana, a 15 percent state retail marijuana excise tax, and a 15 percent state retail marijuana sales tax that was increased from 10 percent on July 1, 2017. Over the fiscal year from July 2017 through June 2018, the state collected \$251.0 million in total marijuana taxes— not including license and application fees paid by retailers and individuals to sell recreational marijuana. Based on the effective tax rate, this means that Colorado residents and visitors spent \$762.8 million legally on recreational marijuana in Colorado over 12 months (Figure 3).

Figure 3: Estimating the Market for Legalized Recreational Marijuana in Illinois, By 2020

The Markets for Recreational Marijuana in Colorado and Illinois	Data or Estimate
Total Marijuana Sales in Colorado Annually	\$762.81 million
Total Marijuana Tax Rate in Colorado*	32.9%
Total Marijuana Taxes Collected in Colorado Annually	\$250.97 million
Illinois Purchasing Power as a Multiple of Colorado	2.12 x
Total Estimated Annual Sales in Illinois (After Legalization)	\$1,616.20 million
*Total marijuana revenue in Colorado includes a 2.9 percent state sales tax on medical and retail marijuana, a 15 percent state retail marijuana sales tax, and a 15 percent state retail marijuana excise tax.	

Source(s): Authors' estimates based on Marijuana Tax Data from the Colorado Department of Revenue (Colorado Department of Revenue, 2018), using purchasing power estimates from Figure 2.

It is estimated that about \$1.62 billion of recreational marijuana would be sold in Illinois if the state were to legalize, regulate, and tax the substance at similar levels as Colorado (Figure 3).² This is based

² The \$1.62 billion recreational marijuana market may be a *conservative* estimate. For example, there were 46,018 qualifying patients in Illinois' Medical Cannabis Pilot Program who spent \$10.8 million per month at licensed medical cannabis dispensaries from January 2018 through September 2018— or \$235.40 per patient per month (State of Illinois,

The Financial Impact of Legalizing Marijuana in Illinois

on the total sales in Colorado adjusted for the purchasing power of Illinois households. Additionally, Illinois would benefit from being one of the only states in the region to legalize recreational marijuana. Like Colorado, tourism would be expected to increase modestly as consumers from neighboring states travel to Illinois for legalized cannabis, boosting business sales in Illinois.

Illinois taxes tobacco and alcohol at higher rates than clothes, food, and services. In addition to the 6.25 percent general sales tax, Illinois levies excise taxes of \$0.23 per gallon for beer, \$1.39 per gallon for wine, \$8.55 per gallon for liquor, and \$1.98 per pack of 20 cigarettes (SalesTaxHandbook, 2018). The legalization, regulation, and taxation of marijuana would be no different.

Figure 4 presents estimated tax revenues from the State of Illinois levying a proposed 26.25 percent state excise tax on retail marijuana. Combined with the 6.25 percent general sales tax, this would make the total effective tax rate on recreational marijuana 32.5 percent in Illinois—slightly lower than in Colorado (32.9 percent). In general, consumers tend to buy more of a product if it is taxed at a lower rate, but Figure 4 conservatively uses the total marijuana sales estimate of \$1.62 billion for Illinois, based on Colorado's total effective tax rate.

If the state were to impose a 26.25 percent excise tax on recreational marijuana in addition to the 6.25 percent general sales tax, Illinois would generate an estimated \$525.3 million in new tax revenues (Figure 4). Fully \$505.1 million would go to the state government while local governments would receive \$20.2 million.³ This revenue estimate falls in the middle of the \$350 million to \$700 million range projected by some proponents of legalizing recreational marijuana in Illinois (Driscoll, 2018). It also exceeds the \$354 million in revenue projected by researchers at the conservative-learning Tax Foundation (Bishop-Henchman & Scarboro, 2016). Note, however, that the revenue estimate from Figure 4 does not include tax revenue from licenses and application fees paid by retailers and individuals to sell recreational marijuana.

Figure 4: Estimated Tax Revenues from Legalizing Recreational Marijuana in Illinois, By 2020

Estimated Sales, Proposed Tax Rate, and Expected Tax Revenues	Annual Estimate
Total Estimated Marijuana Sales in Illinois	\$1,616.20 million
Illinois State Marijuana Excise Tax (Proposed)	26.25%
Illinois Sales Tax: State Share	5.00%
Illinois Sales Tax: Local Share	1.25%
Total State Taxes Collected	\$505.06 million
Total Local Taxes Collected	\$20.20 million

Source(s): Authors' estimates based on Marijuana Tax Data from the Colorado Department of Revenue (Colorado Department of Revenue, 2018), using purchasing power estimates from Figure 2.

2018). If 750,000 adults in Illinois consume marijuana at the same monthly quantities as qualified patients (MPP, 2017), estimated sales would be \$176.5 million per month, or a market size of \$2.12 billion.

³ In Illinois, the general sales tax is 6.25 percent. The state keeps 80 percent of the revenue from the sales tax (or 5 percentage points of the tax) in the General Fund and transfers 20 percent (or 1.25 percentage points of the tax) to local governments.

The Financial Impact of Legalizing Marijuana in Illinois

State lawmakers could stipulate how new tax revenues collected from legalized marijuana are spent. Figure 5 outlines potential public investments that could occur using the new tax revenue, assuming that half of the revenue is used to reduce pension debts by about \$250 million per year.

The remaining revenue could be distributed evenly at 10 percent to fund five government functions annually at about \$50 million each.

- Lawmakers could follow Colorado's lead and deposit 10 percent of recreational marijuana tax revenues in the **School Infrastructure Fund**. The additional state funding could potentially be used by local school districts to slightly reduce property tax burdens. Compared to actual revenue of \$72.1 million in fiscal year 2017, \$50 million would represent a *70 percent* increase in school construction funding provided by the state (Illinois Comptroller, 2017).
- Lawmakers could allocate 10 percent of recreational marijuana tax revenues to the **State Construction Account**. This money is used to fund road, bridge, transportation, and similar infrastructure projects. Compared to actual revenue of \$506.6 million in fiscal year 2017, \$50 million would represent a *10 percent* increase in funding (Illinois Comptroller, 2017).
- 10 percent of recreational marijuana tax revenues could be appropriated to the **Illinois State Board of Education** to support elementary education at Illinois' public schools. The additional state funding could also be used by local school districts to slightly reduce property tax burdens. Compared to an enacted budget of \$6.8 billion for evidence-based funding of schools, \$50 million would represent about a *1 percent* increase in total funding (ISBE, 2018).
- 10 percent of recreational marijuana tax revenues could be dedicated to the **Illinois Student Assistance Commission** to help students pay for college education through the Monetary Award Program (MAP) grants. In the 2019 fiscal year, MAP grant funding was \$401.3 million (ISAC, 2018). \$50 million in new revenue would represent a *12 percent* increase in higher education tuition assistance for students to attend Illinois' public universities and community colleges.
- 10 percent could be appropriated to the **Department of Human Services** to fund drug treatment and drug prevention programs, including to help combat the current opioid crisis. These programs were among the hardest hit by the 736-day budget impasse in Illinois. Compared to the \$230.7 million enacted for the Division of Addiction Treatment, \$50 million in new revenue would represent a *22 percent* increase in funding for substance abuse treatment and prevention programs (Illinois OMB, 2018).

Though not shown in Figure 5, the approximately \$20 million in recreational marijuana tax revenues that are transferred to local governments could be used either to fund law enforcement and hire additional officers or to pay down local police and fire pension debt obligations. The administration and regulation of legal marijuana could be funded entirely by license fees and application fees paid by retailers and individuals to sell recreational marijuana. These fees generated \$8.8 million for the State of Colorado from July 2017 through June 2018 (Colorado Department of Revenue, 2018b). Elected

officials and voters in Illinois could expect to double that revenue to pay for administering and regulating the legalized marijuana law.

Figure 5: Potential Public Investments Using New Tax Revenues from Legalized Marijuana

Potential Public Investments Based on New Tax Revenues	Annual Estimate
Total State Marijuana Taxes Collected	\$505.06 million
Potential Public Investments for the Public Good	
50 Percent to Pension Payments	\$252.53 million
10 Percent to School Infrastructure Fund	\$50.51 million
10 Percent to State Construction Account	\$50.51 million
10 Percent to K-12 Public Schools	\$50.51 million
10 Percent to Monetary Award Program (MAP)	\$50.51 million
10 Percent to Drug Treatment and Prevention Programs	\$50.51 million

Economic Effects of Illinois Legalizing Recreational Marijuana

Convenient access to dispensaries, consumption lounges, and licensed marijuana businesses is essential to a successful and safe market for legal marijuana. If consumers cannot easily purchase cannabis from the regulated legal market because local governments prevent dispensaries or retail stores from selling the substance, they will again turn to the unregulated black market. For example, Denver allows one cannabis retail establishment per 3,091 residents, which has caused the illegal market share to fall to 30 percent. Seattle, on the other hand, limited retail licenses to 21 firms, or one dispensary per 30,373 residents. Illegal activity was still estimated at 70 percent of the total cannabis market in Seattle due to the lack of access to the regulated market. Research finds that states need at least one legal cannabis retail storefront per 7,500 residents to limit the illicit black market (Beals, 2018).

This section uses IMPLAN to assess the economic effects of legalizing recreational marijuana in Illinois. IMPLAN is an input-output software that is considered the “gold standard” in economic impact analyses (Vowels, 2012). IMPLAN uses U.S. Census Bureau data to account for the interrelationship between businesses and households in a regional market, following a dollar as it cycles through the economy. The software uses multipliers to estimate how much a policy change— such as legalizing recreational marijuana— would affect the economy.

The results reveal that legalizing marijuana would boost the Illinois economy (Figure 6). If Illinois were to legalize cannabis at an effective tax rate of 32.5 percent, total recreational marijuana sales would be expected to be \$1.62 billion at over 2,600 businesses— approximately one cannabis dispensary, retailer, or manufacturer for every 4,900 residents in the state. This would be a higher density of points of sale per person than Seattle but a lower density than Denver (Beals, 2018).

Legalization would directly create nearly 19,500 jobs at marijuana dispensaries, retailers, and manufacturers. Additionally, the Illinois workers who are newly employed at marijuana-related businesses would earn incomes that they spend back in the economy. This additional consumer

demand would save or create another 4,100 jobs at restaurants, stores, and other local businesses. Overall, the Illinois economy would grow by an estimated \$1 billion annually due to the consumption of recreational marijuana by both residents and tourists (Figure 6).⁴

Figure 6: Estimated Annual Economic Impacts of Legalizing Marijuana in Illinois, By 2020

Impact on Sales, Businesses, Employment, and Gross State Product	Annual Estimate
Total Estimated Marijuana Sales in Illinois	\$1,616.20 million
Number of Establishments (Firms Created)	2,633 businesses
Total Employment (Jobs Created)	23,618 jobs
<ul style="list-style-type: none"> • Direct Jobs at Marijuana Dispensaries and Manufacturers • Induced Jobs from Higher Consumer Demand 	<ul style="list-style-type: none"> • 19,486 jobs • 4,132 jobs
Net Economic Impact (Annual Gross State Product)	\$1,000.17 million

Source(s): Authors' estimates from an economic simulation using IMPLAN (IMPLAN, 2018) based on legal recreational marijuana market estimates from Figure 4.

Finally, information from the 2016 *County Business Patterns* dataset by the U.S. Census Bureau is used to compare the estimated number of marijuana dispensaries and related establishments to the current number of smoke shops and alcoholic drinking places in Illinois (Figure 7). As of 2016, the state had nearly 500 tobacco stores primarily engaged in selling cigarettes, cigars, pipes, and other smokers' supplies that employed nearly 1,300 workers. Similarly, the state had nearly 2,700 drinking places serving alcoholic beverages—such as bars, distilleries, and wineries—where over 21,600 bartenders, cooks, servers, barbacks, and other individuals worked. Note that this does not include restaurants which primarily sell food but may also offer alcoholic beverages. The legalization, regulation, and taxation of recreational marijuana would create about the same number of jobs—at a similar rate of pay (about \$19,600 annually for mostly part-time workers)—in Illinois as there are at bars and other alcoholic drinking places.

Figure 7: Estimated Marijuana Stores Compared to Similar Establishments in Illinois, 2016 Data

Sector of the Economy (NAICS code)	Number of Establishments	Paid Employees	Annual Payroll	Payroll Per Employee
Estimated: Marijuana Dispensaries	2,633	19,486	\$383.57 million	\$19,588
NAICS 453991: Tobacco Stores	479	1,265	\$24.63 million	\$19,470
NAICS 7224: Alcoholic Drinking Places	2,668	21,623	\$365.97 million	\$16,925

Source(s): Authors' estimates from Figure 6; 2016 County Business Patterns from the U.S. Census Bureau (Census, 2016).

⁴ The net effect on the overall economy (\$1.00 billion) is less than total sales (\$1.62 billion) because annual gross state product is the difference between all sales and the production cost of all products. As an example, consider a toy bought by an Illinois consumer at a local store for \$10. Suppose that the toy was manufactured in New Mexico for \$4. The difference between the sales price (\$10) and the cost that the local store paid for the toy (\$4) is \$6. In this case, total sales are \$10 in Illinois, but the Illinois economy only grows by \$6 due to the local business activity. The New Mexico economy grows by the remaining \$4 from manufacturing the product. The same logic applies for recreational marijuana.

Addressing Concerns on Alcohol Consumption, Health, and Safety

Marijuana consumption rates do not rise following legalization. In Colorado, for example, "marijuana use [among Colorado residents] has not changed since legalization either in terms of the number of people using or the frequency of use among users" and marijuana consumption has remained lower than daily alcohol or tobacco use (Colorado Department of Public Health & Environment, 2016). While more research is needed, the evidence suggests that cannabis consumption does not change due to legalization.

Nevertheless, some legislators and constituents in Illinois are concerned about the unintended consequences of legalizing and taxing recreational marijuana. One concern is the relationship between marijuana use and the consumption of other drugs, including alcohol. Studies consistently show that marijuana is less addictive and less risky than alcohol. Alcohol is the leading risk factor for death among people aged 15-49 and is linked with violent behavior. Conversely, there have been no documented deaths from cannabis use and there is some evidence that marijuana users may actually be less likely to commit violence against a partner (Brodwin, 2018). The research is mixed as to whether legalizing recreational marijuana would increase or reduce alcohol consumption (Kilmer & Smart, 2018). Of 39 academic studies reviewed on the topic, 16 supported the idea that alcohol consumption would decrease (41 percent), 10 supported the claim that alcohol consumption would rise (26 percent), and 13 found no effect (33 percent) (Subbaraman, 2016).

Studies have found that legalized cannabis mitigates opioid use and abuse. Over the past two decades, an increasing number of fatal drug overdoses have been related to prescription opioid medications. In 2014, 40 percent of all opioid overdose deaths involved a prescription opioid, with 46 people dying every day from an opioid overdose (CDC, 2018). A recent study published by researchers at the University of Kentucky and Emory University found that opiate-related deaths decreased by about 33 percent in 13 states in the six years after medical marijuana was legalized (Wen & Hockenberry, 2018). Additionally, a report conducted by the Minnesota Department of Health found that 63 percent of patients taking opioid medication for pain reduced or eliminated their opioid use once treated with medical cannabis (Singer, 2018).

Would legalizing recreational marijuana increase the number of car accidents due to motorists driving under the influence of cannabis? Studies have failed to find a correlation between car accidents and marijuana usage in Colorado since legalization (Ingraham, 2017). In fact, traffic fatalities have been found to drop by between 8 percent and 11 percent on average in states that legalized medical marijuana, although the reason for this finding is unknown (Cohen, 2016). One explanation may be that marijuana consumption rates do not statistically increase following legalization.

Lastly, some groups say that that marijuana legalization would have negative economic impacts from higher workplace injury rates, increased absenteeism, and additional homelessness—costing the state hundreds of millions of dollars per year (SAM, 2018). However, the National Academies of Sciences, Engineering, and Medicine has concluded that there is no evidence to support the claim that cannabis use increases occupational accidents or injuries and academic studies do not corroborate the claim that employee absenteeism would worsen (Miller, 2018). Meanwhile, there is no evidence that legal

cannabis contributes to an increase in homelessness (Zhang, 2018). Because marijuana consumption does not rise following legalization, each of these social costs is not expected to be any higher than current levels in Illinois.

Conclusion

There is significant public support for legalizing, regulating, and taxing recreational marijuana in Illinois—where lawmakers have decriminalized possession of up to 10 grams of cannabis for individuals 21 years old and older. Fully 66 percent of registered voters in Illinois support legalizing marijuana. This includes 76 percent of Democrats and 52 percent of Republicans.

Historically, the costs of police, law enforcement, and corrections associated with marijuana possession have been very high in Illinois. After decriminalization, police made fewer arrests and wrote fewer tickets. However, Illinois still has people incarcerated in prison due to a cannabis-related possession, manufacturing, or trafficking offense. By fully legalizing recreational marijuana, Illinois taxpayers would save \$18.4 million annually in reduced incarceration costs, law enforcement spending, and legal fees.

The State of Illinois is also in dire need of revenue enhancements. Following a 736-day budget impasse from the summer of 2015 to the summer of 2017, Illinois still has a \$8.1 billion backlog of unpaid bills and \$130 billion in unfunded pension liabilities (Illinois Comptroller, 2018; CTBA, 2017). One policy change that has been proposed to raise state tax revenues is to legalize and tax recreational marijuana. Moody's Investors Service, a credit rating agency, calls legalizing recreational marijuana a "credit positive" potential change in tax policy (Moody's, 2018). As of November 2018, eleven states and the District of Columbia have legalized recreational marijuana.

If Illinois were to legalize marijuana, an estimated \$1.6 billion of recreational marijuana would be sold in the state, in part due to regional tourism. At a 26.25 percent state excise tax on retail marijuana in addition to the 6.25 percent general sales tax, Illinois would generate \$525 million in new tax revenues, create over 23,600 new jobs at more than 2,600 businesses, boost the Illinois economy by \$1 billion annually, and reduce law enforcement and incarceration costs. With new tax revenues, Illinois could fund additional pension payments while making vital public investments in new school construction projects, road and transportation construction projects, K-12 public school education, the Monetary Award Program (MAP) grants for tuition assistance for college students, and drug treatment and prevention programs.

Legalizing, regulating, and taxing recreational marijuana would reduce costs to taxpayers, spur economic activity, create jobs, and shrink the black market. While new tax revenues would be modest and would not solve Illinois' fiscal issues, they would improve the state's budget situation and credit rating outlook. Illinois should legalize, regulate, and tax recreational marijuana.

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MUNICIPALITY	POSITION
Addison	Permit
Anna	Permit
Arlington Heights	Permit
Bannockburn	Prohibit
Bartlett	Undecided
Bloomington	Prohibit
Bolingbrook	Prohibit
Brookfield	Permit
Buffalo Grove	Permit
Burr Ridge	Prohibit
Carbondale	Permit
Carol Stream	Undecided
Clarendon Hills	Prohibit
Crystal Lake	Permit
Darien	Permit
Decatur	Prohibit
Deerfield	Permit
DeKalb	Permit
Des Plaines	Undecided
Downers Grove	Prohibit
DuPage County	Prohibit
East Dundee	Permit
Elburn	Permit
Evanston	Permit
Forest View	Prohibit
Frankfort	Prohibit
Freeport	Permit
Glendale Heights	Undecided
Geneva	Undecided
Glen Ellyn	Undecided
Glencoe	Permit
Glenview	Prohibit
Grayslake	Prohibit
Hanover Park	Undecided
Highland Park	Prohibit
Highwood	Permit
Hinsdale	Prohibit
La Grange	Prohibit
La Grange Park	Prohibit
Lake Bluff	Prohibit
Lake Barrington	Prohibit
Lake Forest	Prohibit
Lake in the Hills	Undecided
Lake Zurich	Prohibit
Libertyville	Undecided
Lincolnwood	Permit
Lincolnshire	Prohibit
Lisle	Prohibit
Lockport	Prohibit
Lombard	Permit
Mokena	Prohibit
Mount Vernon	Permit
Murphysboro	Prohibit
Naperville	Referendum
Niles	Permit
Northbrook	Permit
Oak Brook	Prohibit
Oak Brook Terrace	Permit
Oak Park	Permit
Orland Park	Prohibit
Oswego	Undecided
Park City	Permit
Park Ridge	Prohibit
Pingree Grove	Permit
Plainfield	Prohibit
Riverside	Permit
Rolling Meadows	Permit
Rosemont	Referendum
Schaumburg	Permit
Skokie	Permit
South Beloit	Permit
South Elgin	Permit
St. Charles	Permit
Streamwood	Undecided
Sugar Grove	Prohibit
Urbana	Permit
Vernon Hills	Prohibit
Villa Park	Permit
Warrenville	Permit
Wauconda	Permit
Waukegan	Permit
Westmont	Permit
Wheaton	Prohibit
Wheeling	Permit
Wilmette	Referendum
Winnetka	Prohibit
Winthrop Harbor	Permit
Woodridge	Undecided
Zion	Permit

Count 89
 Permit 41
 Prohibit 33
 Undecided* 15
 * No Final decision made

Recreational Cannabis FAQs

1. When was cannabis made legal in Illinois?

On Tuesday 6/25/2019, Governor JB Pritzker signed [Illinois House Bill 1438](#), better known as [the Cannabis Regulation and Tax Act \(CRTA\)](#), thus legalizing the consumption and possession of cannabis for adults 21 and older in Illinois.

2. Can the consumption/possession of cannabis be banned by a local municipality like Willowbrook?

No, municipalities cannot ban or override the CRTA.

3. Will the Village have any regulatory abilities?

Yes. When it comes to restrictions, municipalities have the ability to:

- ban the selling of recreational cannabis within Village limit
- dictate the amount of legal dispensaries within the Village
- determine how cannabis businesses are operated such as hours of operation
- dictate the location of cannabis businesses as they relate to points of interest such as schools, churches, government buildings, and liquor stores.
- regulate the zoning of cannabis businesses in specific districts

4. What regulatory abilities, if any, do business owners and landlords have?

Any person, business, public entity, or landlord may prohibit the use of cannabis on private property.

5. If the sale of recreational cannabis was to be allowed in Willowbrook, how many licenses would be issued?

While many individual cities have a limitation on the amount of recreational cannabis facilities (dispensaries) that are allowed within their limits, Willowbrook is part of a larger Bureau of Labor Statistics Region within the state. The region Willowbrook is a part of is the Chicago-Naperville, Elgin region. The State is allowing up to 47 licenses within the region.

6. Should the Village permit dispensaries to open, how will the Village manage public safety at these locations?

The Willowbrook Police Department surveyed communities that currently contain a medical cannabis facility within its limits and found that there were limited calls to such facilities statewide. Public safety is the Village's top priority and any specific security concerns will be addressed.

7. Who can legally purchase and consume cannabis?

As a result of the new State legislation, the consumption of cannabis as of 1/1/2020, will be treated similarly to that of the consumption of alcohol with any Illinois resident, or non-resident, ages 21 or over, now being able to purchase and consume cannabis.

8. Who can legally grow and sell recreational cannabis?

Only licensed businesses will be able to legally grow and sell cannabis. Medical cannabis patients will be allowed to grow up to five plants each within their home.

9. What will the Village's role be in the licensing process?

The Village plays no role in the licensing process as it is left up to the Department of Financial and Professional Regulation to select and process those individuals attempting to obtain a license.

10. How much cannabis may an individual possess?

Illinois residents may possess up to:

- 30 grams, or just over one ounce of "flower"

- 5 grams of cannabis concentrate

- 500 milligrams of THC - the chemical that makes users high – in a cannabis infused product such as gummies, candy, other consumable products (referred to as "edibles"), or tinctures, and lotions

Non-Illinois residents may legally possess up to ½ of these amounts.

11. What action is required by the Village Board to allow recreational cannabis to be sold in Willowbrook?

The Village Board will go through multiple readings regarding the sale of recreational cannabis in Willowbrook before giving a final approval or disapproval. In addition to this, the Village code of ordinances will be changed accordingly.

12. Will cannabis consumption be allowed in public spaces?

No, the consumption of cannabis in public will be considered unlawful.

13. Where will consumption be allowed?

The consumption of cannabis will be allowed on private property or potentially, specifically designated establishments such as dispensaries or smoking lounges.

14. Are there any changes to existing medical cannabis laws?

Yes; the list of conditions that are covered under the use of medical cannabis was expanded to now include chronic pain, autism, migraines, irritable bowel syndrome, osteoarthritis, and anorexia.

15. Is the sale of medical cannabis currently allowed in Willowbrook? If so, where?

Yes. By state and local ordinance, medical cannabis was approved in 2014 and its sale is permitted in Willowbrook as a special use in the industrial district. While these facilities are allowed in Willowbrook, no such business has opted to open in Willowbrook.

16. How is cannabis taxed?

Sales will be taxed at 10% for cannabis with THC levels at or less 35%; 25% for cannabis with THC levels above 35%; and 20% for cannabis infused products such as edibles. This is in addition to standard state and local sales taxes. Additionally, municipalities may add a special tax of up to 3% and counties may add a special tax up to 3.75% in unincorporated areas.

17. How will the potential tax revenue generated be used?

Within the bill, any government proceeds associated with the sale of recreational cannabis was established as follows:

- 20% to State mental health services and substance abuse programs
- 10% to pay unpaid State bills
- 35% to the State General Revenue Fund
- 2% to public education and safety campaigns
- 8% to the Local Government Distributive Fund, for prevention and training for law enforcement
- 25% for identified social equity programs

18. How will the potential tax revenue from the (3%) tax be used by Willowbrook?

Currently, the Village would plan to utilize these funds for public improvement projects, funding of police pension liabilities and costs related to the Sterigenics issue.

19. How do federal laws affect Illinois' law?

Although cannabis remains illegal at the federal level, federal law enforcement has rarely interfered with individuals possessing the state regulated legal amount or businesses complying with state enforced programs. Any questions related to Federal or State regulations should be directed to the proper agencies.

20. How does recreational cannabis affect criminal records?

Illinois Governor JB Pritzker has stated that he will pardon past convictions for possession of up to 30 grams, with the attorney general going to court to delete public records of a conviction or arrest for the now legal amount. Regarding possession of 30-500 grams, an individual or a state's attorney may petition the court to vacate or expunge the conviction.

21. What are some potential impacts to the State's decision to allow recreational marijuana use when it comes to policing?

It is reasonable to assume that the legalization of cannabis will increase the demand for police services as well as the number of drug impaired drivers on our roadways, due to the state-wide allowance of marijuana, regardless of whether or not such a facility is located within the village limits of Willowbrook.

22. What efforts will the Village take in communicating to the public about this topic?

The Village is committed to above board communication and honest transparency at each step that should occur. Ahead of each time that this topic will be considered on any Village committee or board agenda, the Village will share information about the upcoming meetings on the Village's website, www.willowbrookil.org.

23. How can I share my thoughts or opinions on this topic as a resident or community member?

Please email planner@willowbrook.il.us with any thoughts or concerns. Additionally, public comment at Village Board and Plan Commission Meetings is available for any member of the public.

**VILLAGE OF WILLOWBROOK
CHECKS ISSUED
FISCAL YEAR 2019-2020**

<u>MONTH</u>	<u>BOARD APPROVED WARRANTS</u>	<u>GROSS PAYROLL (ACTIVE & POLICE PENSION)</u>	<u>Note 1 HANDWRITTEN CHECKS</u>	<u>MONTHLY TOTAL</u>
MAY	\$ 483,322.44	\$ 224,746.58		
MAY	334,789.06	271,212.66	\$ -	\$ 1,314,070.74
JUNE	298,326.16	163,688.81		
JUNE	394,962.19	275,081.47	130,461.62 2	\$ 1,262,520.25
JULY	181,754.82	136,059.40		
JULY	490,652.59	289,053.25	21,906.99 3	\$ 1,119,427.05
AUG	250,777.78	147,611.63		
AUG	414,406.79	156,262.90		
AUG		263,099.19	24,964.16 4	\$ 1,257,122.45
SEPT	237,231.68	163,370.23		
SEPT	381,970.90	260,698.14	3,000.00 5	\$ 1,046,270.95
OCT	441,977.05	162,784.65		
OCT	146,733.43	257,612.56	8,681.25 6	\$ 1,017,788.94
NOV				
NOV				\$ -
DEC				
DEC - safety				
DEC				\$ -
JAN				
JAN				
JAN				\$ -
FEB				
FEB				\$ -
MAR				
MAR				\$ -
APR				
APR				\$ -
	<u>\$ 4,056,904.89</u>	<u>\$ 2,771,281.47</u>	<u>\$ 189,014.02</u>	<u>\$ 7,017,200.38</u>

Note 1 Handwritten checks from prior month that appear on next warrant report have been subtracted so they are not double counted

2 LJ Morse and M & J Asphalt approved separately by Village Board; Currie Motors check for purchase of squad cars

3 LJ Morse and N Bastistich Architects approved separately by Village Board

4 LJ Morse approved separately by Village Board

5 DuPage County Children's Center

6 Includes CALEA and Power DMS checks approved separately by Village Board

**VILLAGE OF WILLOWBROOK
PAYROLL - BY MONTH/YEAR
FY 2018 - FY 2020**

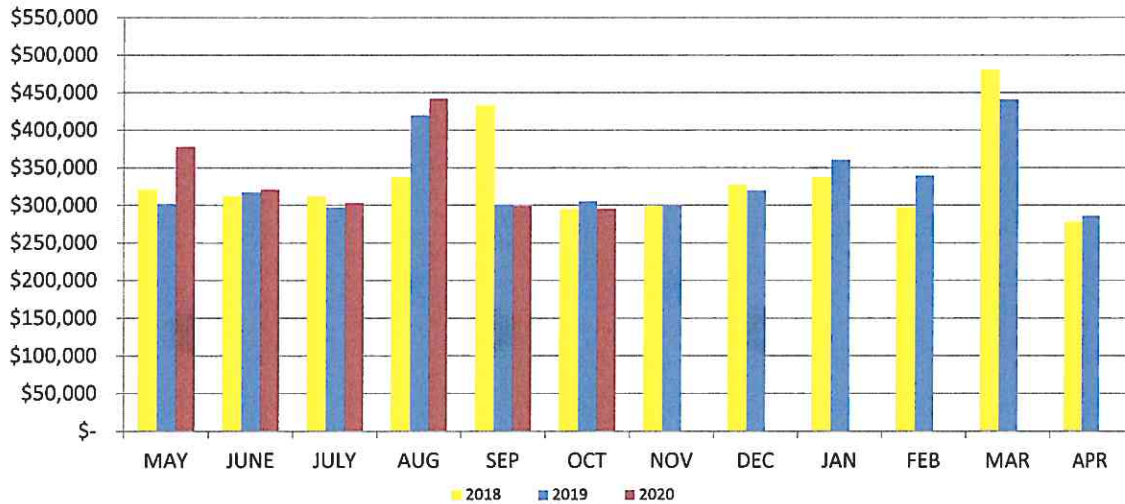
MONTHLY PAYROLL TOTALS (ACTIVE EMPLOYEES ONLY)

MONTH	FISCAL 2018	# of payrolls	FISCAL 2019	# of payrolls	FISCAL 2020 - Regular	FISCAL 2020 - OT	# of payrolls
MAY	\$ 321,672	2	\$ 301,687	2	\$ 343,171	\$ 34,365	2 #
JUNE	312,782	2	317,099	2	291,166	29,181	2
JULY	313,010	2	297,253	2	271,731	30,934	2
AUG	338,075	2	419,939	3	405,447	36,171	3
SEP	433,195	3	300,863	2	265,155	33,558	2
OCT	295,025	2	305,363	2	260,396	34,646	2
NOV	298,513	2	299,457	2			
DEC	327,583	2 *	319,762	2 *			
JAN	338,217	2	360,720	2			
FEB	297,647	2	339,471	2			
MAR	481,143	3	441,021	3			
APR	277,787	2	286,033	2			
TOTAL	\$ 4,034,650	26	\$ 3,988,667	26	\$ 1,837,066	\$ 198,856	13
AVERAGE PAYROLL	\$ 155,179		\$ 153,410		\$	156,609	
CHANGE FROM PRIOR YEAR			-1.14%			2.09%	

* Includes safety incentive

Includes Village Administrator retirement payout

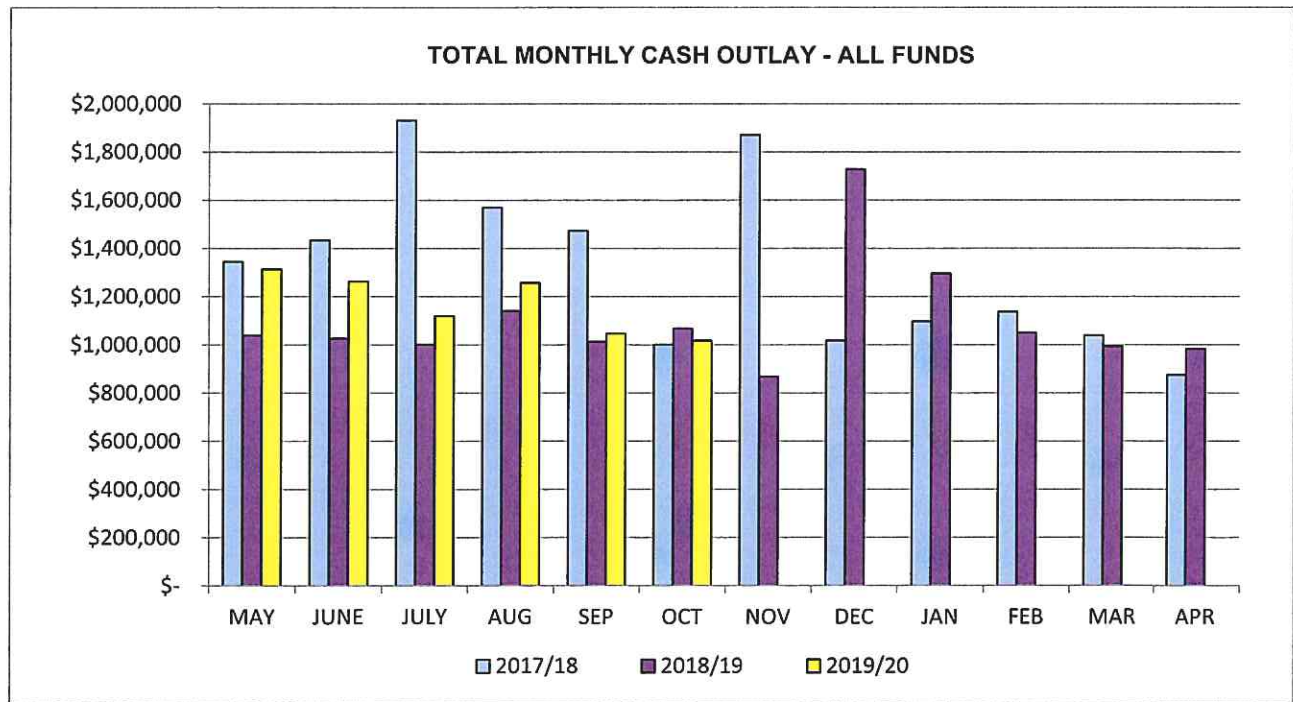
TOTAL PAYROLL BY MONTH: ACTIVE EMPLOYEES



**VILLAGE OF WILLOWBROOK
CASH OUTLAY
ALL FUNDS**

MONTH	MONTHLY TOTALS			DAILY AVERAGE
	FISCAL 2017/18	FISCAL 2018/19	FISCAL 2019/20	FISCAL 2019/20
MAY	\$ 1,344,473 B	\$ 1,040,070	\$ 1,314,071 A	\$ 42,389
JUNE	1,434,254 C,D	1,027,203	1,262,520 A, F	42,084
JULY	1,931,329 B,C,D	1,002,201	1,119,427 F	36,111
AUG	1,569,952 C,D	1,140,853	1,257,122 F	40,552
SEP	1,473,375 D	1,013,460	1,046,271	34,876
OCT	1,001,287 D	1,067,553	1,017,789	32,832
NOV	1,871,238 B	868,212		
DEC	1,017,934 E	1,728,219 F		
JAN	1,097,010	1,295,655		
FEB	1,137,731 E	1,050,881 A,F		
MAR	1,039,332	994,241		
APR	875,327	982,578 F		
TOTAL	\$ 15,793,242	\$ 13,211,126	\$ 7,017,200	
AVERAGE	\$ 1,316,104	\$ 1,100,927	\$ 1,169,533	\$ 38,141

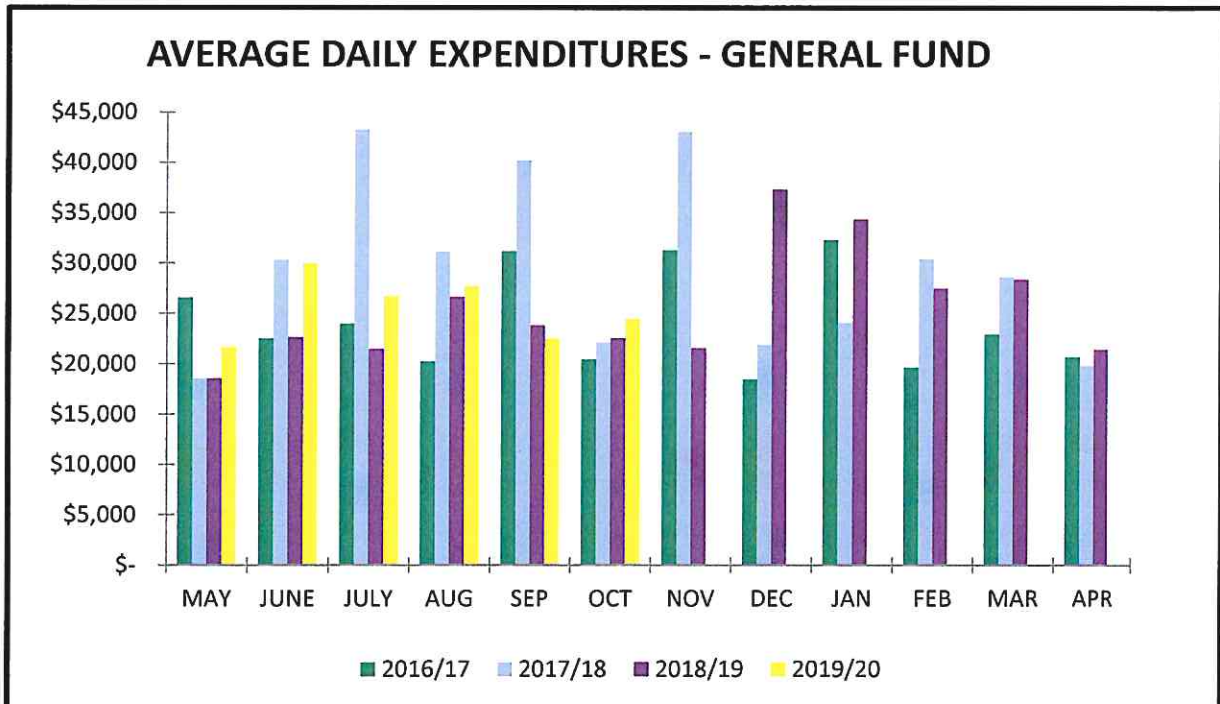
- A Includes retirement payout
 B Includes payment to LJ Morse for police department renovation
 C Includes payment to Tecorp for water tower painting
 D Includes payment to Clauss Brothers for Willow Pond Park renovation
 E Includes watermain lining payout
 F Includes payment to LJ Morse for CRC exterior renovation



**VILLAGE OF WILLOWBROOK
AVERAGE DAILY EXPENDITURES
GENERAL FUND**

MONTH	FISCAL 2016/17	FISCAL 2017/18	FISCAL 2018/19	FISCAL 2019/20
MAY	\$ 26,585	\$ 18,548	\$ 18,531	\$ 21,671
JUNE	22,563	30,355	22,655	30,024
JULY	24,006	43,297 A	21,462	26,717 *
AUG	20,266	31,156	26,618	27,764
SEP	31,190	40,215	23,835	22,574
OCT	20,454	22,129	22,535	24,513
NOV	31,257	43,060 A,B	21,549	
DEC	18,476	21,898	37,302 B,D	
JAN	32,341	24,115	34,349	
FEB	19,649	30,435 C	27,484 D	
MAR	22,966	28,627	28,355 D	
APR	20,696	19,842	21,433 D	
AVERAGE	\$ 24,204	\$ 29,473	\$ 25,509	\$ 25,544
% CHANGE		21.77%	-13.45%	0.14%

- A** Includes contribution towards police dept renovation (transfer to LAFER Fund)
B Includes transfer to Debt Service Fund
C Includes snow removal and full year of tree storm damage remediation payments
D Includes contribution towards CRC renovation (transfer to LAFER Fund)



* corrected

VILLAGE OF WILLOWBROOK FINANCIAL REPORT MUNICIPAL SALES AND USE TAXES

MONTH DIST	SALE MADE		15-16	16-17	17-18	18-19	19-20	% increase from prior year
MAY	FEB	\$	253,282	\$ 267,882	\$ 264,472	\$ 276,118	\$ 320,221	15.97%
JUNE	MAR		301,469	312,681	304,436	334,282	360,870	7.95%
JULY	APR		267,013	269,580	304,925	309,957	343,577	10.85%
AUG	MAY		328,251	331,887	345,478	376,154	397,471	5.67%
SEPT	JUNE		349,847	398,196	354,582	364,229	408,372	12.12%
OCT	JULY		306,409	316,266	313,701	320,062	380,773	18.97%
NOV	AUG		337,896	315,293	361,826	339,020		
DEC	SEPT		360,843	325,374	334,582	342,467		
JAN	OCT		318,340	289,208	312,400	329,103		
FEB	NOV		304,839	304,898	319,012	362,572		
MARCH	DEC		393,072	371,080	416,900	428,214		
APRIL	JAN		266,970	263,392	285,192	296,927		
TOTAL		\$	3,788,231	\$ 3,765,737	\$ 3,917,506	\$ 4,079,105	\$ 2,211,284	
MTH AVG		\$	315,686	\$ 313,811	\$ 326,459	\$ 339,925	\$ 368,547	
BUDGET		\$	3,600,000	\$ 3,600,000	\$ 3,600,000	\$ 3,600,000	\$ 4,000,000	

YEAR TO DATE LAST YEAR : \$ 1,980,802
YEAR TO DATE THIS YEAR : \$ 2,211,284
DIFFERENCE : \$ 230,482

PERCENTAGE CHANGE :

11.64%

CURRENT FISCAL YEAR :

BUDGETED REVENUE: \$ 4,000,000
PERCENTAGE OF YEAR COMPLETED : 50.00%
PERCENTAGE OF REVENUE TO DATE : 55.28%
PROJECTION OF ANNUAL REVENUE : \$ 4,553,741
EST. DOLLAR DIFF ACTUAL TO BUDGET \$ 553,741
EST. PERCENT DIFF ACTUAL TO BUDGET 13.8%

VILLAGE OF WILLOWBROOK FINANCIAL REPORT BUSINESS DISTRICT SALES TAX

MONTH DIST	SALE MADE	16-17	17-18	18-19	19-20
MAY	FEB	\$ -	\$ 33,892	\$ 33,887	\$ 47,967
JUNE	MAR	-	36,583	40,172	54,771
JULY	APR	-	35,311	34,830	53,799
AUG	MAY	-	38,019	39,441	57,570
SEPT	JUNE	-	37,321	40,597	58,915
OCT	JULY	-	34,773	38,253	56,043
NOV	AUG	-	40,727	42,081	
DEC	SEPT	-	36,779	38,486	
JAN	OCT	-	35,522	44,158	
FEB	NOV	-	42,116	62,903	
MARCH	DEC	-	57,664	79,892	
APRIL	JAN	32,744	36,122	46,514	
TOTAL			\$ 464,829	\$ 541,214	\$ 329,065
MTH AVG			\$ 36,122	\$ 45,101	\$ 54,844
BUDGET			\$ 518,650	\$ 450,000	\$ 485,000

YEAR TO DATE LAST YEAR :	\$ 227,180
YEAR TO DATE THIS YEAR :	\$ 329,065
DIFFERENCE :	\$ 101,885

PERCENTAGE CHANGE :

44.85%

CURRENT FISCAL YEAR :

BUDGETED REVENUE:	\$ 485,000
PERCENTAGE OF YEAR COMPLETED :	50.00%
PERCENTAGE OF REVENUE TO DATE :	67.85%
PROJECTION OF ANNUAL REVENUE :	\$ 783,936
EST. DOLLAR DIFF ACTUAL TO BUDGET	\$ 298,936
EST. PERCENT DIFF ACTUAL TO BUDGET	61.6%

VILLAGE OF WILLOWBROOK FINANCIAL REPORT MUNICIPAL INCOME TAXES

MONTH		15-16	16-17	Note 1 17-18	Note 2 18-19	Note 3 19-20
MAY	\$	153,084	\$ 116,485	\$ 114,461	\$ 117,127	\$ 171,495
JUNE		63,573	55,680	59,196	54,108	53,557
JULY		89,698	79,465	78,309	73,159	80,093
AUG		52,054	46,276	37,423	53,704	57,414
SEPT		49,578	50,547	44,142	52,413	50,814
OCT		87,136	74,694	67,208	81,459	90,661
NOV		57,454	50,133	50,580	58,669	
DEC		44,933	45,419	44,530	48,629	
JAN		84,307	73,433	64,897	70,855	
FEB		92,258	84,930	93,937	85,245	
MARCH		53,411	44,453	47,225	51,328	
APRIL		82,644	85,726	72,516	82,444	
TOTAL	\$	910,130	\$ 807,241	\$ 774,424	\$ 829,140	\$ 504,034
MTH AVG	\$	75,844	\$ 67,270	\$ 64,535	\$ 69,095	\$ 84,006
BUDGET	\$	634,095	\$ 740,418	\$ 862,540	\$ 736,319	\$ 815,000

Note 1: 10% reduction in LGDF approved by State of IL (no reduction in Village budget)

Note 2: 5% reduction in LGDF approved by State of IL (Village budget reduced 10%)

Note 3: 5% reduction in LGDF continued by State of IL (Village budget reduced 5%)

YEAR TO DATE LAST YEAR: \$ 431,970

YEAR TO DATE THIS YEAR: \$ 504,034

DIFFERENCE: \$ 72,064

PERCENTAGE CHANGE:

16.68%

BUDGETED REVENUE: \$ 815,000

PERCENTAGE OF YEAR COMPLETED : 50.00%

PERCENTAGE OF REVENUE TO DATE : 61.84%

PROJECTION OF ANNUAL REVENUE : \$ 967,462

EST. DOLLAR DIFF ACTUAL TO BUDGET \$ 152,462

EST. PERCENT DIFF ACTUAL TO BUDGET 18.7%

**VILLAGE OF WILLOWBROOK
FINANCIAL REPORT
MUNICIPAL UTILITY TAXES**

Telecommunications Tax - 6%
Nicor & Com-Ed - 5%

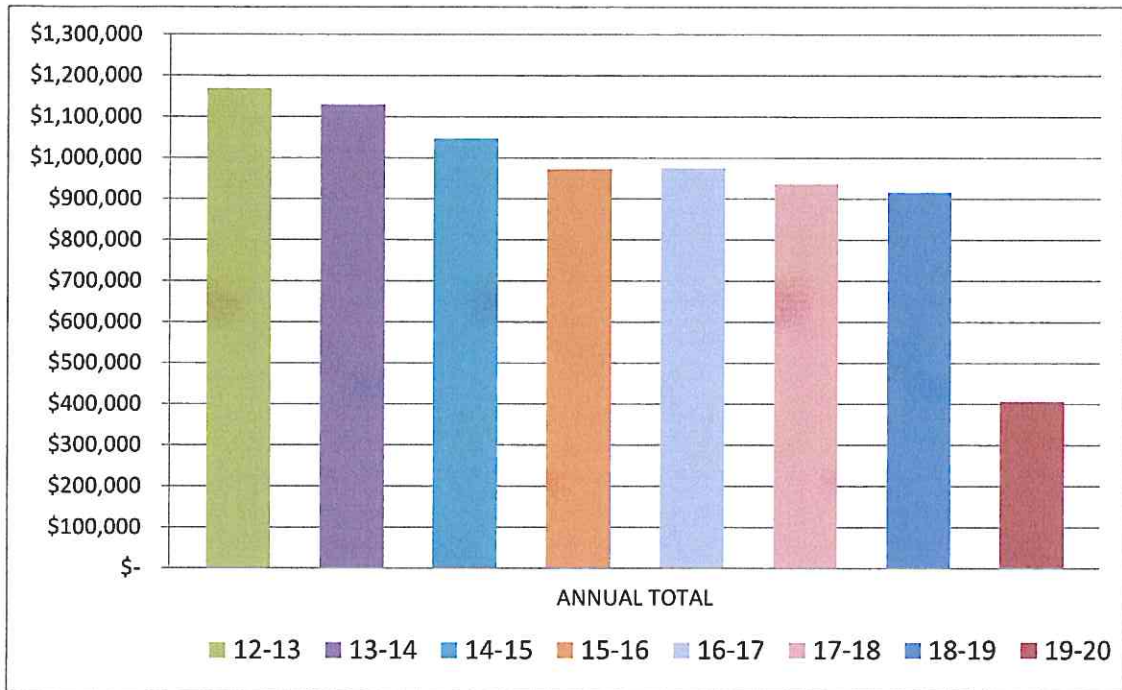
MONTH	15-16	16-17	17-18	18-19	19-20
MAY	\$ 76,117	\$ 76,429	\$ 71,829	\$ 73,377	\$ 67,576
JUNE	77,206	73,715	72,444	66,122	61,990
JULY	74,787	78,330	73,703	68,284	63,109
AUG	77,480	79,068	79,315	76,782	69,155
SEPT	83,767	80,232	78,406	74,848	73,700
OCT	84,774	83,653	76,352	77,551	70,250
NOV	77,541	74,678	69,376	70,012	
DEC	73,164	73,400	73,501	71,174	
JAN	82,913	87,946	81,944	81,654	
FEB	90,637	96,872	96,949	83,737	
MARCH	94,877	90,339	84,801	90,851	
APRIL	78,653	80,801	77,637	81,337	
TOTAL	\$ 971,916	\$ 975,463	\$ 936,257	\$ 915,729	\$ 405,780
MTH AVG	\$ 80,993	\$ 81,289	\$ 78,021	\$ 76,311	\$ 67,630
BUDGET	\$ 1,075,000	\$ 1,000,000	\$ 1,000,000	\$ 950,000	\$ 898,000

YEAR TO DATE LAST YEAR: \$ 436,964
YEAR TO DATE THIS YEAR: \$ 405,780
DIFFERENCE: \$ (31,184)

PERCENTAGE CHANGE:

-7.14%

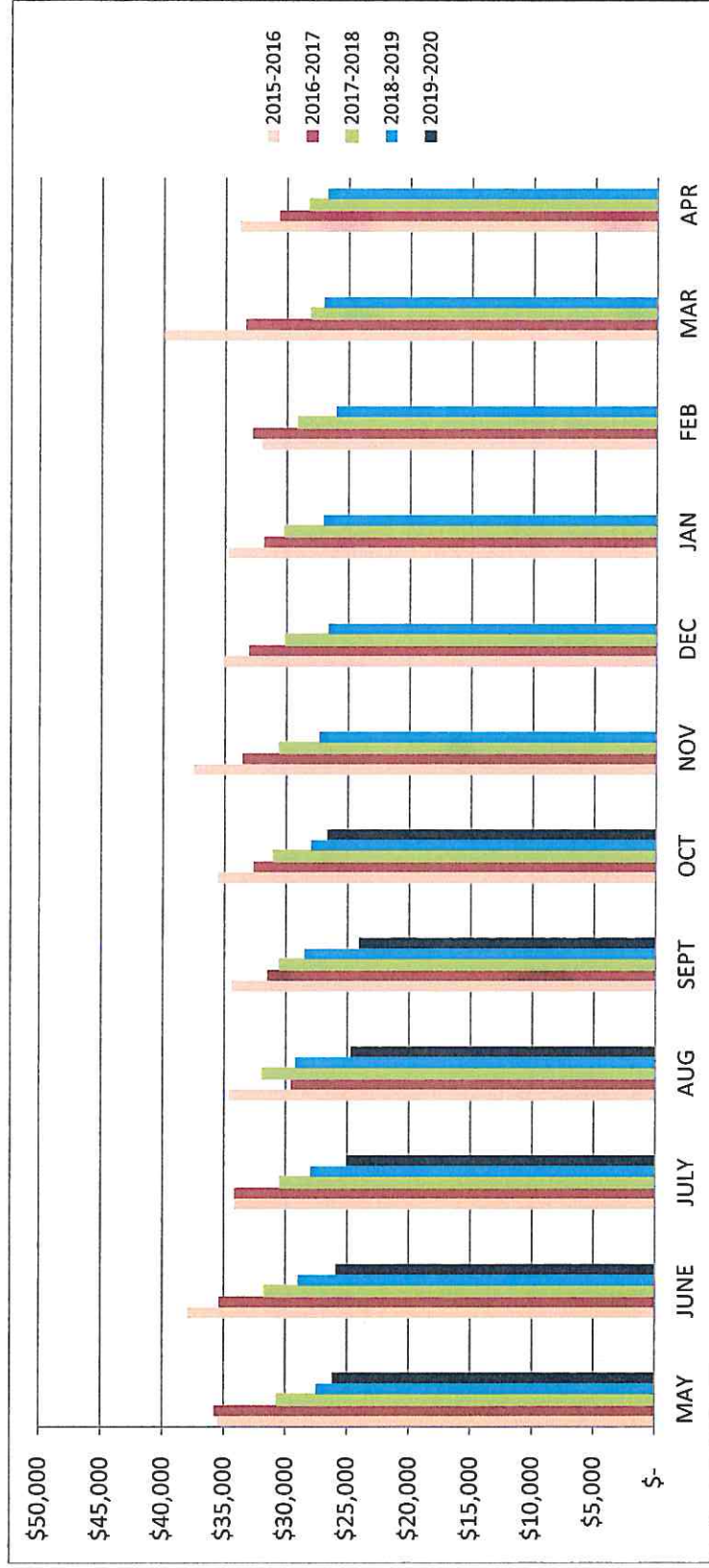
BUDGETED REVENUE: \$ 898,000
PERCENTAGE OF YEAR COMPLETED : 50.00%
PERCENTAGE OF REVENUE TO DATE : 45.19%
PROJECTION OF ANNUAL REVENUE : \$ 850,378
EST. DOLLAR DIFF ACTUAL TO BUDGET \$ (47,622)
EST. PERCENT DIFF ACTUAL TO BUDGET **-5.3%**



VILLAGE OF WILLOWBROOK
SIMPLIFIED TELECOMMUNICATION TAX
CASH BASIS

	<u>2014-2015</u>	<u>2015-2016</u>	<u>2016-2017</u>	<u>2017-2018</u>	<u>2018-2019</u>	<u>2019-2020</u>
MAY	\$ 37,525	\$ 35,456	\$ 35,774	\$ 30,650	\$ 27,516	\$ 26,182
JUNE	39,536	37,901	35,405	31,679	28,991	25,921
JULY	37,504	34,148	34,133	30,435	27,985	25,080
AUG	33,430	34,626	29,565	31,879	29,221	24,736
SEPT	33,909	34,389	31,506	30,495	28,519	24,084
OCT	33,239	35,567	32,636	31,009	27,985	26,712
NOV	33,142	37,509	33,567	30,559	27,346	
DEC	32,322	35,136	33,074	30,112	26,616	
JAN	32,454	34,752	31,848	30,180	27,034	
FEB	35,607	32,046	32,796	29,102	25,975	
MAR	36,250	39,967	33,363	28,050	27,021	
APR	<u>36,717</u>	<u>33,877</u>	<u>30,616</u>	<u>28,170</u>	<u>26,725</u>	
TOTAL:	\$ 421,635	\$ 425,374	\$ 394,283	\$ 362,320	\$ 330,934	\$ 152,715
5 year average:	\$ 386,909			YTD PRIOR YEAR		\$ 170,217
				YTD CURRENT YEAR		<u>\$ 152,715</u>
				DIFFERENCE		\$ (17,502)
				PERCENTAGE CHANGE		-10.28%

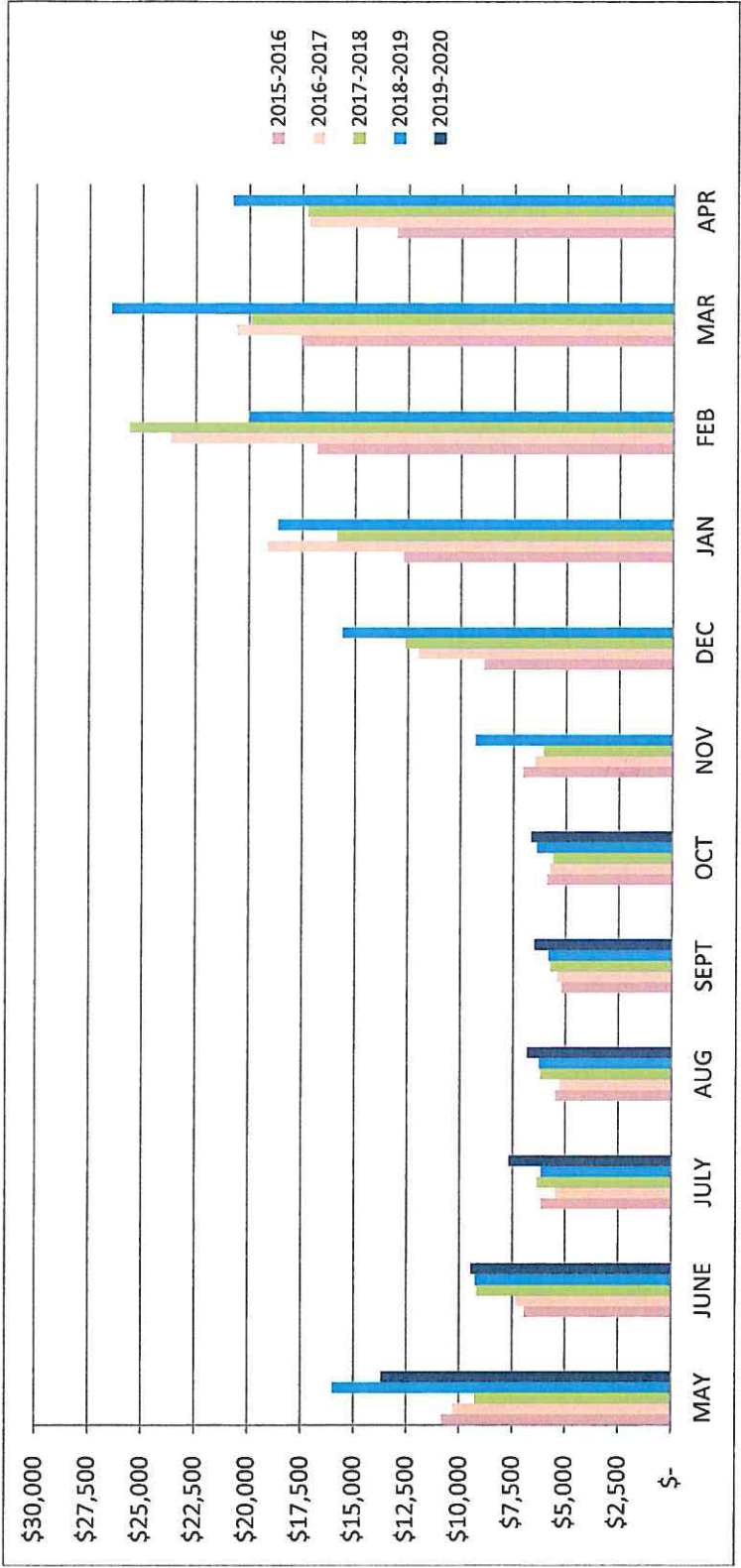
VILLAGE OF WILLOWBROOK
SIMPLIFIED TELECOMMUNICATION TAX
CASH BASIS



VILLAGE OF WILLOWBROOK
UTILITY TAX
NORTHERN ILLINOIS GAS
CASH BASIS

	<u>2014-2015</u>	<u>2015-2016</u>	<u>2016-2017</u>	<u>2017-2018</u>	<u>2018-2019</u>	<u>2019-2020</u>
MAY	\$ 27,131	\$ 10,832	\$ 10,304	\$ 9,264	\$ 15,975	\$ 13,692
JUNE	15,821	6,932	7,347	9,161	9,247	9,463
JULY	9,063	6,147	5,462	6,341	6,155	7,695
AUG	6,850	5,482	5,261	6,175	6,253	6,826
SEPT	9,298	5,187	5,386	5,736	5,810	6,482
OCT	6,986	5,873	5,747	5,600	6,372	6,657
NOV	7,796	7,043	6,471	6,071	9,305	
DEC	13,316	8,900	12,010	12,635	15,590	
JAN	22,014	12,720	19,149	15,856	18,618	
FEB	27,140	16,804	23,695	25,618	19,961	
MAR	22,595	17,469	20,597	19,908	26,447	
APR	19,735	13,062	17,197	17,257	20,770	
TOTAL:	\$ 187,745	\$ 116,451	\$ 138,626	\$ 139,622	\$ 160,503	\$ 50,815
				YTD PRIOR YEAR		\$ 49,812
				YTD CURRENT YEAR		\$ 50,815
				DIFFERENCE		\$ 1,003
				PERCENTAGE CHANGE		2.01%
	5 year average:	\$ 148,589				

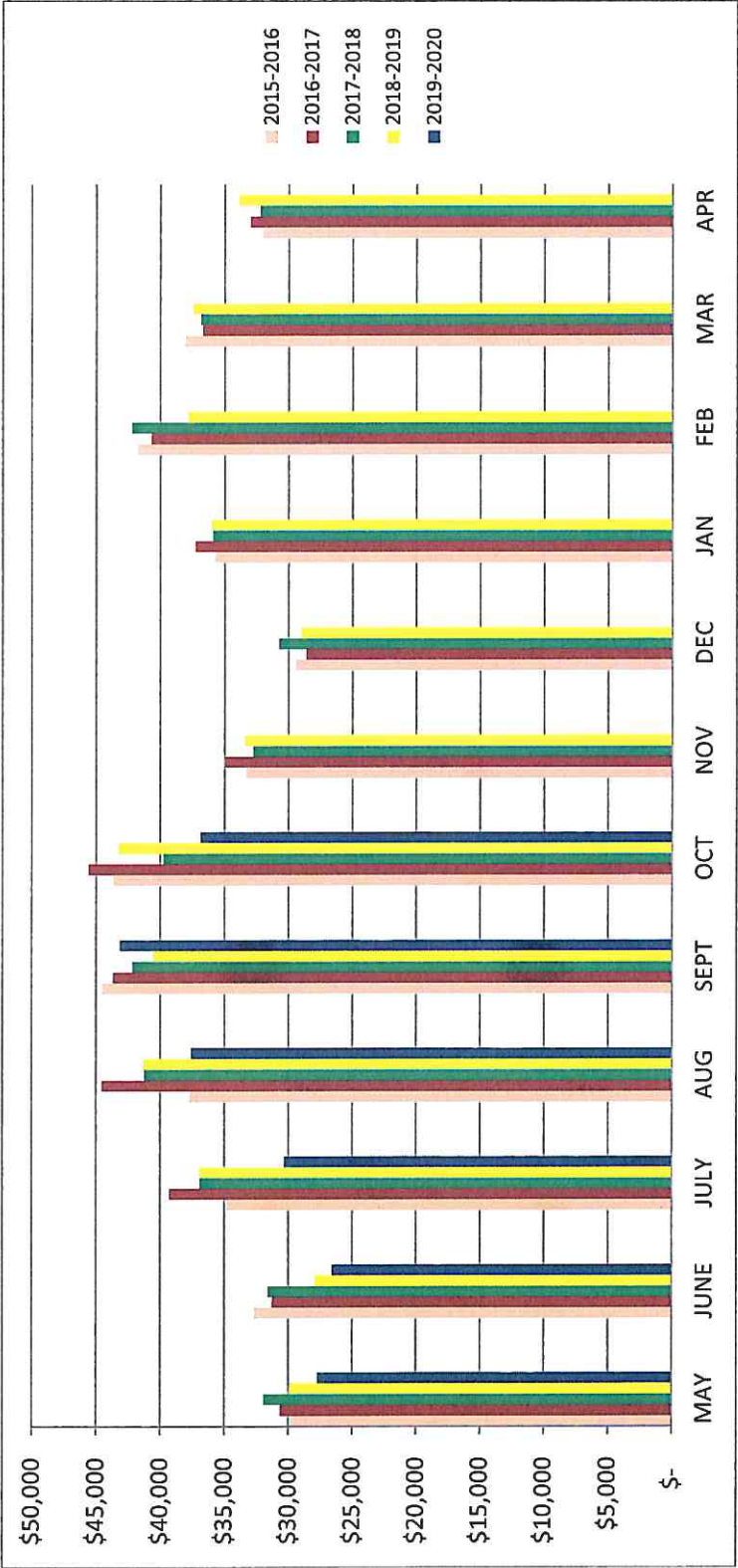
VILLAGE OF WILLOWBROOK
 UTILITY TAX
 NORTHERN ILLINOIS GAS
 CASH BASIS



VILLAGE OF WILLOWBROOK
UTILITY TAX
COMMONWEALTH EDISON
CASH BASIS

	<u>2014-2015</u>	<u>2015-2016</u>	<u>2016-2017</u>	<u>2017-2018</u>	<u>2018-2019</u>	<u>2019-2020</u>
MAY	\$ 34,830	\$ 29,829	\$ 30,662	\$ 31,915	\$ 29,886	\$ 27,702
JUNE	30,761	32,626	31,275	31,604	27,884	26,606
JULY	37,112	34,803	39,258	36,927	36,894	30,334
AUG	42,214	37,683	44,561	41,261	41,308	37,593
SEPT	37,735	44,502	43,660	42,175	40,520	43,134
OCT	39,066	43,645	45,590	39,743	43,194	36,881
NOV	31,474	33,301	34,959	32,746	33,361	
DEC	30,601	29,440	28,636	30,754	28,968	
JAN	37,443	35,753	37,269	35,908	36,002	
FEB	42,180	41,787	40,701	42,229	37,801	
MAR	42,448	38,065	36,699	36,843	37,383	
APR	35,331	32,026	32,988	32,209	33,842	
TOTAL:	\$ 441,195	\$ 433,460	\$ 446,258	\$ 434,314	\$ 427,043	\$ 202,250
				YTD PRIOR YEAR		\$ 219,686
	5 year average:	\$ 436,454		YTD CURRENT YEAR		\$ 202,250
				DIFFERENCE		\$ (17,436)
				PERCENTAGE CHANGE		-7.94%

VILLAGE OF WILLOWBROOK
UTILITY TAX
COMMONWEALTH EDISON
CASH BASIS



VILLAGE OF WILLOWBROOK FINANCIAL REPORT PLACES OF EATING TAXES

MONTH	15-16	16-17	17-18	18-19	19-20
MAY	\$ 38,401	\$ 41,442	\$ 39,855	\$ 40,666	\$ 45,278
JUNE	47,006	45,625	43,516	44,029	47,281
JULY	46,836	47,842	42,679	47,244	49,632
AUG	43,155	43,496	41,124	44,386	47,229
SEPT	45,463	42,850	44,371	44,262	47,289
OCT	46,049	43,124	41,841	44,738	44,074
NOV	40,168	40,684	40,921	41,827	
DEC	45,711	40,440	40,544	44,667	
JAN	44,734	35,511	58,256	44,111	
FEB	39,271	35,157	39,067	46,802	
MARCH	38,923	43,213	36,762	39,793	
APRIL	42,586	41,137	45,969	46,283	
TOTAL	\$ 518,303	\$ 500,521	\$ 514,905	\$ 528,808	\$ 280,783
MTH AVG	\$ 43,192	\$ 41,710	\$ 42,909	\$ 44,067	\$ 46,797
BUDGET	\$ 460,000	\$ 475,000	\$ 485,000	\$ 485,000	\$ 500,000

YEAR TO DATE LAST YEAR: \$ 265,325

YEAR TO DATE THIS YEAR: \$ 280,783

DIFFERENCE: \$ 15,458

PERCENTAGE OF INCREASE:

5.83%

BUDGETED REVENUE: \$ 500,000

PERCENTAGE OF YEAR COMPLETED : 50.00%

PERCENTAGE OF REVENUE TO DATE : 56.16%

PROJECTION OF ANNUAL REVENUE : \$ 559,617

EST. DOLLAR DIFF ACTUAL TO BUDGET \$ 59,617

EST. PERCENT DIFF ACTUAL TO BUDGET 11.92%

**VILLAGE OF WILLOWBROOK
FINANCIAL REPORT
FINES**

MONTH DIST	15-16	16-17	17-18	18-19	19-20	Difference from Prior Year
MAY	\$ 15,102	\$ 11,090	\$ 16,151	\$ 10,691	\$ 10,567	-1.16%
JUNE	12,488	9,365	13,897	16,043	9,197	-42.67%
JULY	12,842	12,157	11,415	7,454	15,022	101.53%
AUG	12,465	15,130	20,048	11,967	9,650	-19.36%
SEPT	11,832	9,867	12,359	8,190	11,409	39.30%
OCT	10,086	15,810	12,269	13,672	13,808	0.99%
NOV	6,253	13,410	9,357	11,179		
DEC	9,197	12,631	10,790	10,998		
JAN	8,567	21,272	9,705	10,916		\$ 475.00 DUI Fines
FEB	11,546	13,571	11,525	12,376		\$ 2,663.00 Overweight
MARCH	12,474	17,407	11,820	8,467		\$ 49,540.00 D.C. Circuit Court
APRIL	10,141	12,327	15,939	9,979		\$ 16,975.00 Village issued
TOTAL	\$ 132,993	\$ 164,037	\$ 155,275	\$ 131,932	\$ 69,653	\$ 69,653.00
MTH AVG	\$ 11,083	\$ 13,670	\$ 12,940	\$ 10,994	\$ 11,609	
BUDGET	\$ 145,000	\$ 130,000	\$ 130,000	\$ 130,000	\$ 125,000	

YEAR TO DATE LAST YEAR : \$ 68,017
YEAR TO DATE THIS YEAR : \$ 69,653
DIFFERENCE : \$ 1,636

PERCENTAGE CHANGE

2.41%

BUDGETED REVENUE: \$ 125,000
PERCENTAGE OF YEAR COMPLETED : 50.00%
PERCENTAGE OF REVENUE TO DATE : 55.72%
PROJECTION OF ANNUAL REVENUE : \$ 135,105
EST. DOLLAR DIFF ACTUAL TO BUDGET \$ 10,105
EST. PERCENT DIFF ACTUAL TO BUDGET 8.08%

VILLAGE OF WILLOWBROOK FINANCIAL REPORT RED LIGHT FINES

MONTH DIST	Note 1		Note 2		
	15-16	16-17	17-18	18-19	19-20
MAY	\$ 39,110	\$ 60,454	\$ 57,850	\$ 75,711	\$ 53,890
JUNE	32,810	76,985	48,425	69,125	50,335
JULY	33,585	70,820	60,185	82,250	73,600
AUG	12,160	84,520	49,475	92,970	78,455
SEPT	3,559	81,365	52,170	86,300	70,770
OCT	3,985	66,295	50,230	95,425	67,034
NOV	18,825	50,555	51,165	84,560	
DEC	26,400	50,850	50,575	85,365	
JAN	41,225	59,660	44,045	73,419	
FEB	61,384	38,590	64,700	68,560	
MARCH	51,851	36,200	71,567	59,010	
APRIL	58,285	43,500	74,330	59,345	
TOTAL	\$ 383,179	\$ 719,794	\$ 674,717	\$ 932,040	\$ 394,084
MTH AVG	\$ 31,932	\$ 59,983	\$ 56,226	\$ 77,670	\$ 65,681
BUDGET	\$ 540,000	\$ 525,000	\$ 560,000	\$ 560,000	\$ 600,000
YEAR TO DATE LAST YEAR :					\$ 501,781
YEAR TO DATE THIS YEAR :					\$ 394,084
DIFFERENCE :					\$ (107,697)
PERCENTAGE CHANGE:					-21.46%
BUDGETED REVENUE:					\$ 600,000
PERCENTAGE OF YEAR COMPLETED :					50.00%
PERCENTAGE OF REVENUE TO DATE :					65.68%
PROJECTION OF ANNUAL REVENUE :					\$ 731,997
EST. DOLLAR DIFF ACTUAL TO BUDGET					\$ 131,997
EST. PERCENT DIFF ACTUAL TO BUDGET					22.0%

Note 1 - The red light cameras at 75th St./Rt. 83 were down from 5/22/2015-9/27/2015 for camera maintenance/upgrade and as required by IDOT during the ongoing construction of the intersection.

Note 2 - The 63rd St./Rt. 83 camera also was down from 5/22/2015-9/26/2017.

VILLAGE OF WILLOWBROOK FINANCIAL REPORT BUILDING PERMITS

MONTH	15-16	16-17	17-18	18-19	19-20
MAY	\$ 11,448	\$ 28,379	\$ 74,352 ⁵	\$ 53,165	\$ 25,054
JUNE	21,083	12,846	15,651	63,398 ⁷	19,755
JULY	19,427	19,166	34,261	87,643 ⁸	86,908 ¹¹
AUG	15,151	59,754 ²	63,136	42,532	12,752
SEPT	146,016 ¹	62,108 ³	39,902	30,008	21,357
OCT	24,175	127,894 ⁴	60,823	24,737	58,337
NOV	39,743	72,070	43,295	61,612 ⁹	
DEC	15,972	9,338	11,428	23,253	
JAN	9,450	39,549	62,106 ⁶	47,395	
FEB	9,393	25,008	27,862	230,171 ¹⁰	
MARCH	32,001	15,940	28,651	16,948	
APRIL	24,754	16,072	150,099 ⁶	29,191	
TOTAL	\$ 368,613	\$ 488,124	\$ 611,566	\$ 710,053	\$ 224,163
MTH AVG	\$ 30,718	\$ 40,677	\$ 50,964	\$ 59,171	\$ 37,361
BUDGET	\$ 200,000	\$ 225,000	\$ 240,000	\$ 250,000	\$ 275,000

1 - Sept 2015 includes 2 permits for \$18,477 to Willowbrook Inn, 2 for \$31,546 to Three Bridge Partners and 2 for \$82,405 for the Willowbrook Business Center.

2 - Aug 2016 includes permits to Level Construction (single family home) & Peter Michael Realty

3 - Sept 2016 includes permits to Peter Michael Realty & Fred Barbara (foundation)

4 - Oct 2016 includes permit to Peter Michael Realty

5 - May 2017 includes permit to Peter Michael Realty & Willowbrook Inn

6 - includes permit to Rose Development (Compass Arena)

7 - includes permit to Power Construction (former Turtle Wax bldg)

8- includes permits to JKC Ice & RESA Construction (Willowbrook Inn)

9- includes permits to ArcVision (Harlem Irving), Pulte Homes (2) & GEA Architects (Lumes)

10- includes permits to ROC Willowbrook for new storage facility (2 buildings)

11 - includes Target interior remodel; new single family house

YEAR TO DATE LAST YEAR:	\$ 301,483
YEAR TO DATE THIS YEAR:	\$ 224,163
DIFFERENCE:	\$ (77,320)

PERCENTAGE OF CHANGE:

-25.65%

BUDGETED REVENUE:	\$ 275,000
PERCENTAGE OF YEAR COMPLETED :	50.00%
PERCENTAGE OF REVENUE TO DATE :	81.51%
PROJECTION OF ANNUAL REVENUE :	\$ 527,949
EST. DOLLAR DIFF ACTUAL TO BUDGET	\$ 252,949
EST. PERCENT DIFF ACTUAL TO BUDGET	91.98%

**VILLAGE OF WILLOWBROOK
FINANCIAL REPORT
WATER SALES REVENUE**

BILLING MONTH	Note 1					% change from same month last fiscal year
	15-16	16-17	17-18	18-19	19-20	
MAY	\$ 256,706	\$ 263,161	\$ 247,847	\$ 238,010	\$ 235,731	-1.0%
JUNE	314,253	336,148	315,225	324,934	310,934	-4.3%
JULY	218,363	239,324	238,556	231,577	226,646	-2.1%
AUG	303,288	322,609	335,018	316,533	310,599	-1.9%
SEPT	359,696	544,406	351,489	370,074	349,902	-5.5%
OCT	236,358	255,530	257,241	240,680	250,311	4.0%
NOV	310,296	312,524	320,151	302,506		-100.0%
DEC	325,328	318,013	329,836	309,763		-100.0%
JAN	197,312	217,387	207,114	208,767		-100.0%
FEB	261,709	223,201	250,258	252,660		-100.0%
MARCH	326,533	294,917	301,012	304,339		-100.0%
APRIL	189,498	214,681	207,182	208,825		-100.0%
TOTAL	\$ 3,299,340	\$ 3,541,901	\$ 3,360,929	\$ 3,308,668	\$ 1,684,123	
MTH AVG	\$ 274,945	\$ 295,158	\$ 280,077	\$ 275,722	\$ 280,687	
BUDGET	\$ 3,316,000	\$ 3,545,000	\$ 3,545,000	\$ 3,545,000	\$ 3,200,000	

The last rate increase was 12%, effective 1/1/15

Note 1 - Sept 2016 includes catch-up bill for shopping center \$181,169

YEAR TO DATE LAST YEAR:	\$ 1,721,808
YEAR TO DATE THIS YEAR:	\$ 1,684,123
DIFFERENCE:	\$ (37,685)

PERCENTAGE OF INCREASE:	-2.19%
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BUDGETED REVENUE:	\$ 3,200,000
PERCENTAGE OF YEAR COMPLETED :	50.00%
PERCENTAGE OF REVENUE TO DATE :	52.63%
PROJECTION OF ANNUAL REVENUE :	\$ 3,236,252
EST. DOLLAR DIFF ACTUAL TO BUDGET	\$ 36,252
EST. PERCENT DIFF ACTUAL TO BUDGET	1.13%

VILLAGE OF WILLOWBROOK FINANCIAL REPORT MUNICIPAL HOTEL/MOTEL TAXES

Note 1, 2

MONTH	15-16	16-17	17-18	18-19	19-20
MAY	\$ 4,489	\$ 18,523	\$ 20,240	\$ 19,596	\$ 20,574
JUNE	5,581	21,089	22,069	24,542	23,851
JULY	27,829	22,892	25,925	28,692	26,312
AUG	30,072	28,480	27,346	28,026	27,034
SEPT	23,430	19,562	21,506	22,570	26,252
OCT	22,458	26,887	27,690	23,943	19,660
NOV	20,112	21,561	21,655	23,345	
DEC	16,043	20,626	17,117	17,997	
JAN	17,287	16,184	14,899	15,768	
FEB	15,509	13,982	12,963	15,144	
MARCH	13,763	13,759	13,893	14,187	
APRIL	15,745	18,825	17,918	19,097	
TOTAL	\$ 212,318	\$ 242,370	\$ 243,221	\$ 252,907	\$ 143,683
MTH AVG	\$ 17,693	\$ 20,198	\$ 20,268	\$ 21,076	\$ 23,947
BUDGET	\$ 210,000	\$ 243,000	\$ 232,365	\$ 246,000	\$ 248,000

Note 1 - The Village raised the hotel tax from 1% to 5% effective June 1, 2015 (payments collected in July 2015).

Note 2 - The Willowbrook Inn's last payment was made in Jan 2016 (for month of Sept 2015). The hotel closed on Jan 22, 2016.

YEAR TO DATE LAST YEAR:	\$ 147,369
YEAR TO DATE THIS YEAR:	\$ 143,683
DIFFERENCE:	\$ (3,686)

PERCENTAGE CHANGE:	-2.50%
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BUDGETED REVENUE:	\$ 248,000
PERCENTAGE OF YEAR COMPLETED :	50.00%
PERCENTAGE OF REVENUE TO DATE :	57.94%
PROJECTION OF ANNUAL REVENUE :	\$ 246,581
EST. DOLLAR DIFF ACTUAL TO BUDGET	\$ (1,419)
EST. PERCENT DIFF ACTUAL TO BUDGET	-0.6%

VILLAGE OF WILLOWBROOK FINANCIAL REPORT MOTOR FUEL TAX

MONTH DIST	15-16	16-17	17-18	18-19	19-20
MAY	\$ 19,862	\$ 19,435	\$ 18,698	\$ 19,550	\$ 18,903
JUNE	18,649	19,302	18,958	17,998	17,323
JULY	12,105	12,173	15,055	16,495	15,793
AUG	21,542	1	19,538	19,740	19,360
SEPT	20,756	1	18,555	18,646	18,668
OCT	13,977	1	16,379	16,481	15,595
NOV	18,160	1	18,960	18,870	20,460
DEC	21,032	19,318	19,231	19,263	
JAN	19,274	20,259	18,870	18,549	
FEB	18,616	19,259	19,320	18,528	
MARCH	18,762	18,362	16,738	16,851	
APRIL	16,136	15,656	16,593	16,115	
TOTAL	\$ 218,871	\$ 217,196	\$ 217,200	\$ 217,432	\$ 131,005
MTH AVG	\$ 18,239	\$ 18,100	\$ 18,100	\$ 18,119	\$ 21,834
BUDGET	\$ 203,252	\$ 221,186	\$ 219,905	\$ 219,905	\$ 217,343

YEAR TO DATE LAST YEAR :	\$ 107,666
YEAR TO DATE THIS YEAR :	\$ 131,005
DIFFERENCE :	\$ 23,339

PERCENTAGE OF CHANGE:

21.68%

BUDGETED REVENUE:	\$ 217,343
PERCENTAGE OF YEAR COMPLETED :	50.00%
PERCENTAGE OF REVENUE TO DATE :	60.28%
PROJECTION OF ANNUAL REVENUE :	\$ 264,565
EST. DOLLAR DIFF ACTUAL TO BUDGET	\$ 47,222
EST. PERCENT DIFF ACTUAL TO BUDGET	21.7%

Note 1 - Received payments in December 2015

Note 2 - Includes 1st distribution of the Transportation Renewal Fund (July) - \$.19/gallon tax of \$12,725 (15.71% to municipalities)

Note 2a - Includes two payments, continuing distribution of the Transportation Renewal Fund

FINANCE & ADMINISTRATION COMMITTEE MEETING AGENDA ITEM SUMMARY SHEET

AGENDA ITEM DESCRIPTION

DISCUSSION – Revenue Assumptions for FY 2020/21 Budget

COMMITTEE REVIEW

- ☒ Finance/Administration
☐ Municipal Services
☐ Public Safety

Meeting Date: 11/11/2019

- ☒ Discussion Only ☐ Approval of Staff Recommendation (for consideration by Village Board at a later date)
☐ Seeking Feedback ☐ Approval of Staff Recommendation (for immediate consideration by Village Board)
☐ Regular Report ☐ Report/documents requested by Committee

BACKGROUND

The following table shows the FY 2018/19 General Fund budgeted revenues vs. actual revenues received, as recently presented in the Village's audit, along with the revenue budgeted for FY 19/20:

Revenue	FY 18/19 Budget	FY 18/19 Actual	Difference		FY 19/20 Budget
Sales Tax	3,600,000	4,183,416	583,416	16.21%	4,000,000
Income Tax	736,319	829,140	92,821	12.61%	815,000
Amusement Tax	57,504	63,995	6,491	11.29%	57,504
Utility Tax	950,000	903,954	(46,046)	-4.85%	898,000
Places of Eating Tax	485,000	533,059	48,059	9.91%	500,000
Special Rec Prop Tax	78,341	79,410	1,069	1.36%	74,420
Road & Bridge Tax	108,803	108,206	(597)	-0.55%	111,259
Other Taxes	179,250	165,890	(13,360)	-7.45%	161,370
Licenses	140,345	149,621	9,276	6.61%	148,850
Permit Fees	257,500	726,639	469,139	182.19%	282,500
Fines - Red Light	560,000	932,040	372,040	66.44%	600,000
Fines - Other	130,000	121,853	(8,147)	-6.27%	125,000
Cable Fees	216,000	213,358	(2,642)	-1.22%	216,000
Investment Income	12,000	88,283	76,283	635.69%	24,000
Federal/State Grants	57,289	111,650	54,361	94.89%	72,788
Drug Forfeiture/DEA	33,293	21,040	(12,253)	-36.80%	11,000
Charges for Services	71,600	125,579	53,979	75.39%	68,100
Parks & Recreation	21,950	34,621	12,671	57.73%	28,750
Other	54,420	134,280	79,860	146.75%	51,420
Subtotal	\$7,749,614	\$9,526,034	\$1,776,420	22.92%	\$ 8,245,961

REQUEST FOR FEEDBACK

Staff is beginning to prepare the revenue estimates for the FY 2020/21 budget, and would request feedback from the Committee if they have any recommended changes to the revenue assumptions for the major General Fund sources.

STAFF RECOMMENDATION

N/A