



President and Board of Trustees
Village of Arlington Heights
Committee-of-the-Whole
Community Room
Arlington Heights Village Hall
33 S. Arlington Heights Road
Arlington Heights, IL 60005
June 9, 2014
7:30 PM

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE

III. ROLL CALL OF MEMBERS

IV. NEW BUSINESS

- A. 7:33 p.m. - Consideration of recommending to the Liquor Commissioner the issuance of a Class "AA" Liquor License to Mike Ditka's Arlington Heights, LLC dba Ditka's, located at 2000 W. Euclid Avenue
- B. 8:00 p.m. - Proposed Regulations for Electronic Cigarette Devices
- C. 8:20 p.m. - Proposed Transfers from the General Fund to the Emerald Ash Borer (EAB) Flood V, Fleet and Capital Projects Funds
- D. 8:50 p.m. - Trustee Request to Discuss Elimination of Vehicle Stickers

V. OTHER BUSINESS

VI. ADJOURNMENT

Persons with disabilities requiring auxiliary aids or services, such as an American Sign Language interpreter or written materials in accessible formats, should contact David Robb, Disability Services Coordinator, at 33 S. Arlington Heights Road, Arlington Heights, Illinois 60005, (847)368-5793 (Voice), (847)368-5980 (Fax) or drobb@vah.com.



Item: Consideration of a Liquor License - Ditka's

Department:

Consideration of recommending to the Liquor Commissioner the issuance of a Class "AA" Liquor License to Mike Ditka's Arlington Heights, LLC dba Ditka's, located at 2000 W. Euclid Avenue (Former Trackside Restaurant)

ATTACHMENTS:

Description

Type

No Attachments Available



Item: Proposed Regulations for Electronic Cigarette Devices

Department: Health Services

As staff liaison for the Board of Health, I wanted to provide you a brief overview of the discussion that occurred on electronic cigarettes at their May 21, 2014 meeting.

During their meeting a motion was made by Dr. Kleinman that the Village of Arlington Heights impose the same regulations for electronic cigarette devices as conventional cigarettes within the Village boundaries. Dr. Meservey seconded the motion and it was approved by unanimous consent. There were four of the five Board members present at this meeting.

At the present time, e-cigarettes are an unregulated product with unknown health risks. The FDA will be regulating electronic cigarette devices; however, the adoption of these regulations will take time. In the meantime, until more studies are done concerning the effect of secondhand vaping of nicotine, the Board of Health believes it is important to protect the public's health and safety by imposing the same regulations for electronic cigarette devices as conventional cigarettes.

If the Village Board concurs with the Board of Health's recommendation, it would require amending our Village's Clean Indoor Air Ordinance to prohibit the use of electronic cigarette devices in public places and within 15 feet of the door.

Communities that have amended their Clean Indoor Air Ordinance to prohibit the use of electronic cigarette devices in public places:

- Chicago
- Evanston
- Carpentersville
- Oak Park

Communities considering amending their Clean Indoor Air Ordinance to prohibit the use of electronic cigarette devices in public places:

- Schaumburg
- Bartlett
- Hoffman Estates
- Wilmette

ATTACHMENTS:

Description	Type
Board of Health minutes	Agreement

VILLAGE OF ARLINGTON HEIGHTS
Board of Health Meeting Minutes
Wednesday, May 21, 2014

Draft

I. Call to Order

Chair Kleinman called the meeting to order at 7:30pm.

II. Pledge of Allegiance

III. Roll Call

Present:

Yota Kleinman, MD
Jerome Meservey, MD
Timothy Laurie, MD
Thomas Harris, DDS

Absent:

Karen VanLandeghem

Also Present:

James McCalister, Director BHS
Cathy Meersman, RN

IV. Approval of Minutes

A motion was made by Dr. Meservey to approve the minutes of the October 16, 2013 meeting, seconded by Dr. Kleinman and approved by unanimous consent.

V. Communications

Linda Smith from the Lutheran Home gave a presentation on the Lutheran Home Olsen Pavilion Expansion addition called the *My Rehab Center*, which will consist of 78 private rooms, each with private bathrooms and showers that are Americans with Disabilities Act approved. She stated that they hope to open in June.

a. Director of Department of Building & Health Services Update

Mr. McCalister shared other new construction activity – Autumn Leaves Memory Care Facility, 1625 S. Arlington Heights Road, Chicago Surgical Clinic, 129 W. Rand Road, Transitional Care Management, 1200 N. Arlington Heights Road, and Xilin Adult Day Care, 145 E. Algonquin Road.

Mr. McCalister stated that Northwest Community Hospital (NCH) has a presence at the Senior Center with a memorandum of understanding. They are working on expanding the memorandum of understanding now. Char Padovani was hired as their Senior Services Liaison. She is working on future programing that can be provided at our Senior Center.

Mr. McCalister passed out a flyer on the Northwest Suburban Housing Collaborative Senior Handyman Program. There has always been a need for handyman services and this service will be available to residents of Arlington Heights, Buffalo Grove, Mt. Prospect, Palatine, and Rolling Meadows.

Mr. McCalister explained that the week of May 18-24th is Emergency Medical Services Week and some Health staff have taken the NIMS 300 and 400 courses in May.

Two birds were collected for testing by the State for West Nile Virus.

b. **Nursing Services Report**

Immunization Clinic - Cathy Meersman, RN shared that the Immunization Clinic is up and running and the Clinic now is open the second Monday of each month. The Clinic requires a reservation and past immunization records. The nurses meet the week prior to the Immunization Clinic to go over immunization records and these are compared to the ICARE State database.

Ms. Meersman explained to the Board that the computer program we had been using will not be able to merge with ICARE. She said we will still use this program for adults as we purchase vaccine and they pay cost for the vaccine.

Vision & Hearing Program – The Vision and Hearing Program was conducted at Our Lady of the Wayside, St. James, and St. Peter parochial schools in late November, January and February.

Home Visit Program – The Home Visit numbers have dropped slightly as have the numbers for other nurses in the surrounding areas. Walk-in numbers have increased at our Wellness Clinics at Village Hall and the Senior Center.

Senior Programs – Nursing Services provided 150 cholesterol tests at Senior Celebration Day at Arlington Park on May 8, 2014. The cassettes were donated by District 214. Nursing Services provided blood pressure screenings, weights, & BMI at the National Senior Health & Fitness day held at the Senior Center on May 28, 2014.

Community Programs – First Aid support is provided by Village nurses at the 4K/8K *Got2Run* race where money was raised for local schools. There were about 1500 runners/walkers at this race. First Aid support will also be provided at the 5K/10K *Salute Run* scheduled at Rec Park this weekend to honor veterans.

TEAMS – This is a special community joint venture with School District 25. TEAMS stands for Training, Education, Assistance, Mentorship, and Support. This involves local health departments, supportive pediatricians, and the school district. This program is to help prevent chronic disease, mental health concerns, and to promote health awareness. Dr. Mesurvey said that School District 25 applied for this grant and is the only school district to receive the grant. They will have two years to evaluate school health to see where there can be improvements.

Frontier Days – Ms. Meersman said that the Village nurses will be at the First Aid Booth during the Festival.

Mane Event – Ms. Meersman said Nursing Services will be at the Mane Event offering blood pressure screenings again this year.

VI. **New Business**

a. **Electronic Cigarettes (e-cigarettes)**

Mr. McCalister said currently a few communities have amended their clean indoor air ordinances to prohibit the use of electronic cigarettes in public places. The FDA is proposing regulations and opened a public comment period for 75 days on April 25, 2014 through July 10, 2014. There are currently 250 brands of e-cigarettes that are unregulated.

Mr. McCalister said that he has yet to see any peer reviewed, scientific literature done on the effect of second hand vaping of nicotine. Most e-cigarettes contain nicotine.

Mr. McCalister said local communities are also regulating that e-cigarettes are not be sold to minors. They are treating them like any other controlled substance so they must be stored behind the counter in these businesses. There are two standalone e-cigarettes stores in Arlington Heights and most gas stations or stores that sell tobacco products also sell e-cigarettes.

Dr. Kleinman stated that literature from the American Heart Association Circulation Journal strongly recommends that e-cigarettes be regulated in the same way as nicotine products. This report shows evidence of how it can be as harmful as second hand vapor. The literature stated that “just because it isn’t proven harmful, doesn’t mean it is OK.” Their recommendations from a Public Health Policy are to air on the side of caution instead of waiting until people are possibly harmed from e-cigarettes. This article can be reviewed at <http://m.circ.ahajournals.org/content/129/19/1972.full>

Mr. McCalister stated that the State is considering amending the Smoke Free Illinois Act to prohibit the use of e-cigarettes in public places. The Cook County Department of Public Health (CCDPH) is also considering this for the unincorporated areas of Cook County.

Health Services has not received any public complaints regarding e-cigarettes to date.

Dr. Meservey asked the Board if they think they have enough information to say “we are not going to allow e-cigarettes in Arlington Heights”. Mr. McCalister responded that he spoke to Mary Passaglia, Public Health Officer in Schaumburg. They have done extensive research and shared that the communities amending their Clean Indoor Air Ordinance to prohibit the use of electronic cigarette devises in public places are,

Chicago, Evanston, Carpentersville, and Oak Park. Communities considering amending their Clean Indoor Air Ordinance to prohibit the use of electronic cigarette devices in public places are Schaumburg, Bartlett, Hoffman Estates, and Wilmette. Ms. Passaglia told Mr. McCalister that their Health and Human Services Committee meets in June and they will be discussing e-cigarettes again at that time.

Dr. Kleinman said the healthiest argument to allow e-cigarettes is that it is being used by people who are attempting to quit smoking, but there is no proof or FDA approval that this works.

Dr. Harris stated he was Chair when the Village of Arlington Heights started the process to prohibit smoking in public places in Arlington Heights and there was significant public comment at that time. After discussion, they didn't think there would be the same challenges related to e-cigarettes.

Dr. Laurie stated there is a body of data on the safety of e-cigarettes, but it hasn't seen long term results because they haven't been around very long. He said that there have been studies and the carcinogens and particulate matter in e-cigarettes is the same as regular cigarettes, however the concentration is 400-500 times less. He said the question is if that is dangerous to the public.

A motion was made by Dr. Kleinman that the Village of Arlington Heights impose the same regulations for electronic cigarette devices as conventional cigarettes within the Village boundaries. Dr. Meservey seconded the motion and it was approved by unanimous consent.

VI. Adjournment

With no further business to discuss, a motion was made by Dr. Harris to adjourn at 8:38pm, seconded by Dr. Meservey, and approved by unanimous consent.

The next regular meeting is scheduled for October 15, 2014 in the Commissions Room on the second floor of Village Hall.



Item: Proposed Transfers from General Fund

Department: Finance

The General Fund is projected to have at least a \$4.5 million surplus attributable to activity for the fiscal year ending April 30, 2014. A good portion of this surplus is due to one-time revenue receipts as well as expenditure savings. Income tax and sales tax receipts came in significantly over budget by a combined \$1.4 million. Some of the income tax increase was attributable to one-time gains due to revisions to the federal tax benefits and capital gains. A large part of the FY2014 increases in sales and income tax receipts have already been included in the revenue base for the FY2015 budget. Natural gas utility taxes also came in over budget in FY2014 by nearly \$600,000 due to the unusually cold winter weather. Next year's budget assumes that this unusual winter weather will not be repeated. Building Permits also came in over budget by about \$400,000 due to the Arlington Downs and Lutheran Homes projects.

On the expenditure side, staff vacancies in the Police, Finance, Planning, and Public Works departments during FY2014 are expected to result in a combined wage and benefit savings of about \$700,000. However, most of these open positions were filled or in the process of being filled by the end of the fiscal year. Public Works Department expenditures for building and streets maintenance, equipment rental, and utilities came in under budget by about \$300,000. Sales tax abatements, health insurance, and contingency line items also came in \$600,000 under budget.

Long-term projections for the General Fund continue to reflect expenditures climbing faster than revenues, but this past fiscal year's results provide the Village with some needed short-term financial flexibility. Having this short-term financial flexibility at this time is especially fortuitous, because the Village has a number of long-term capital needs to address, including parkway tree replacement due to the Emerald Ash Borer (EAB) infestation, the new Police Station, potential flood remediation costs, and other capital costs. In addition, due to the State of Illinois' precarious budget situation there is continued concern about the State reducing or eliminating the Village's income tax revenue, which comprises about 10% of total General Fund revenues.

Given that most of the FY2014 revenue and expenditure savings are already included in the base for the FY2015 budget, it would be prudent to consider using most of the projected FY2014 General Fund surplus of at least \$4.5 million for one-time capital needs. It is proposed that the Village consider making the following transfers from the General Fund:

1. Transfer \$1.3 million to the EAB Fund. This would allow the Village to decrease the upcoming \$10 million 2014 bond issue that is planned for capital improvements in the Capital Projects Fund. By combining this proposed transfer with \$1.5 million of the EAB Fund's existing fund balance, the Village could reduce the planned 2014 bond issue from \$10 million to \$7.2 million. As per the Village's FY2015 budget plans, the 2014 bond issue will free up available resources in the Capital Projects Fund to be transferred to the EAB Fund for the removal and replacement of parkway trees. The debt service for the \$10 million bond issue was planned to be paid off after seven years, but a \$7.2 million bond issue could be retired in five years. This would provide the Village with earlier access to bond funding options for its other long-term capital needs.

2. Transfer \$1 million to the Flood V Fund. Within six years it is projected that the Flood V Fund will have expended the remainder of this fund's monies that have been used for the neighborhood drainage improvement program and the sewer back-up rebate program. This transfer would provide sufficient funding to extend these programs for another 2.5 years based on current budgeted amounts.

3. Transfer \$1.4 million to the Fleet Fund. The Fleet Fund is an internal service fund that is funded through annual depreciation charges paid by departments that utilize Village vehicles. The increased cost of vehicles over time is covered by interest earnings on the Fleet Fund's investments. However, for a number of years interest rates have been held down artificially by the Federal Reserve as one of its tools in addressing the national recession. This has resulted in a decreased funding status for the future replacement of Village vehicles.

4. Transfer \$500,000 to the Capital Projects Fund. Over the past year the Village staff Pavement Committee developed a plan to resurface 9.2 miles of Village streets. The Committee understood that this level of street resurfacing was more than the FY2015 budget would allow, but the list was maintained in the event that exceptional bid prices were received or another funding source was forthcoming. The FY2015 budget currently has sufficient funding to cover 8.2 miles of street resurfacing. The proposed \$500,000 transfer to the Capital Projects Fund would cover the 1 mile difference.

Recommendation

It is recommended that the Committee-of-the-Whole recommend to the Village Board approval of the proposed transfers from the General Fund of \$1.3 million to the EAB Fund, \$1 million to the Flood V Fund, and \$1.4 million to the Fleet Fund, and \$500,000 to the Capital Projects Fund using projected surplus monies as of the end of FY2014.

ATTACHMENTS:

Description

Type

No Attachments Available



Item: Trustee Request to Discuss Elimination of Village Vehicle Stickers

Department: Finance

During the FY2015 budget hearings in March 2014 two Village Trustees expressed an interest in investigating whether the Village could eliminate its vehicle stickers. At the budget meeting the Trustees questioned the fairness of vehicle stickers due to the number of scofflaws for this program, and said that they were aware of a number of local communities that had done away with their vehicle sticker requirements.

In a recent Friday packet the Village Manager outlined the Village's intent to highlight the Arlington Heights Memorial Library on next year's vehicle stickers. Soon thereafter a Trustee asked that a discussion on vehicle stickers take place before the vehicle sticker application form and sticker orders are placed.

Along with vehicle stickers the Village's annual license application form includes information for the sale of dog tags. **"Attachment A"** is a copy of the 2014 Vehicle and Animal License Application Form. The same fairness questions outlined above for vehicle stickers could be applied to the sale of dog tags, and staff proposes that both of these license fees be reviewed in conjunction with each other.

Vehicle licenses were established in the Village of Arlington Heights in 1939, and at that time only penalties for non-compliance were enforced. In 1941, fees were charged for vehicles (horse drawn included). Dog licenses were established with fees in 1942. Annual vehicle sticker sales currently generate about \$1.3 million and the sale of dog tags generates about \$67,000 per year. Vehicle stickers were originally established to cover a portion of the cost to maintain and patrol Village streets. Dog licenses were established to protect against annoyance, intimidation or injury by animals, to ensure responsible ownership, to protect animals from abuse or neglect, and to cover a portion of the Animal Control Officer's wages.

The average annual material and postage cost to administer the sale of these licenses is about \$35,000. In addition there are some minor overtime expenditures in the Finance Department during the sticker sales season as well as the Police Department's efforts to enforce the vehicle and animal license ordinances. These costs are offset by non-compliance ticket revenue of about \$88,000 per year.

To provide a rough estimate of the extent of vehicle sticker and dog tag licensure scofflaws, staff used the following information to calculate a theoretical compliance rate:

51,000 vehicle stickers sold annually

23,132 owner occupied residences x average of 2 vehicles per residence = 46,264

7,319 rental units x average of 1.5 vehicles per residence = 10,979

Total estimated potential sticker sales = 57,243 vehicles

Vehicle stickers - 89% estimated compliance rate, 11% scofflaw rate

Dog tag scofflaws are difficult to estimate as staff does not have a good sense of the average number of dogs per residence. However, it is very likely that the scofflaw rate for dog tags is much higher than the vehicle sticker scofflaw rate. About 5,600 dog tags are sold per year which would equate to about one dog for every five residences. Anecdotally, for the month of May 2014 compared to May 2013, the Village saw an increase in dog tag sales of over 273% when the Park District started checking for dog tags at the recently opened dog park. The Park District has been checking dog tags to assist the Village with compliance to its dog license ordinance. However, this is not a Park District requirement for using the dog park.

As noted above, a number of communities have chosen to eliminate their vehicle sticker and dog tag programs. A survey of local area communities shown in “**Attachment B**” reflects that 5 out of 12 communities do not charge for vehicle stickers and 2 out of 12 communities do not charge an animal license fee.

Funding Options:

Should the Committee-of-the-Whole recommend to the Village Board that vehicle and dog licenses be eliminated, this would reduce the General Fund’s revenue stream by about \$1.4 million. Long-term projections for this fund continue to show expenditures rising more quickly than revenues. In addition, the Village still relies heavily on sales and income tax revenues which are cyclical. The State of Illinois’ budget crisis may also have an adverse effect on the Village’s budget at some point in the near future.

In order to preserve the General Fund’s long-term financial flexibility, staff recommends that should the Committee-of-the-Whole wish to recommend the elimination of vehicle and dog licenses, that an alternate revenue source be implemented to cover the lost revenue from such an action. Staff has identified the following revenue options that the Committee-of-the-Whole may wish to consider:

A. Additional Food & Beverage Tax (FBT)

1% = \$1.87 million or .75% = \$1.4 million

An additional .75% FBT would generate sufficient revenue to cover the elimination of the vehicle and dog licenses. An additional 1% FBT would generate more revenue than required to cover the loss of vehicle and dog license revenue. The additional revenue from this option could be allocated to the Capital Projects Fund for street purposes or other funds as needed.

Under this funding option an average resident with two cars and a dog would save \$72/year on annual license fees. The cost of the additional .75% or 1% FBT tax would be paid by anyone who purchases prepared meals and beverages in the Village including many non-residents. The additional cost on a \$40 meal would be \$.30 to \$.40. If a resident spent \$1,500 on prepared food and beverages in the Village over a year's time, the extra cost would amount to an additional \$11.25 to \$15/year, which would still result in a net savings for the average resident described above of \$61 to \$57/year. A survey of FBT tax rate, vehicle sticker, and animal licenses is shown in "**Attachment B**".

B. Additional Property Tax
4.6% = \$1.4 million

An additional \$1.4 million in property taxes levied by the Village would cover the revenue lost from the elimination of vehicle and dog licenses. This would result in an increase in the Village's total tax levy of about 4.6% or \$34 per year for an average homeowner with a property value of \$300,000.

Under this funding option an average resident with two cars and a dog would save \$72/year on annual license fees. Netting out the increased property tax cost would still result in a net savings for the average property owner of about \$38/year. Some additional savings would accrue to property owners that deduct their property tax payments on their income tax forms. Those residents who rent would save the full \$72/year from this funding option.

ATTACHMENTS:

Description	Type
Attachment A - Vehicle and Animal License Application Form	Exhibits
Attachment B - FBT & Vehicle Sticker/Dog Tag Survey	Exhibits



Village of Arlington Heights
33 S. Arlington Heights Road
Arlington Heights, IL 60005

2014 VEHICLE AND ANIMAL LICENSE APPLICATION FORM

Make checks payable to:
Village of Arlington Heights

NOTE: YOUR CURRENT LICENSE(S) EXPIRE DECEMBER 31ST. FAILURE TO PURCHASE NEW LICENSE(S) WILL SUBJECT YOU TO A \$10.00 PENALTY FOR EACH ANIMAL/VEHICLE. SEE SCHEDULE ON REVERSE SIDE.

V E H I C L E	MODEL YEAR	LICENSE PLATE NUMBER	MAKE	MODEL	COLOR	CODE	STICKER #	AMOUNT
	DO NOT SEPARATE FORMS. PLEASE RETURN BOTH COPIES OF APPLICATION WHEN OBTAINING YOUR VEHICLE LICENSE.							

A N I M A L	SEX	BREED	COLOR	VACCINATION NO.	VAC. EXP. DATE	ANIMAL NAME	AGE	CODE	TAG #	AMOUNT
	PROOF OF VACCINATION REQUIRED. SEE #6 ON BACK									

OWNER I.D.	SENIOR CITIZEN	DISABI- LITY	TELEPHONE NO.	NO MAIL	SEE REVERSE SIDE FOR FEES AND DETAILED INSTRUCTIONS	TOTAL FEE ➔
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When you provide a check as payment funds will be transferred electronically through the banking system. Funds may be withdrawn from your account the same day as payment is received and you will not receive your check back from your bank.

NOTE:

MAKE CORRECTIONS AND COMPLETE MISSING INFORMATION DIRECTLY BELOW THE GIVEN DESCRIPTIVE INFORMATION. IF YOU DO NOT OWN THE VEHICLE OR ANIMAL, WRITE DELETE IN THAT SAME AREA.

NAME (LAST - FIRST - INITIAL)

ADDRESS (NUMBER - DIRECTION - STREET NAME - APT. NO.)

ARLINGTON HEIGHTS, IL

CITY

STATE

ZIP CODE

A \$10 PENALTY WILL BE ASSESSED TO EACH VEHICLE/ANIMAL LICENSE NOT PURCHASED PRIOR TO JANUARY 1ST.
\$50 FINE FOR FAILURE TO DISPLAY STICKER BY JANUARY 1ST.

ATTACHMENT A

MUNICIPAL FOOD BEVERAGE TAX RATES

PASSENGER VEHICLE STICKER SALES

ANIMAL LICENSES / TAGS SALES

	Arlington Heights	Buffalo Grove	Des Plaines	Elk Grove	Evanston	Hoffman Estates	Mount Prospect	Naperville	Palatine	Rolling Meadows	Schaumburg	Wheeling
Food & Beverage Tax	1.25%	1%	1%	1%	6% Liquor Only	2%	1%	1%	1%	2%	2%	1%
								2.5% in defined Downtown Area				

Vehicle Stickers Passenger Vehicles Only	\$30.00	None	\$30.00	\$25.00	\$75.00 Wheel Tax*	None	\$36.00	None	\$30.00	\$30.00	None	None
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*No stickers issued

Animal License/Tags	\$12.00 Dogs Only	\$10.00 Cats/Dogs	\$2.00 - \$5.00** Cats/Dogs	\$5.00 Cats/Dogs	\$15.00, \$10.00 (Neutered) Cats/Dogs	\$5.00, \$2.00 (Seniors) Cats/Dogs	None	\$8.00, \$4.00 (Neutered) Cats/Dogs	\$7.00 Cats/Dogs	\$10.00, \$5.00 (Neutered) Dogs Only	None	\$11.25*** Cats/Dogs
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** Varies on number of pets as well as being discounted for seniors

***One time fee - Good for life of animal