COMMITTEE-OF-THE-WHOLE
MINUTES OF THE MEETING OF THE PRESIDENT
AND THE BOARD OF TRUSTEES OF
THE VILLAGE OF ARLINGTON HEIGHTS
VILLAGE BOARDROOM
MONDAY, JUNE 30, 2025
7:00 P.M.

BOARD MEMBERS PRESENT:	Mayor James Tinaglia, Trustees Bertucci, Dunnington, LaBedz, Manganaro, Santa Maria Schwingbeck, and Zyck
BOARD MEMBERS ABSENT:	Trustee Shirley
STAFF MEMBERS PRESENT:	R. Recklaus, M. Gallagher, M. Juarez, A. Smulson, K. Baumgartner, and M. Mattio

SUBJECTS:

A. 2026 Capital Improvement Program Update
B. Operating Fund overview/Recommended Budget Ceilings - 2026

Mayor Tinaglia called the meeting to order at 7:01 PM.

Approval of the Committee-of-the-Whole Minutes from May 27, 2025

Trustee LaBedz moved, seconded by Trustee Dunnington to approve the minutes from the Committee-of-the-Whole Meeting from May 27, 2025.

Motion passed.

Ayes: Bertucci, Dunnington, LaBedz, Manganaro, Santa Maria, Tinaglia, Zyck

Passed: Schwingbeck

Trustee Bertucci moved, seconded by Trustee Schwingbeck to hear "Public Comments" before discussing "New Business."

Motion passed unanimously.

Public Comment

Residents Martin and Elizabeth Bauer mentioned that several neighboring suburbs have adopted ordinances restricting the usage of e-bikes and scooters. While Mr. Bauer agreed that some people use e-bikes and scooters recklessly, others such as his wife use them responsibly and has allowed her to partake in family bike rides. Something she would otherwise not be able to do if they were restricted. He urged the Board to be thoughtful when discussing any restrictions within Village limits and suggested consulting the Bicycle & Pedestrian Advisory Committee prior to adopting any ordinances.

Resident Mindy Bowes expressed concern over the use of e-bikes, scooters and other motorized vehicles such as dirt bikes and ATV's. She said she and neighbors have witnessed children under the age of 16 recklessly riding up and down the neighborhood, around Lake Arlington, in the easement between the backyards and the ComEd lines and in the soccer field at Wildwood Park. In one incident, a dog was hit by an ATV. She said she and neighbors call the police, however nothing is done. She asked the Board to adopt some restrictions to help ease the reckless behavior as it is dangerous for bystanders and riders alike.

Mayor Tinaglia, Trustee Dunnington, Trustee LaBedz, Trustee Manganaro and Trustee Zyck all agreed that some regulations are needed to avoid a tragedy and keep everyone safe. The Village is awaiting guidance from Northwest Municipal League on the issue. It was suggested that the Police Department host a training event on how to safely operate e-bikes and scooters and for the Village to begin a social media campaign to encourage parents to get involved.

Trustee Bertucci asked Mr. Recklaus if the topic would be brought to a Committee-of-the-Whole meeting for discussion. Mr. Recklaus said discussions have begun internally and would be brought to a meeting in July or August.

Trustee Schwingbeck expressed concern over creating ordinances and not enforcing them.

2026 Capital Improvement Program Update

Mr. Recklaus said the review of the Capital Improvement Program Update gave the Village an opportunity to review and update capital improvement costs.

Ms. Gallagher discussed the different funds. She mentioned that there were no changes in capital expenditures in the Motor Fuel Tax Fund, Hickory/Kensington TIF Fund, Lead Service Line Replacement Fund, Arts, Events & Entertainment Fund, Fleet Fund, and Technology Fund. However, an increase in the capital expenditure budget will be necessary in the Criminal Investigation Fund for the patrol vehicle equipment replacement program; the Municipal Parking Operations Fund for rehabilitation work to various parking garages; the Capital Projects Fund due to inflation and reallocation of funds; and the Storm Water Control Fund for the Northwest Highway/Wilshire/Carlyle project. Meanwhile, the Water & Sewer Fund shows a decrease in capital expenditures due to deferring the water tank repainting project until 2027.

In regards to the TIF IV Fund, Ms. Gallagher said the projected capital expenditures increased due to planned redevelopment cost that were to be incurred in 2025 but would be incurred in 2026. The expected capital expenditures in TIF V decreased due to portions of the Rand Road corridor identification enhancement project being deferred to 2027.

Ms. Gallagher went on to discuss the Village's debt service plan which replaces maturing debt every five-years. In 2024, there was a bond sale that generated $20.4 million in proceeds. The next opportunity for a bond sale would be in 2029 in the amount of $20 million. Village staff proposed that $18 million go towards the Senior Center rehabilitation project, and $2 million towards the lead service line replacement program.

TRUSTEE BERTUCCI MOVED, SECONDED BY TRUSTEE LABEDZ THAT THE COMMITTEE-OF-THE-WHOLE RECOMMEND TO THE VILLAGE BOARD THAT THE BOARD APPROVE THE PROPOSED 2026 CAPITAL IMPROVEMENT PROGRAM UPDATE TO BE INCORPORATED IN THE VILLAGE'S PORPOSED 2026 BUDGET.

The following voice vote was recorded:

8 Ayes **0 Nays**

Motion passed.

Operating Fund Overview/Recommended Budget Ceilings – 2026

Mr. Recklaus said the budget ceiling process was the beginning of the budget process and served as guidance for Village departments to develop their individual budgets for 2026.

Ms. Gallagher went over past, current and projected revenues and expenditures. On the revenue side, in 2023 the General Fund performed as projected and in 2024 it saw a 3% increase. On the expenditure side, in 2023 and 2024 expenditures came in under budget.

Over the last few years, sales and income taxes outperformed budget assumptions resulting in surpluses. Those surpluses allowed the Village to invest in capital improvements and pay down future pension liabilities. However, those taxes have begun to level off and future projections were made conservatively. In 2024, the Village made changes to its investment policy resulting in an increase in investment income. Further, revenue projections included a proposed 5% streaming, proposed 1% local grocery tax, and took into account ambulance fees.

In regards to the property tax levy, Ms. Gallagher mentioned some of the impacts the Village was facing such as required pension contributions for IMRF and Police and Fire Pension Funds, increased health insurance costs and the full implementation of a 5th ambulance in 2026. She provided different scenarios on how the tax levy would be affected if the Village did or did not collect the proposed streaming and grocery taxes. As it pertained to the grocery tax, Ms. Gallagher said that if the Village did not retain the 1% grocery tax the Village would have a gap of $1.3 million in revenues in the General Fund. This loss could potentially result in service reduction or an increase in the property tax levy.

The Water and Sewer Fund experienced a surplus as a result of additional revenues received post water and sewer rate study.

Trustee Schwingbeck asked for an update on a prior discussion the Board had regarding invoicing frequent callers who utilize the Fire Department for transport, rather than emergency services. Mr. Recklaus said Village staff has been working on gathering information and the Board would have an update soon.

Trustee Santa Maria asked for clarification on the proposed grocery tax and what service reductions the Village could experience without that revenue. Mr. Recklaus said the tax has existed for many years and has been collected and remitted to the Village by the state. Last year, the state passed legislation that eliminated such tax and gave municipalities the option on whether or not to impose it. Loss of this revenue could affect staffing within the Village.

Trustee Dunnington said she was not in support of retaining the grocery tax and asked Village staff to find alternate taxing sources to make up for the deficit. She suggested using surplus monies to avoid any cuts in personnel. Mr. Recklaus mentioned that the Village has until October 1, 2025 to decide whether or not to retain the grocery tax. The ability to impose the tax at a later date was questioned but needed to be researched further.

Mayor Tinaglia requested a list of other items the Village could impose a tax on that would not be a necessity such as alcohol, tobacco, gaming, etc.

Trustee Bertucci expressed the importance of having a healthy fund balance and urged Village staff to try and maintain any increase to the property tax levy under 3%.

Trustee LaBedz asked for a report on how much revenue the Village lost during the time period after COVID when the state was not collecting and remitting the 1% grocery tax.

Trustee Zyck inquired why a proposed increase in the property tax levy would be necessary if the Village has reported surpluses in the last few years. Mr. Recklaus explained that the pension funds are sustained by property taxes and an increase in funding is to be expected. Using reserve monies for operational expenditures would not be a sustainable practice and would result in a decrease in reserves year after year.

TRUSTEE LABEDZ MOVED, SECONDED BY TRUSTEE MANGANARO THAT THE COMMITTEE-OF-THE-WHOLE RECOMMEND TO THE VILLAGE BOARD THAT THE BOARD APPROVE THE 2025 BUDGET CEILINGS OF $97,159,300 FOR THE GENERAL FUND; AND $26,935,400 FOR THE WATER & SEWER FUND.

The following voice vote was recorded:

8 Ayes **0 Nays**

Motion passed.

TRUSTEE LABEDZ MOVED, SECONDED BY TRUSTEE SCHWINGBECK TO ADJOURN THE MEETING AT 9:08 P.M.