

VILLAGE OF BARTLETT

COMMITTEE AGENDA

OCTOBER 20, 2015

PLANNING & ZONING

1. Video Gaming

FINANCE & GOLF

1. Proposed Tax Levy
2. Utility Tax/Food & Beverage Tax Discussion



Agenda Item Executive Summary

Item Name Video Gaming Committee or Board Committee

BUDGET IMPACT			
Amount:	\$90,661	Budgeted	yes
List what fund	General Fund		
EXECUTIVE SUMMARY			
<p>A continuation of the discussion regarding the options available to regulate video gaming. The Village Board also discussed the revenue generated from video gaming. The Village of Bartlett has received \$90,661 in gaming revenue through August 2015. The Village Board asked that staff identify a particular use for at least a portion of this revenue.</p>			
ATTACHMENTS (PLEASE LIST)			
<p>Memo on video gaming regulations Memo on gaming revenue</p>			

ACTION REQUESTED

For Discussion Only _____
 Resolution _____
 Ordinance _____
 Motion:

Staff: Paula Schumacher, Asst. Village Administrator Date: October 14, 2015
Scott Skrycki, Asst. to the Village Administrator

Memorandum

TO: Valerie L. Salmons, Village Administrator

FROM: Paula Schumacher, Assistant Village Administrator

DATE: October 14, 2015

SUBJECT: Video Gaming

The Village of Bartlett has received \$90,661.71 in gaming revenue this year through August, 2015. At the present time, these funds are being held back from distribution by the State. The Village Board asked that staff identify a particular use for at least a portion this revenue stream. Uses such as the construction of bike paths and path enhancements such as map kiosks, storm water utility projects, road maintenance (until MFT funds are again distributed by the State) and recognition of our 125th anniversary of incorporation in 2016 are options staff would offer for consideration. A copy of a more detailed revenue analysis is attached for your review.

Memorandum

To: Scott Skrycki, Assistant to the Administrator
From: Tyler Isham, Administrative Intern
Date: 10/15/2015
Re: Video Gaming Analysis

Video gaming in Bartlett Started in November, 2012 and the Village currently has nine (9) businesses with video gaming machines. Since 2012, the video gaming machines have generated \$211,502.96 for the Village. August 2015 was the highest revenue month for the Village (\$12,882.32). Papa Pacino's is not currently in business and reopened under a new name, Platform 18, which kept the video game machines. Sheep and Fiddle is not in business anymore, so they no longer have gaming machines. Tipsi Monkey took their terminals out in July 2014 and Tokyo Steakhouse II stopped video gaming half way through August 2014. These were inspected by staff to ensure that the same number of terminals were there, that were claimed. Staff will continue to monitor these monthly and update the list accordingly.

Businesses and machine counts:

Bannermans's-----	5
Betty's Bistro-----	5
Bracht's Place-----	5
Cadillac Ranch Texas BBQ and Boot Bar, Inc. ---	5
McMae's Tavern and Grill-----	2
O'Hare Pub and Restaurant-----	3
Stella's Place-----	5
Shelby's-----	5
Papa Pacino's-----	4
Platform 18.....	4
Sheep and Fiddle-----	3
Tipsi Monkey-----	5
Tokyo Steakhouse II-----	5

Bracht's Place was one of two establishments to receive video gaming in November 2012. Bracht's Place added a 5th video gaming machine in July 2014. The average monthly revenue for the Village from Bracht's Place is \$1,481.72. The total revenue made by the Village from Bracht's Place gaming sales is \$50,378.39.

Bannerman's Sports Grill (Friedman) was the other establishment to receive video gaming in November 2012. The average monthly revenue for the Village from Bannerman's Sports Grill is \$1,184.21. The total revenue made by the Village from Bannerman's gaming sales is \$40,263.19.

Cadillac Ranch Texas BBQ was the 4th establishment to receive video gaming after Tipsi Monkey, in June 2013. The average monthly revenue for the Village from Cadillac Ranch is \$699.90. The total revenue made by the Village from Cadillac Ranch's gaming sales is \$18,184.58.

McMae's Tavern and Grill (McCaffrey) was the 6th establishment to receive video gaming, after Sheep and Fiddle, in November 2013. The average monthly revenue for the Village from McMae's is \$276.37. The total revenue made by the Village from McMae's Tavern and Grill's gaming sales is \$6,080.02.

Stella's Place was the 7th establishment to receive video gaming, in January 2014. The average monthly revenue for the Village from Stella's Place is \$2,243.18. The total revenue made by the Village from Stella's gaming sales is \$44,863.54.

Betty's Bistro (Blackhawk) was the 8th establishment to receive video gaming, in March 2014. The average monthly revenue for the Village from Betty's Bistro is \$2,003.73. The total revenue made by the Village from Betty's gaming sales is \$36,067.11.

O'Hare Pub and Restaurant (O'Hare and Vance) was the 9th establishment to receive video gaming, in May 2014. The average monthly revenue for the Village from O'Hare Pub and Restaurant is \$309.96. The total revenue made by the Village from O'Hare's gaming sales is \$4,959.32.

Shelby's (Brewster Creek) was the 12th establishment to receive video gaming, after Papa Pacino's, in April 2015. The average monthly revenue for the Village from Shelby's is \$1,416.47. The total revenue made by the Village from Shelby's gaming sales is \$7,082.36

Platform 18: (Formerly Papa Pacino's) is the 13th establishment to have video gaming. It was previously Papa Pacino's until the owner closed down for renovations under a new name. They kept the old video gaming terminals and opened for business in August 2015. The average and current total monthly revenue for the Village from Platform 18 is \$10.75.

The last four with Red headings no longer have video gaming machines

Tipsi Monkey was the 3rd establishment to receive video gaming, in February 2013. They took out their gaming machines in August 2014. The average monthly revenue for the Village from Tipsi Monkey was \$56.45. The total revenue made by the Village from Tipsi Monkey's gaming sales was \$1,134.64.

Sheep and Fiddle (Staley Management) was the 5th establishment to receive video gaming, in October 2013. The restaurant closed soon after and the O'Hare Pub and Restaurant is now in its place. The average monthly revenue for the Village from Sheep and Fiddle was \$16.59. The total revenue made by the Village from Sheep and Fiddle's gaming sales was \$33.17

Tokyo Steakhouse II was the 10th establishment to receive video gaming, in June 2014. They took out their gaming machines in August 2014. The average monthly revenue for the Village from Tokyo Steakhouse II was \$31.98. The total revenue made by the village from Tokyo Steakhouse's gaming sales was \$95.93.

Papa Pacino's (Downtown Bartlett) was the 11th establishment to receive video gaming, after Tokyo Steakhouse II, in September 2014. The average monthly revenue for the Village from Papa Pacino's is \$230.00. Not on the list for July 2015, as they were restructuring their business mode, Platform 18 is now the title, and they have video gaming. The total revenue made by the Village from Papa Pacino's gaming sales was \$2,300.03

Total Village Revenue: \$211,502.96

2012: \$2,966.66

2013: \$34,926.11

2014: \$82,948.48

2015: \$90,661.71

Neighboring Municipalities Gaming Revenue through August 2015

Bartlett---- \$211,502.96

Bloomington---- \$33,493.70

Carol Stream---- \$203,838.13

Hanover Park---- \$154,817.65

Hoffman Estates---- \$400,050.60

Roselle---- \$79,581.62

South Elgin---- \$213,070.06

Streamwood---- \$76,693.52

Memorandum

To: Paula Schumacher, Assistant Village Administrator
From: Scott Skrycki, Assistant to the Administrator
Date: 10/15/2015
Re: Video Gaming Terminal License

Staff was asked to look at what we charge in comparison to other communities for a terminal fee. Currently The Village of Bartlett charges a fee of \$25 per machine, per year. The vendor is required to have a Village sticker on each machine. The Village then keeps those numbers on file. Non-home rule communities are capped by the State at \$25. According to the legal department at the Illinois Gaming Board (conversation on 9/3), there is pending litigation regarding home rule communities.

Municipality	Terminal Fee
<i>Bartlett</i>	<i>\$25 per machine/per year</i>
Addison	\$500 per machine/per year
Bloomingtondale	\$500 per machine/per year
Carol Stream	\$500 per machine/per year
Elgin	No Fee
Hanover Park	\$500 per machine/per year
Hoffman Estates	\$100 per machine/per year
Roselle	\$25 per machine/per year
South Elgin	\$25 per machine/per year
Streamwood	\$150 per machine/per year

Currently the Village of Bartlett has a total of 39 machines at the moment. Below are revenue projections based on current pricing as well as a few other options.

Sticker Fee	Revenue Projection
\$25/39 Terminals	\$975 per year
\$50/39 Terminals	\$1,950 per year
\$100/39 Terminals	\$3,900 per year
\$200/39 Terminals	\$7,800 per year
\$300/39 Terminals	\$11,700 per year
\$400/39 Terminals	\$15,600 per year
\$500/39 Terminals	\$19,500 per year



Agenda Item Executive Summary

Item Name Proposed Property Tax Levy Committee or Board Committee

BUDGET IMPACT

Amount:	\$9,265,478	Budgeted	9,354,364
List what fund	General Fund Police Pension Fund Debt Service Fund		

EXECUTIVE SUMMARY

Discussion regarding the 2015 annual property tax levy in the amount of \$9,265,478. The total levy is a 1.85% decrease from the 2015 extension.

ATTACHMENTS (PLEASE LIST)

ACTION REQUESTED


- For Discussion Only
- Resolution
- Ordinance
- Motion:

Staff: Jeff Martynowicz, Finance Director Date: 10/13/2015

**Village of Bartlett
Finance Department Memo
2015 - 27**

DATE: October 13, 2015

TO: Valerie Salmons, Village Administrator

FROM: Jeff Martynowicz, Finance Director 

SUBJECT: 2015 Proposed Property Tax Levy

Below is a chart showing the proposed 2015 levy and comparing it to the 2014 extension. The proposed property tax levy for 2015 totals \$9,265,478. The General corporate levy is decreasing 1% from the 2014 extension and is flat from last year's levy amount. The General Corporate levy is down \$700,000 from 2012. This is the 6th consecutive year the Village has either reduced or kept this levy flat from the 2009 levy. The Police Pension levy decreased due to positive actuarial results of the Pension Fund. We are proposing to keep the Debt Service Levy flat from the 2014 levy. Abatement ordinances will be provided in December in order to keep this levy flat. Dollars will be used from Brewster Creek TIF Fund and the Debt Service Fund to accomplish this. The total levy dollar amount has decreased by \$174,416 or 1.85% from 2014.

Proposed Levy Compared to Prior Year's Extension				
	2015			
	Proposed	2014	Increase	Percent
	Levy	Extension	(Decrease)	Change
General Corporate	6,433,094	6,498,068	(64,974)	-1.00%
Police Pension	1,152,049	1,243,929	(91,880)	-7.39%
Subtotal	7,585,143	7,741,997	(156,854)	-2.03%
Debt Service	1,680,335	1,697,897	(17,562)	-1.03%
TOTAL	9,265,478	9,439,894	(174,416)	-1.85%

Abatements

Currently, there are two abatements being proposed in the amount of \$284,225. The 2007 bond issue requires a payment in the amount of \$43,770 for the Fire Districts share of bonds attributable to the construction of the fire station. Also, a transfer of \$29,880 is to be transferred from the Brewster Creek TIF Municipal fund to the Debt Service fund to pay for its portion of the bonds. The second abatement in the amount of \$210,575 is to reduce the 2012 Road Bonds and 2009 refunding bonds in order to keep the Debt Service levy flat from prior years. Dollars to fund the abatement will come from the Debt Service Fund. Abatement ordinances will be presented with the final approval of the tax levy on December 1, 2015. The chart below itemizes the proposed debt service levy and abatement for 2015.

Proposed Debt Service Levy and Abatements			
Bond Issue	2015 Levy	Proposed Abatement	Net Levy
2007 GO Bonds	357,888	(73,650)	284,238
2009 GO Bonds	940,131	(210,575)	729,556
2012 GO Bonds	670,120	0	670,120
TOTAL	1,968,139	(284,225)	1,683,914

2012 Road Resurfacing Bonds - This bond issue was sold in 2012. The 2012 bonds are being used to fund street improvements and a portion of flood mitigation for Heartwood Farms. The final maturity on these bonds will be in 2030.

2009 Refunding - This bond issue was sold to refund the 2002 and 2005 bonds. The 2002 bonds were used to fund the ball fields, W. Bartlett/Naperville Road bike path, and W. Bartlett Road widening. The 2005 bonds were issued to finance the water meter change out program and most of the construction of the new Village Hall. This issue will be retired 12/15/2029.

2007 Fire Station - This bond issue was sold in November 2007 to finance construction of a fire station on the west side. Abatements are

based upon revenues from the Brewster Creek TIF Municipal Account and Fire District shares of the annual debt service. The issue will mature in 2026.

Equalized Assessed Value (EAV)

Equalized Assessed Value (EAV) History			
Year	EAV	Change	% Change
2005	1,080,537,477		
2006	1,171,509,520	90,972,043	8.42%
2007	1,282,601,314	111,091,794	9.48%
2008	1,338,370,281	55,768,967	4.35%
2009	1,366,342,294	27,972,013	2.09%
2010	1,273,382,727	(92,959,567)	-6.80%
2011	1,160,701,012	(112,681,715)	-8.85%
2012	1,059,006,604	(101,694,408)	-8.76%
2013	959,330,352	(99,676,252)	-9.41%
2014	950,037,843	(9,292,509)	-0.97%
*2015	969,038,599	19,000,756	2.00%

*Estimate

Above is a chart showing the actual EAV for the last 10 years along with the estimate for 2015. The overall EAV estimate for 2015 assumes that EAV will decrease by 2%.

In DuPage County, the estimate for EAV is an increase of 2%. In 2014, EAV decreased in DuPage County by 2.48%.

The estimate for Cook County assumes a 2% increase in EAV. Cook County finalized its EAV's for 2014 in August. The EAV in Cook increased 1.87% in 2014.

Estimated Tax Rates

Below is a chart showing an estimate of the 2015 Cook County rate. The rate is anticipated to decrease in Cook County by 5.78 cents.

Estimated 2015 Property Tax Rate - Cook County				
Burden	38.04%			
EAV	345,909,697			
	Total Levy	Loss Allowance	County Burden	Tax Rate
General Corporate	6,433,094	192,993	2,520,563	0.7287
Police Pension	1,152,049	34,561	451,386	0.1305
Subtotal	7,585,143	227,554	2,971,949	0.8592
Debt Service	1,680,335	84,017	671,160	0.1940
TOTAL	9,265,478	311,571	3,643,109	1.0532
			2014 Rate	1.1110
			Rate Decrease	(0.0578)

The chart below shows the estimated 2015 tax rate for DuPage County. The DuPage County tax rate is anticipated to drop 2.63 cents.

Estimated 2015 Property Tax Rate - DuPage County				
Burden	61.96%			
EAV	620,860,141			
	Total Levy	Loss Allowance	County Burden	Tax Rate
General Corporate	6,433,094	64,331	3,842,302	0.6189
Police Pension	1,152,049	11,520	677,256	0.1091
Subtotal	7,585,143	75,851	4,519,558	0.7280
Debt Service	1,680,335	16,803	1,019,715	0.1642
TOTAL	9,265,478	92,654	5,539,273	0.8922
			2015 Rate	0.9185
			Rate Decrease	(0.0263)

The chart below shows the total EAV for the entire Village along with the total levy for all funds (General, Police Pension and Debt Service). The proposed dollar levy along with the estimate for the 2015 EAV will decrease .004 cents.

Estimated 2014 Property Tax Rate - Total			
EAV	969,038,599		
		Loss	
	Total Levy	Allowance	Tax Rate
General Corporate	6,433,094	192,993	0.6639
Police Pension	1,152,049	34,561	0.1189
Subtotal	7,585,143	227,554	0.7827
Debt Service	1,680,335	84,017	0.1734
TOTAL	9,265,478	311,571	0.9562
		2014 Rate	0.9602
		Rate Decrease	(0.0040)

Schedule

In order to comply with state statute regarding deadlines to file a tax levy with the County Clerk's office of each county, I am recommending the time table below. The schedule includes a public hearing on November 17, 2015. The Village is not required to hold a public hearing because our increase over the prior year's estimated extension is less than 5%. However, the Village has traditionally held a public hearing to allow for public input and I recommend we continue to do so.

Village Board reviews estimated	11/03/15
Advertise public hearing	11/02/15
Hold public hearing	11/17/15
Adopt levy	12/01/15
File levy - on or before	12/12/15



Agenda Item Executive Summary

Item Name Utility/Food and Beverage Tax Committee or Board Committee

BUDGET IMPACT

Amount:	N/A	Budgeted	N/A
List what fund	General Fund		

EXECUTIVE SUMMARY

Discussion item for implementing a Food and Beverage Tax and reviewing Electric and Gas utility rates.

ATTACHMENTS (PLEASE LIST)

List of other revenue sources by DuPage Municipalities
Table of Electric and Gas Utility Rates by Municipality

ACTION REQUESTED

- For Discussion Only
- Resolution
- Ordinance
- Motion:

Staff: Jeff Martynowicz, Finance Director Date: 10/9/2015

Village of Bartlett
Finance Department Memo
2015 - 28

DATE: October 13, 2015
TO: Valerie Salmons, Village Administrator
FROM: Jeff Martynowicz, Finance Director
SUBJECT: Utility Tax Discussion and Follow up

At the Committee meeting on September 15, 2015, the Committee wanted additional information on the Electric and Gas Utility Tax. I have researched the questions that were asked pertaining to the utility tax.

Currently, the Village charges 5 cents per therm for natural gas. 5 cents is the maximum amount the Village can charge per state statute. State statute does not provide for a fixed fee to be assessed for a resident or business for taxing Natural Gas.

The Electric Utility Tax has a max rate of .061 cents per kilowatt hour (KWH) used. Com Ed adds an additional 3% to the rate for administrative costs. The Village's current rate is .0146 cents per KWH for the first 2,000 used in a month. The rate decreases as the amount of KWH used increases. The maximum amount of revenue the Village can generate based on the max rate of .061 KWH is approximately \$1,300,000.

I have attached a chart that looks at the current rates charged for both the Gas and Electric and Utility Tax by our neighboring municipalities.

Village of Bartlett
Electric and Gas Utility Tax Comparison

	Arlington Heights	Bartlett	Carol Stream	Elgin	Hanover Park	Hoffman Estates	Streamwood	West Chicago	Wheaton
Gas Utility Tax	\$0.050	\$0.050	\$0.025	\$0.030	\$0.015	\$0.050	\$0.033	\$0.025	\$0.030

Electric Utility Tax KWH used in 1 month	First	Next	Next	Next	Next	Next	Next	Next	Next	All over
	2,000	48,000	50,000	400,000	500,000	2,000,000	2,000,000	5,000,000	10,000,000	20,000,000
Arlington Heights	\$0.628	\$0.412	\$0.371	\$0.361	\$0.350	\$0.330	\$0.324	\$0.319	\$0.314	\$0.309
Bartlett	\$0.146	\$0.096	\$0.087	\$0.083	\$0.081	\$0.077	\$0.075	\$0.074	\$0.073	\$0.072
Carol Stream	\$0.581	\$0.398	\$0.357	\$0.347	\$0.338	\$0.317	\$0.313	\$0.308	\$0.303	\$0.298
Elgin	\$0.628	\$0.412	\$0.371	\$0.361	\$0.350	\$0.330	\$0.324	\$0.319	\$0.314	\$0.309
Hanover Park	\$0.628	\$0.412	\$0.371	\$0.361	\$0.350	\$0.330	\$0.324	\$0.319	\$0.314	\$0.309
Hoffman Estates	\$0.628	\$0.412	\$0.371	\$0.361	\$0.350	\$0.330	\$0.324	\$0.319	\$0.314	\$0.309
Streamwood	\$0.462	\$0.304	\$0.273	\$0.266	\$0.258	\$0.243	\$0.239	\$0.235	\$0.232	\$0.228
West Chicago	\$0.572	\$0.396	\$0.394	\$0.333	\$0.245	\$0.244	\$0.052	\$0.004	\$0.003	\$0.002
Wheaton	\$0.628	\$0.412	\$0.371	\$0.361	\$0.350	\$0.330	\$0.324	\$0.319	\$0.314	\$0.309

Village of Bartlett
Finance Department Memo
2015 - 22

DATE: September 15, 2015
TO: Valerie Salmons, Village Administrator
FROM: Jeff Martynowicz, Finance Director
SUBJECT: Food and Beverage Tax

Per your request, I have looked at the amount of revenue the Village of Bartlett would generate if it were to establish a Food and Beverage (F&B) tax based on a 1%, 2%, 3% and 4% tax. In calendar year 2014, the Village collected \$284,000 in sales taxes from drinking and eating establishments. The Village also has 43 businesses that are classified as drinking and eating places under the state's sales tax criteria. Unfortunately, the State does not separate what is generated in food and beverage. Based on the aforementioned, we can assume a 1% F&B tax would generate \$284,000, 2% would generate \$568,000, 3% would generate \$852,000 and 4% would generate \$1,136,000.

I also looked at some similar communities that have F&B tax. The Village of Hanover Park has a 3% F&B tax and generated \$1,036,661 in 2014; Streamwood has a 2% tax and generated \$1,192,895; Villa Park has a 1.5% tax and generated \$537,365 and Glendale Heights has a 1% tax and generated \$470,458.

I have attached the monthly remittance form that Streamwood uses to collect the F&B tax along with their ordinance. Also, attached is a listing of "other revenues" municipalities have implemented. The data came from the annual DuPage Mayors and Managers survey on municipal revenues for 2014.

Trustee Hopkins also asked for a history on our Electric and Gas tax. In Fiscal Year 2013 the Village collected \$1,482,693. This was based on 10 months of collections. In 2014 the Village collected \$1,704,373 and in 2015 we collected \$1,705,763. Both Com Ed and Nicor Gas do not give any data on what is generated from business or residential.

