

SPECIAL EDITION | 2018

# Village News



**HOME RULE**

**QUESTIONS & ANSWERS**

**SPECIAL EDITION | INFORMATION ON HOME RULE**

## From the Mayor



### MAYOR'S MESSAGE ON HOME RULE

Since taking office in May 2017, I have been working with the Board and senior staff on evaluating staff levels and departmental structures to ensure the organization is operating efficiently before searching for new revenue streams. But the truth is that we need a new revenue stream to continue to provide services at a level that you not only expect but deserve. Therefore, the Village Board and I have determined that the residents of the Village should have the opportunity to consider being a home rule community as one option to address many of these challenges. The Village Board has unanimously approved the question to appear on the upcoming November 6 General Election ballot.

One of the many reasons we ask you to consider this is that Lemont continues to be a great place to live and raise a family, and we all want it to remain desirable for years and generations to come. Because of our advantageous location, unique character, outstanding schools and strong service levels, new families continue to move in and become part of the Lemont community.

Last year, new home construction alone yielded 116 new homes that generated a construction value of \$24.4 million, which will create approximately \$1 million in new property taxes for all our taxing bodies. Going forward, we have seven developments under construction and four new developments approved so far in 2018. In addition, there are several other developments being discussed that will go through our land use development process soon. We are on pace in 2018-19 to exceed the previous year's numbers which proves that Lemont continues to be a desirable community with quality housing stock as new families continue to regenerate the community. This continued development will lead to increased property values for all and will assist in our ability to attract the businesses the residents desire.

I've shared financial information with the community at our State of the Village Address in March, at our Village Board meetings and within the community at various events. Our potential as a community is being challenged by the State of Illinois' struggles and other related factors. Currently, we are extremely reliant on the State of Illinois for a significant portion of our general and road improvement fund revenues. Once again this year, the State Legislature has reduced our state shared revenue allocation and has yet to provide a path forward on meaningful pension reform or other ways in which we can significantly manage our fixed costs or raise additional revenues. These issues have helped produce a true deficit of nearly \$1 million for our Lemont general fund. To produce a balanced budget for the last several years, the Village Board had to reduce employee levels and make significant cuts to our road program and capital equipment programs; this year was no different. While we were able to make these cuts once again in the short-term to achieve our targets for a balanced budget and adequate fund balances, they are not long-term strategies for financial sustainability. We cannot continue to balance the budget by foregoing necessary capital road and water repairs and upgrades.

Over the past year, we have made reallocations from legal to economic development, reduced health care costs, resolved litigation matters and have recently changed our model in our Police Department to realize savings. After implementing these cuts and going through my first budget cycle with the Village Board, we have concluded that additional revenue streams will be required to continue the core service levels and quality of life standards the residents of Lemont expect.

I hope you will consider all of these issues when considering the referendum question asking our residents if the Village should become a home rule municipality, which will be on the ballot on November 6th. Since announcement of the referendum question, we have been getting several questions regarding home rule and its potential implications as well as questions on the Village's finances. Therefore, as part of this special edition newsletter we are including each question and a detailed response so that the residents of Lemont will be completely educated on home rule prior to making this important decision. In addition, we will hold a town hall meeting on Monday, October 15, at 6:30 p.m. in the Village Board Room at the Village Hall, 418 Main Street. I want to thank you in advance for your involvement and your participation in this important referendum, so please be sure to vote on November 6th.

*Mayor John Egofske*



## TELL US WHAT YOU THINK!

*We post the questions. You provide your comments.*

**WHO?** Anyone who has an email address can provide input no matter where you live. Your input matters to us.

**WHAT?** POLCO is a public participation tool for people to provide input on current ideas, initiatives, events and issues facing Lemont.

**WHERE?** Visit [polco.us/lemont](http://polco.us/lemont) or download the **Polco App** for Android or iOS and create an account.

***With Polco's strict privacy policy, your individual data and votes are never shared with us. You remain anonymous.***

# HOME RULE



## GENERAL QUESTIONS ON HOME RULE

### **Q: What is home rule?**

**A:** Established by adoption of the 1970 Illinois Constitution, home rule shifts greater responsibility and authority for local government decision making from the state level to the local level. Municipalities with a population of more than 25,000 are automatically home rule units, which allows more flexibility in addressing “bigger town” matters such as local financial, commercial and industrial issues.

### **Q: Considering Lemont’s population is only about 17,000, how can Lemont become a home rule town?**

**A:** By a referendum vote Lemont can become a home rule town. The Village Board has approved a resolution authorizing the question to appear on the November 6 General Election ballot.

### **Q: When will the Village of Lemont reach a population of 25,000 and automatically become home rule?**

**A:** It is estimated that by the 2020 Census the Village of Lemont will be at approximately 17,000 residents. It may not be until 2030 or later before the Village can become home rule by population.

### **Q: Is home rule common and are there other towns nearby that are home rule towns?**

**A:** There are currently 215 home rule municipalities representing 70 percent of Illinois residents. Home rule municipalities range in size from 2.7 million residents in the City of Chicago to 69 residents in Muddy, Illinois. Home rule villages and cities near Lemont include the following: Romeoville, Woodridge, Downers Grove, Lisle, Homer Glen, Lockport, New Lenox, Shorewood, Darien, Plainfield, Orland Park and Tinley Park.

### **Q: Are there restrictions on home rule authority?**

**A:** The General Assembly has imposed limits on home rule units by preemption or declaration that certain actions are an exclusive power of the state. Preemption by the state has included certain licensing powers, pensions, the Open Meetings Act and the Public Labor Relations Act. In addition, any home rule action would still be subject to all the restrictions in the federal and state constitutions such as due process requirements.

### **Q: How can we learn more about this home rule referendum?**

**A:** The Village has created a web page that gives the facts on home rule. A significant amount of research, studies and analysis has been conducted over the years regarding home rule. The facts on home rule along with associated literature can be found on the home rule web page at [www.lemont.il.us/HomeRule](http://www.lemont.il.us/HomeRule). A town hall meeting will be held on Monday, October 15, at 6:30 p.m. at the Village Hall Board Room, 418 Main Street.

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## Village of Lemont

### Mayor

John Egofske

### Clerk

Charlene Smollen

### Trustees

Debby Blatzer

Dave Maher

Kenneth McClafferty

Rick Sniegowski

Ryan Kwasneski

Ronald Stapleton

### Village Administrator

George J. Schafer

# WHAT IS HOME RULE?



## **QUESTIONS ON POTENTIAL ADVANTAGES OF HOME RULE**

### ***Q: Why would Lemont want to become home rule?***

**A:** The Village would have more flexibility and authority to address local issues as they present themselves. Financially, the Village would have the flexibility to consider additional revenue streams, ones which tend to shift the tax burden to non-residents. Home rule also gives the Village access to additional tools and flexibility to address quality of life and nuisance issues that may arise.

### ***Q: What are the specific reasons Lemont can benefit from home rule?***

**A:** The primary reasons are to obtain additional funding of \$1M per year to ensure adequate funding for our roads, water system and other infrastructure. If granted home rule authority, the Village Board intends to impose a home rule 1 percent sales tax that would be devoted to roads, water system and other infrastructure. The Village is facing declining revenues in many of the Village's existing non-home rule revenue streams. This reduction in revenues has caused the Village to allocate infrastructure dollars to fund our operations and normal service delivery. To allocate appropriate funding to roads, water system and other infrastructure, the Board has determined an additional revenue stream is necessary.

### ***Q: How does the Village Board propose to obtain the additional funding for our roads and water system?***

**A:** Our goal is to obtain this funding by lessening the financial impact on our residents. Therefore, it is NOT the intention of the Board to raise property taxes beyond current inflationary rate increases and we do NOT want to take on additional debt which just kicks the financial obligation down the road. Most of the funding will come from an increase in local sales tax by 1 percent (excluding groceries, drug and medical expenses) along with increases in certain user fees requiring home rule authority to implement. It is estimated the 1 percent home rule sales tax alone will bring in \$1.2 million in annual revenue.

### ***Q: If the \$1.2 million fills the budget gap, why did the Village Board determine to place the question of home rule on the ballot when it could present to the public a 1 percent non-home rule sales tax referendum instead?***

**A:** The Village Board believes that enough additional revenue can be raised on user fees under home rule authority to offset the financial impact on residents by eliminating the need for a local fee on residents, specifically the residential vehicle sticker.

### ***Q: So the residential vehicle sticker fee will be eliminated? Can you comment on this?***

**A:** Residential vehicle sticker fees are allowed under non-home rule authority to raise additional funding. We recognize the vehicle sticker process can be a cumbersome burden on our residents and the impact of the fee is felt entirely by Lemont residents. We wish to eliminate this burden and offset the revenue in exchange for paying an additional 1 percent in sales tax. We can only afford to eliminate the vehicle sticker if a 1 percent sales tax increase is implemented.

### ***Q: If you raise sales tax by 1 percent, are you not still putting most of the financial burden on residents?***

**A:** Sales tax studies have estimated that a significant portion of sales tax generated by businesses in a town are often paid by people living outside the community. Lemont will receive the benefit from "out-of-towners" shopping and dining in our community compared to other taxes and fees that are paid only by residents. It is the intent that the increase in financial burden placed on residents as a result of the tax will be nearly off-set by the removal of a local tax, specifically the residential vehicle sticker.

### ***Q: If we raise our sales tax by 1 percent, what is our new local sales tax rate and how does it compare to our neighboring towns?***

**A:** Lemont's combined sales tax rate is currently 9 percent with 1 percent of sales in town coming back to Lemont. The full breakdown of where sales tax dollars goes is the following – 6.25 percent going to the state (with 1 percent of this allocation coming back to Lemont), 1.75 percent going to Cook County and 1 percent going to the Regional Transportation Authority. If we increase sales tax by 1 percent, the Village will now receive an additional 1 percent of most sales in town (except qualifying food, drug and medical expenses). The Village's new rate of 10 percent will be generally in line with our municipal neighbors, considering many of our neighbors also implement special sales tax districts which add to their base sales tax rate, such as restaurant and business development districts. The Village does not impose any of these additional sales taxes, so the 10 percent sales tax rate will be applicable to the entire Village equally.

### ***Q: Besides the 1 percent home rule sales tax, does the Village Board have any other plans for revenue raising?***

**A:** While nothing formal has been established, we have discussed other areas in which the Board can raise revenue on users while impacting residents the least. Examples of ways to raise revenues on users include the ability to assess additional fees on trucking, gaming terminals and other user fees where there is an impact on the community.

***Q: Are there other benefits of home rule besides financial flexibility?***

**A:** Home rule authority generally gives municipalities more tools to enforce its local municipal code which includes greater abilities to enforce property maintenance violations and nuisance issues, ones which may have an adverse impact on neighboring property values if left unresolved. Home rule authority also allows for more flexible and cost-effective rules for the adjudication of these and other code violations through its local court system. Secondary benefits include the ability to opt out of certain unfunded mandates by the state or county as they arise, given there is not a home rule preemption in the mandate.

**QUESTIONS ON POTENTIAL NEGATIVES OF HOME RULE**

***Q: What are the possible negative aspects of home rule?***

**A:** The frequent argument against home rule is that property taxes will be increased, and/or additional debt can be assumed for risky revenue generating projects such as a new sports stadium. Typically, home rule municipalities have broader taxation authority, which opponents of home rule cite as a disadvantage and area of concern. Empirical evidence suggests, however, that municipalities generally do not use this additional taxation authority to raise taxes on its residents – they usually try to shift the burden of taxation to non-residents. Furthermore, it is also not the intent of the Village Board to increase property taxes above inflationary increases, nor do we have any intent to issue general obligation debt in the foreseeable future.

***Q: You mentioned the current Village Board does not intend to increase property taxes or increase debt for special projects. But, under home rule won't they be able to do this?***

**A:** It is correct that home rule municipalities have broader taxation authority and authority to issue general obligation debt. Because of the concerns broader taxation and debt authority bring to residents, the Village Board approved a resolution at our September 10 Village Board Meeting addressing the concerns of broader taxation authority and debt. In this resolution, we pledged the following:

1. The Village Board will not use home rule authority to raise property taxes above the “tax cap” in the Property Tax Extension Limited Law (PTELL) currently in place under non-home rule authority, absent a true financial emergency.
2. The issuance of general obligation debt will be subject to the existing statutory limits and require at least two public hearings in front of the Village Board before issuance. Furthermore, general obligation debt issuances for special projects beyond infrastructure improvements and refinancing opportunities, the question of the debt issuance will be presented to the public at an advisory referendum before Board action.

***Q: How will this referendum affect my property taxes?***

**A:** The Village Board has pledged to not raise our property tax levy above the property tax caps already in place under our non-home rule authority. The property tax caps in place mean that the Village cannot increase our levy on existing residents higher than the cost of living index. Regarding your overall property taxes, the Village's portion of your tax bill is only about 7 percent, so the other taxing districts on your tax bill also levy property taxes which affects your overall tax bill and rates.

***Q: Is it true that home rule gives boards the authority to implement a real estate transfer tax?***

**A:** It is NOT true that a home rule town can implement a real estate transfer tax automatically. Per state law, in order to implement the transfer tax, another binding referendum is required and the Village Board has no intention of presenting such a referendum.

***Q: How do residents control the use of home rule?***

**A:** Voters can petition to revoke a community's home rule status. (In Illinois, this has not occurred in the past 20 years.) Another safeguard for taxation and spending restraint is resident participation in Village government and local elections. One-half of the Village Trustee positions are up for election every two years and the Mayor position every four years. The Village is committed to transparency and public involvement in conducting our business. All of our voting meetings are televised on our Community TV, Comcast Channel 6, ATT U-Verse Channel 99, live streamed on YouTube and archived for residents to view. All budgets, audits, disbursements, employee salaries, and complete board packets are available on the Village's website for residents to participate. In addition, as Trustees and Mayor, we are also residents and would be personally impacted by any Board action.

## **QUESTIONS ON VILLAGE FINANCES**

***Q: Lemont is a prosperous high-income town with a growing population. How is it possible we need additional funding for our streets and water system?***

***A:*** The short answer is, despite an increase in population and equalized assessed valuation (EVA) in Lemont, we are experiencing decreases in four of our major revenue sources that fund our Village services including all the revenue streams the Village relies on from the state. **Only 7% or 7 cents of every property tax dollar we pay** goes to funding the Village services such as Police, Public Works, and road and water infrastructure, so the Village is reliant on many other revenues to fund our operations. Furthermore, even though the Village's property revenues are increasing nominally, the pension payments that come out of that revenue have increased annually at a much higher rate. At the March 2018 State of the Village Address, I went through the Village's financial issues in detail. You can view the presentation at [www.lemont.il.us/StateoftheVillage2018](http://www.lemont.il.us/StateoftheVillage2018).

***Q: Is the additional funding being proposed under home rule authority just a fix to avoid making tough decisions to avoid wasteful government spending?***

***A:*** Great question, and one that I personally and fully appreciate considering my professional background in finance and operational cost controls. Like a business, local government has limited resources in which to provide services in the most efficient and cost-effective manner. With this goal in mind, over the past 15 months we have evaluated and implemented processes and resources to achieve the optimal level of services at the most cost-effective impact. This has included eliminating certain positions that can be outsourced at a lower overall cost, changing necessary full-time positions into part-time positions, and reducing over-all employee headcount. The Village will soon be down to 61 full-time employees which includes 28 in the Police Department, 20 in the Public Works Department and 13 at Village Hall. As a point of reference, the full-time employee count was 64 a year ago and was as high as 82 employees. We have made significant strides optimizing both our service levels and limited resources and we will continue to seek improvement.

***Q: If your goal is to obtain \$1 million of additional funding, why not just reduce costs by \$1 million?***

***A:*** We would not be requesting this additional funding unless we have already evaluated and made significant changes to our service operations. For instance, with retirements and other transitions, we have reduced our full-time sworn officer count by 16 percent. Other departments have been frozen for years and are also operating at minimum staffing. Additional reductions would significantly impact our level of service.

***Q: Does the Village have a significant debt burden and is that part of the problem?***

***A:*** The Village is unique in that we do not levy for any of our debt (which means the issuance of debt does not increase your property taxes). As a result, all debt service is paid by the Village's existing revenue streams (utility tax, income tax, water and sewer revenues). The Village currently has \$29 million in outstanding debt, down from a high of \$35 million in 2016. This year the Village will pay down the debt with \$3.2 million in debt service coming out of our operating, water and sewer, TIF and capital funds to pay all of our debt service. Outstanding debt obligations for the Village resulted from financing projects to fund the rehabilitation of two of our major deep wells, upgrade of undersized water mains and other improvements to our water and sewer system, acquisition of property for economic development, construction of downtown parking structure and investment into our primary service facilities (Village Hall renovation, Police and Public Works facilities). The Village has also been proactive over the years in issuing refinancing debt on many of these issuances to realize savings.

***Q: We have heard that the Village has a strong bond rating. How is this possible if we need additional revenue streams?***

***A:*** It is true that the Village has a very good bond rating for a non-home rule municipality (Moody's Aa2). The ratings are often based on the Village's strong financial management and an increasing equalized assessed valuation for the community. However, the bond rating agencies always cite lack of revenue flexibility and increasing pension obligations as concerns. With the state decreasing state shared revenues to municipalities to balance their budget, the lack of flexibility for the Village to react has put us in this difficult financial situation.

***Q: If the home rule referendum does not pass, what are other options to resolving the million-dollar shortfall?***

***A:*** If the referendum fails, the options available to the Board include increasing property taxes by a potential future referendum, increasing outstanding debt, continuing to defer infrastructure projects or significantly reducing our current service levels. Essentially, this will place 100 percent of the burden on our residents. This is the reason for the home rule referendum – for the Board to receive consensus feedback from all the residents on the home rule option at an election that should produce the greatest turnout.

## STAY CONNECTED! | KEEP ON TOP OF WHAT'S GOING ON IN LEMONT

The Village of Lemont utilizes many different forms of communication exchange with our residents. Below are a few ways to receive and report information.

### Sign Up to “Stay Informed” to Receive Important Messages

1. Visit our website at [www.lemont.il.us](http://www.lemont.il.us).
2. Click on “Stay Informed” on the bottom feature bar.
3. Follow the instructions to sign up and select the information you want to receive and how you want to receive it – via email and/or mobile text. Creating a login eliminates any potential spam. **Note to AOL users:** Due to AOL’s outdated security protocols for their email service, emails may not get through to you from our system.
4. Once signed up, you will receive a verification message(s) from CivicPlus, our webhost company, that you must respond to in order to start receiving messages.
5. Afterwards, you can sign in at any time to view previously sent messages, update your personal information and modify what notices you receive.

### Report a Concern

This is a non-emergency reporting and tracking tool that allows you to submit a concern from a list of items, i.e., pothole reporting, streetlight outage, vacant property concern, public safety issues, etc.

To report a concern, select it from the feature bar across the bottom of our website page. Click on “Login” at the box on the right. Either sign in or create an account. An anonymous login is also available. Once logged in you simply click on any topic related to your issue, complete the information and submit the form. This information is sent to the assigned department to address the issue. Please call 911 for any safety issue that needs to be addressed immediately.

### Community Calendar – [lemontevents.com](http://lemontevents.com)

Our Community Calendar is packed with information submitted from organizations and businesses all around town. Visit our website at [www.lemont.il.us](http://www.lemont.il.us) and scroll down the front page to the calendar. Click on “View All” to go to the main calendar page. You can also subscribe to iCalendar which allows users to import Internet calendars and/or events into their personal calendar applications, like Google Calendar, Apple iCal, Microsoft Outlook, etc.

### Follow us on Facebook

Be sure to check out our Facebook page, “Village of Lemont,” as we post topics of interest during the week along with event happenings and other information. It’s a great way to find out what’s going on around town.

### Download Our Mobile App

Our mobile app allows you to have the tools you need right at your fingertips to access information 24/7. It’s connected directly to the Village website with the most current information making it easy for you to access the services you need, when you need it. With its cross-platform compatibility, it will work great on both iOS and Android mobile devices.



#### IOS USERS:

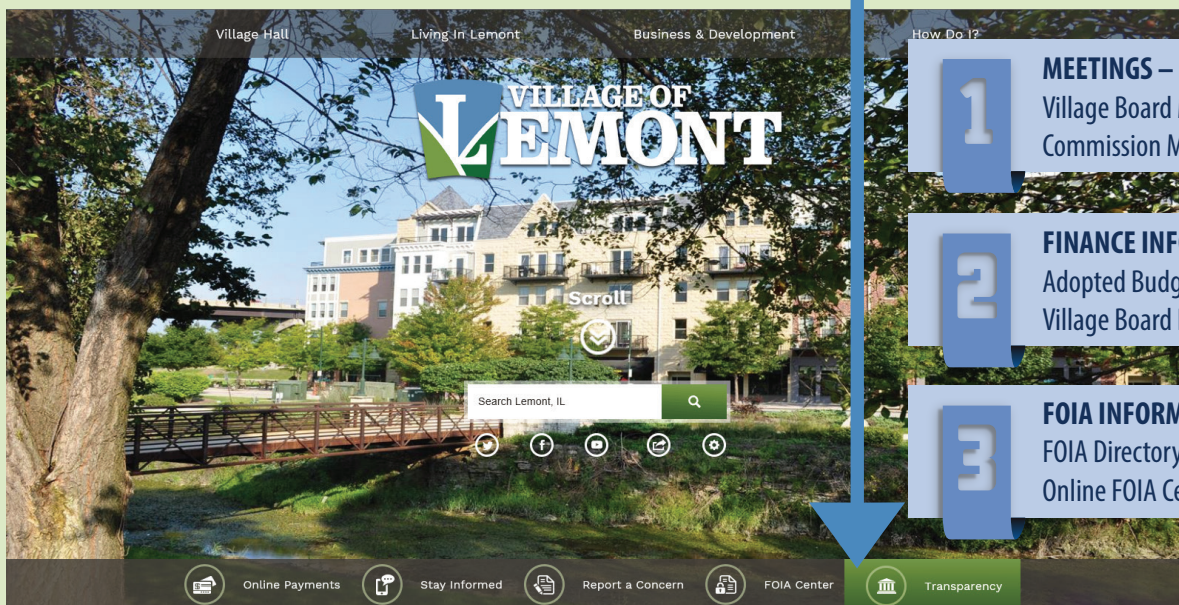
Find us in the App Store! Search for Lemont, IL OR Use the Find My Location Feature the First Time You Open the App



#### ANDROID USERS:

Find us in the App Store! Search for Village of Lemont

### Transparency | Know Where to Go at [LEMONT.IL.US](http://LEMONT.IL.US)



#### TRANSPARENCY

Links to all below and MORE!

1

#### MEETINGS – INFORMATION

Village Board Meeting Agendas & Minutes  
Commission Meeting Agendas & Minutes

2

#### FINANCE INFORMATION

Adopted Budget | Capital Improvement Plan  
Village Board Bond Rating and More

3

#### FOIA INFORMATION

FOIA Directory  
Online FOIA Center

# SHOULD THE VILLAGE OF LEMONT BECOME A HOME RULE MUNICIPALITY?

Village of Lemont  
418 Main Street  
Lemont, IL 60439

PRSR STD  
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Postal Customer  
Lemont, IL 60439

## UPCOMING EVENTS & DATES TO REMEMBER

### OCTOBER

- 6 Lemont Park District's Fall Fest (Lemontster Days)
- 8 Columbus Day | Village Offices Closed (Planning Day)
- 10 Lemont Park District's "Casper" Movie Night in the Park (Lemontster Days)
- 12 LAHS "Toasts to the Ghosts" Aboard Lemont's Very Own Quarry Queen (Lemontster Days)
- 13 LEAC's Fall Household Recycling Event | Lemont Fire District's Open House
- 13 Lemont Chamber's Witches Walk (Lemontster Days) *(Sorry, Sold Out!)*
- 19 & 20 Haunted Canal Hay Rides Starting at Safety Village, Fundraiser Benefiting Hope & Friendship Foundation and School District 113a Foundation (Lemontster Days)
- 20 Lemont Park District's Lemontster Days Blood Drive
- 21 Scarecrow Festival 2018 Sponsored by Lemont Jr. Woman's Club & Lemont Township (Lemontster Days)
- 26 Lemont Historical Society's Hocus Pocus Movie Night (Lemontster Days)
- 26 & 27 Haunted Canal Hay Rides Starting at Safety Village, Fundraiser benefiting Hope & Friendship Foundation and School District 113a Foundation (Lemontster Days)
- 27 Village of Lemont Halloween Hoedown (Lemontster Days)
- 28 Lemont Township's Hoowl-A-Ween at Central Dog Park (Lemontster Days)
- 31 Lemontster Days Decorating Contest Award Winners Announced, Lemont Library "Trick or Treating" AND Village-wide "Trick or Treating." Village Hours: 3:00 to 6:30 p.m. (Lemontster Days)

**MORE INFO ON ALL LEMONTSTER DAYS EVENTS AT [WWW.LEMONTSTERDAYS.COM](http://WWW.LEMONTSTERDAYS.COM)**

Mark Your Calendars Now!



**LEMONTSTER DAYS**  
VILLAGE OF LEMONT  
Enjoy Our Scene!

**Fall Into ... LEMONTSTER DAYS FUN!**

Village of Lemont | Historic Downtown Lemont  
**Halloween Hoedown**  
**SATURDAY, OCTOBER 27**  
**1:00 TO 4:00 PM.**

Costume Parade & Contest | Trick or Treating | Haunted Caboose  
Haywagon Rides | Frightening Photos | Children's Activities  
Food & Treats to Eat | Tons of Halloween FUN!

*This event is part of the Lemontster Days Series of Events*

See the back of this card for the FULL Line-Up of Events  
**Details at [www.LemontsterDays.com](http://www.LemontsterDays.com)**

**GET OUT AND DECORATE!**  
Lemont Chamber of Commerce and Lemont Park District's  
**Home & Business Decorating Contest**  
This is a FREE Contest. Winners Announced October 31.

For an up-to-date listing of ALL Lemont events, go to [www.lemontevents.com](http://www.lemontevents.com)

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