



Meeting Agenda

Location:

Village Hall -
10631 Main Street
Roscoe, IL 61073

Village Board of Trustees

Tuesday, June 03, 2025

6:30 PM

CALL TO ORDER**PLEDGE OF ALLEGIANCE****ROLL CALL****APPOINTMENTS TO BOARDS AND COMMISSIONS**

1. Appointment and Confirmation of **Carla Jorgenson** to fill a *vacant unexpired* term on the **Zoning Board of Appeals** for the Village of Roscoe, Illinois

(Unexpired Term: May 2024 - May 2029)

APPROVAL OF THE MINUTES

2. **Approval of the Minutes** for the meeting of the Village Board of Trustees from **May 6, 2025**.
3. **Approval of the Minutes** for the meeting of the Village Board of Trustees from **May 20, 2025**.

PUBLIC COMMENT (Limited to 3 minutes per speaker)**PRESIDENT'S REPORT**

4. Recognition of **Sgt. Christopher Wilder** retirement after 20 yrs. with the Roscoe Police Department
5. Discussion of the **elimination of the Grocery Tax** by the State of Illinois.

TREASURER'S REPORT

6. Cash Report and Bills
7. Approval of Bills

CONSENT AGENDA

All items on the Consent Agenda are considered to be routine in nature and will be enacted by one motion. There will be no separate discussion of these items unless a Board member so requests, in which event, the item will be removed from the Consent Agenda, and will be discussed and approved separately.

Village Board of Trustees
Meeting Agenda - June 03, 2025

- 8. Approval of Resolution 2025-R26**, approving Bid Specifications and Bid Letting for **Class "D" Patching Program** (2025).

MOTIONS AND RESOLUTIONS (Final action)

- 9. Approval of Ordinance 2025-09**, amending Section 5-1 of the Village Code of Ordinances to establish the hours that Chicory Ridge Park is open to the public as those hours between Sunrise and Sunset.
- 10. Approval of Ordinance 2025-08**, approving a text amendment to **Article XIII** of the Village of Roscoe Zoning Ordinance relating to **Planned Unit Developments**.
- 11. Approval of Resolution 2025-R27**, authorizing the execution of an Agreement and payment in the amount of \$5,000 for the Settlement of James M. Payton v. Village of Roscoe, et al., Cause No. 23-L-013106 (Cook County).

NEW BUSINESS (First reading or suspend rules)

QUESTIONS AND REPORTS

PUBLIC COMMENT (Limited to 3 minutes per speaker)

EXECUTIVE SESSION (IF NECESSARY)

ADJOURNMENT

[View results](#)

Rec'd.
5/19/2025

Respondent

1

Anonymous

13:54

Time to complete

Basic Information (Required)

Please complete the following required questions. This information is necessary for us to contact you and confirm eligibility for service on a Village board or commission.

1. Full Name *

Carla Kay Jorgenson

2. Residential Address *

Include street address, city, state, and ZIP code.

949 Quill Dr. Roscoe, IL 61073

3. Phone Number *

[REDACTED]

4. Email Address *

Please provide the best email to contact you. Please double check that the email address is correct.

[REDACTED]

5. Preferred Method of Contact *

☐ Phone

☒ Email

13. What skills, knowledge, or perspectives would you bring to this role?

Detail and people oriented.

14. Are you available to attend regular evening meetings?

- ☒ Yes
- ☐ No
- ☐ Depends on the day

15. Are there any specific days/times you are unavailable?

None at this time.

16. Are you related to or affiliated with any current Village officials or staff?

- ☐ Yes
- ☒ No

17. **Certification ***

- ☒ I certify that the information provided above is true and correct to the best of my knowledge.



Meeting Minutes

Location:

Village Hall -
10631 Main Street
Roscoe, IL 61073

Village Board of Trustees

Tuesday, May 06, 2025

6:30 PM

CALL TO ORDER - SINE DIE MEETING

President Gustafson called meeting to order at 6:34.

PLEDGE OF ALLEGIANCE

PRESENT

Trustee William Babcock
Trustee John Broda
Trustee Dayne Mead
Trustee Justin Plock
Trustee Michael Sima
Trustee Michael Wright
Village President Carol Gustafson

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APPROVAL OF THE MINUTES

1. **Approval of the Minutes** for the meeting of the Village Board of Trustees from **April 15, 2025.**

President Gustafson requested a motion to approve the minutes from April 15th. Motion was made by Trustee Wright and seconded by Trustee Babcock.

Voting Yes: Trustees Babcock, Broda, Mead Plock, Sima, Wright 6-0-0.

2. **Approval of the Minutes** for the meeting of the **Committee of the Whole** from **April 15, 2025**

President Gustafson requested a motion to approve the Minutes for the Committee of the Whole on April 15th. The Motion was made by Trustee Wright and seconded by Trustee Plock. Voting yes: Trustees Babcock, Mallicoat, Petty, Plock, Sima, Wright. 6-0-0

3. **Approval of the Minutes** for the meeting of the **Liquor Commission** from **January 21, 2025**.

President Gustafson requested a motion to approve the Minutes for the Liquor Commission for January 21st. The Motion was made by Trustee Wright and seconded by Trustee Sima. Voting Yes: Trustees Babcock, Mallicoat, Petty, Plock, Sima, Wright 6-0-0.

PUBLIC COMMENT (Limited to 3 minutes per speaker)

No Public Comments.

PRESIDENT'S REPORT

4. Introduction and **Swearing in** of **Conner Jordan** as a **Village of Roscoe Police Officer**.

Chief Samuel Hawley swore in the newest Police Officer Conner Jordan. Officer Jordan just recently graduated from the academy on April 24th and for the next 3 months Officer Jordan will be in the FTO program. Officer Jordan resides in Belvidere.

5. **Proclamation** in recognition of **National Public Works Week (May 18, 2025 through May 24, 2025)**

President Gustafson delivered a proclamation in recognition of National Public Works Week on May 18th thru May 24th to recognize the Public Works Department for all of the hard work they do to keep us healthy and safe throughout the year.

6. Report on **Roscoe Restaurant Week 2025**

President Gustafson reported that the Roscoe Restaurant Week was a success. The restaurants reported an increase in traffic, which was the goal. People visiting the establishments were awarded prizes during the week. President Gustafson thanked Janel for all of the hard work she did to make this event a success.

TREASURER'S REPORT

7. Cash Report and Bills

Total expenditures of \$ 142,065.17, Payroll \$153,972.17, total approved is \$ 296,037.34.

8. Approval of Bills

President Gustafson requested a motion to pay the bills. The motion was made by Trustee Plock and seconded by Trustee Wright.
Voting Yes: Trustee Petty, Mallicoat, Wright, Sima, Babcock, Plock, 6-0-0.

9. Year to Date, Revenues and Expenditures

EXECUTIVE SESSION (IF NECESSARY)

Village Board of Trustees
Meeting Minutes - May 06, 2025

President Gustafson entertained a motion to enter into executive session briefly for pending litigation 5ILCS 120/2 (c) (11). Motion was made by Trustee Plock, seconded by Trustee Babcock. Voting Yes; Trustees Babcock, Mallicoat, Petty, Plock, Sima, Wright, 6-0-0.

New Trustees elect Broda, Mead, and New Village Clerk Garza will join in the closed session.

CONSENT AGENDA

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Motion to approve as whole

Motion made by Trustee Mallicoat, Seconded by Trustee Plock.

Voting Yea: Trustee Babcock, Trustee Mallicoat, Trustee Petty, Trustee Plock, Trustee Sima, Trustee Wright

10. **Approval of Resolution 2025-R17**, authorizing a contract with Fehr Graham & Associates, LLC to assist with the development of the Village's FY2026-2030 **Capital Improvement Program and Updated Street Study Proposal** for the quoted amount of **\$69,300.00**.

President Gustafson entertained a motion for the approval of Resolution 2025-R17. The motion was made by: Trustee Mallicoat, seconded by Trustee Wright. Voting yes: Trustees Plock, Petty, Babcock, Sima, Wright, Mallicoat 6-0-0.

11. Approval of **Resolution 2025-18**, authorizing an RFP for Design Services related to the **Porter Park Phase 2 Expansion** (OSLAD Grant)

President Gustafson entertained a motion for the approval of Resolution 2025-18. The motion was made by Trustee Mallicoat, seconded by Trustee Wright. Voting yes, Trustees Petty, Wright, Babcock, Plock, Mallicoat 6-0-0.

12. **Approval of Resolution 2025-R19**, authorizing the engagement of Fehr-Graham and Associates to complete a Phase 2 Environmental Study for 10517 Main Street Property Purchase.

President Gustafson entertained a motion for the approval of Resolution 2025-R19. Motion was made by Trustee Mallicoat, seconded by Trustee Wright. Voting yes, Petty, Plock, Babcock, Wright, Sima, Mallicoat 6-0-0.

13. **Approval of Resolution 2025-20**, approving a two year contract with **Axon Enterprise, Inc.** in the amount of **\$6,937.22**

President Gustafson entertained a motion for the approval of Resolution 2025-20. Motion was made by Trustee Mallicoat, seconded by Trustee Wright. Voting yes, Petty, Plock, Babcock, Wright, Sima, Mallicoat 6-0-0.

MOTIONS AND RESOLUTIONS (Final action)

- 14. Approval of Resolution 2025-R14.1** for the purchase of Two Kubota ZD1611 72" zero turn mowers from **Bobcat of Rockford** for the quoted amount of **\$39,847.44**

[amends 2025-14 to reflect corrected trade-in credits]

President Gustafson entertained a motion for approval of Resolution 2025-R14.1. Motion was made by Trustee Plock, seconded by Trustee Wright. Voting yes, Trustees Babcock, Petty, Sima, Wright, Mallicoat, Plock 6-0-0.

- 15. Approval of Resolution 2025-R21 for Fritzels Landscaping** for the quoted amount of **\$32,245.00** for rebuilding the Village Hall retaining wall and restoration of the turf.

President Gustafson entertained a motion for the approval of Resolution 2025-R21. Motion was made by Trustee Mallicoat, seconded by Trustee Wright. Voting yes; Trustees Sima, Petty, Mallicoat, Babcock, Plock, Wright 6-0-0.

- 16. Approval of Resolution 2025-R22**, authorizing entering into an agreement to retain **Lashly & Baer P.C.** and to continue the engagement of **Attorney Michael McGinley** as special counsel for the Village of Roscoe in relation to the Village's involvement in Payton v. A.O. Smith corporation et al.

President Gustafson entertained a motion for the approval of Resolution 2025-R22. Motion was made by Trustee Babcock, seconded by Trustee Wright. Voting yes; Sima, Petty, Wright, Babcock, Mallicoat, Plock 6-0-0.

ADJOURNMENT SINE DIE

Motion made by Trustee Sima, Seconded by Trustee Babcock.

Voting Yea: Trustee Babcock, Trustee Petty, Trustee Plock, Trustee Sima, Trustee Wright.

Voting No: Trustee Mallicoat

- 17. Recognition of Outgoing Officials:**

Stacy Mallicoat - Village Trustee

Susan Petty - Village Trustee

Stephanie Johnston - Village Clerk

President Gustafson recognized Stacy Mallicoat for his service to the Village.

Sue Petty was also recognized for her service. She has been on the board since 2009 and is the longest consecutive sitting member. President Gustafson thanked Sue for her dedication and stamina.

President Gustafson also thanked Stephanie Johnston for all her work over the last 4 years as the clerk.

- 18. Adjournment Sine Die**

There will be a short break between meetings.

President Gustafson entertained a motion to temporarily adjourn the meeting.

Motion was made by Trustee Babcock, seconded by Trustee Wright, voting yes Sima, Plock, Wright, Petty, Babcock, voting no Mallicoat 5-1-0.

OATH OF OFFICE AND SEATING OF NEWLY ELECTED OFFICIALS

President Gustafson swore in newly elected Trustees and Village Clerk for a 4-year term.

19. Village Trustees (4-year Term):

John A. Broda
Dayne Mead
Justin Plock

President Gustafson swore in the new Trustees John Broda, Dayne Mead, and Justin Plock for 4-year terms.

20. Village Clerk (4-year Term):

Kimberly Garza

President Gustafson swore in the new Village Clerk Kimberly Garza for a 4-year term.

CALL TO ORDER

President Gustafson called the new Board meeting to order at 7:24.

ROLL CALL

President Gustafson requested roll call.

Present: John Broda, Dayne Mead, Justin Plock, Mike Wright, Mike Sima, William Babcock.

APPOINTMENTS TO BOARDS AND COMMISSIONS

21. Appointment and Confirmation of **Teresa Skridla** to fill a *vacant unexpired* term on the **Zoning Board of Appeals** for the Village of Roscoe, Illinois

(Unexpired Term: May 2022 - May 2027)

Teresa Skridla, Richard M. Butera sworn in. Daniel Spinazzola will be sworn in at a later date.

22. Appointment and Confirmation of **Daniel Spinazzola** to the **Zoning Board of Appeals** for the Village of Roscoe, Illinois for a full 5-year term.

(Full Term: May 2025 - May 2030)

Teresa Skridla, Richard M. Butera sworn in. Daniel Spinazzola will be sworn in at a later date.

23. Appointment and Confirmation of **Richard M. Butera** to the **Zoning Board of Appeals** for the Village of Roscoe, Illinois for a full 5-year term.

(Full Term: May 2025 - May 2030)

Teresa Skridla, Richard M. Butera sworn in. Daniel Spinazzola will be sworn in at a later date.

24. Appointment and Confirmation of **Alan Harbut** to the **Police Pension Board** for the Village of Roscoe, Illinois for a full 2-year term.

(Full Term: May 2025 – May 2027).

President Gustafson entertained a motion to appoint and confirm Alan Harbut to the Police Pension Board. The motion was made by Trustee Sima and seconded by Trustee Wright. Voting yes Trustees Broda, Mead, Sima, Babcock, Wright, Plock 6-0-0.

QUESTIONS AND REPORTS

PUBLIC COMMENT (Limited to 3 minutes per speaker)

No public comments.

EXECUTIVE SESSION (IF NECESSARY)

ADJOURNMENT

President Gustafson entertained a motion to adjourn the meeting @ 8:22. The motion was made by Trustee Mike Wright and seconded by Trustee Justin Plock, all in favor Voting yes 6-0-0.



Meeting Minutes

Location:

Village Hall -
10631 Main Street
Roscoe, IL 61073

Village Board of Trustees

Tuesday, May 20, 2025

6:30 PM

CALL TO ORDER
PLEDGE OF ALLEGIANCE
ROLL CALL

President Gustafson called for a roll call.

PRESENT

Trustee William Babcock
Trustee John Broda
Trustee Dayne Mead
Trustee Michael Sima
Trustee Michael Wright
Village President Carol Gustafson

ABSENT

Trustee Justin Plock

APPROVAL OF THE MINUTES

President Gustafson asked the Board to layover the minutes until next board meeting.

Motion was made by Trustee Sima, seconded by Trustee Broda. Voting yes: Trustees Wright, Mead, Sima, Broda, Babcock 5-0-0.

- 1. Approval of the Minutes** for the meeting of the Village Board of Trustees from **May 6, 2025.**

PUBLIC COMMENT (Limited to 3 minutes per speaker)

No public comments.

PRESIDENT'S REPORT

President Gustafson shared that our Public Works Director's wife, Stacey Hugley Taylor, was awarded a Certificate of Excellence. This award was presented by the Illinois State Superintendent of Education for demonstrating exceptional commitment and collaboration and creating a positive environment that promoted great student success.

2. Presentation by **George Gaulrapp** - external affairs manager for ComEd - regarding increase in ComEd Energy Supply Rates

George Gaulrapp, external affairs manager for ComEd, explained upcoming increases of our ComEd bill. George stated good reliable energy requires purchases through an auction. The supply cost is passed to the consumer. This cost will be about 10.50 per month.

Trustee Wright stated that the auction is being challenged.

Joe Kurlinkus stated that he had contacted our municipal aggregation proprietors. Roscoe is locked in at the current rate of 0.779 until September of 2026.

3. Introduction of **David Sidney/Place Foundry, LLC** and overview of **Main Street Redevelopment & Economic Development Goals**

David Sidney/Place Foundry, LLC gave an overview and summary over the last year of the redevelopment & Economic Development Goals for Main Street and I-90 Rockton Road Corridor.

Place Foundry; LLC contract expired in April. There will be a discussion to renew a 12-month contract.

TREASURER'S REPORT

4. Cash Report and Bills

President Gustafson asked the board for an approval to pay the monthly bills.

The total expenditures \$ 192,848.12, payroll \$ 113,683.07 Totaling \$306,531.19. leaving a balance in the checking account \$8,090.993.62

No motor fuel expenditures this evening.

5. Approval of Bills
6. Year to Date, Revenues and Expenditures

CONSENT AGENDA

All items on the Consent Agenda are considered to be routine in nature and will be enacted by one motion. There will be no separate discussion of these items unless a Board member so requests, in which event, the item will be removed from the Consent Agenda, and will be discussed and approved separately.

7. **Approval of Resolution 2025-R23** for approving **Northern Illinois Service Company** for the quoted amount of **\$8,850.00** for the demolition of the Riverside Park Pavilion.

President Gustafson asked for a motion for an approval of Resolution 2025-R23 for Northern Illinois Company for the demolition of the Riverside Park Pavilion in the amount of \$ 8,850.00 Motion was made by Trustee Sima, seconded by Trustee Wright. Voting yes: Trustees Mead, Wright, Sima Broda, Babcock 5-0-0.

8. **Approval of Resolution 2025-R24** for declaring certain items of personal **property surplus, and authorizing their sale and disposition.** [F550 Crew Cab Dump Truck, F550 Dump Truck, Peterbilt Dump Truck, Case Loader, JGL bucket lift, and Dayna Weld trailer]

Approval of Resolution 2025-R24 for declaring certain items of personal property surplus and authorizing their sale and disposition. Motion was made by Trustee Sima, seconded by Trustee Wright. Voting yes: Trustees Mead, Sima, Broda, Babcock, Wright 5-0-0.

9. **Approval of Resolution 2025-R25** for engaging Fehr Graham & Associates, LLC for **design engineering services** for a **pedestrian crosswalk at the intersection of Main Street & Bridge Street.**

Approval of Resolution 2025-R25 for engaging Fehr Graham & Associates, LLC for design engineering services for a pedestrian crosswalk at the intersection of Main Street & Bridge Street. Motion was made by Trustee Sima, seconded by Trustee Wright. Voting yes: Trustees Mead, Sima, Broda, Babcock, Wright 5-0-0.

MOTIONS AND RESOLUTIONS (Final action)

NEW BUSINESS (First reading or suspend rules)

10. **Approval of a Special Event Permit for All World Machinery Supply Inc., Summer Party.** The event will take place at 6164 All World Way on Saturday, June 21, 2025.

President Gustafson asked for a motion to suspend the rules for a Special Event Permit for All World Machinery Supply Inc., Summer Party. Motion was made by Trustee Broda, seconded by Trustee Babcock. Voting yes: Trustees Sima, Babcock, Broda, Mead, Wright 5-0-0.

Motion to approve the Special Event Permit motion was made by Trustee Broda, seconded by Trustee Babcock. Voting yes: Trustees Wright, Mead, Sima, Broda, Babcock 5-0-0.

11. **Approval of Resolution 2025-R26**, approving Bid Specifications and Bid Letting for **Residential Road Repair/Maintenance Improvement Program (2025).**

President Gustafson asked for a motion to suspend the rules of Resolution 2025-R26 for Residential Road Repair/Maintenance Improvement Program (2025) to make this item a final vote.

Motion to suspend the rules was made by Trustee Wright, seconded by Trustee Babcock. Voting yes: Trustees Broda, Mead, Wright, Sima, Babcock 5-0-0.

Motion was made for the approval of the Residential Road Repair/Maintenance Improvement Program by Trustee Wright, seconded by Trustee Mead. Voting yes: Babcock, Mead, Sima, Wright, Broda 5-0-0.

Brandon Boggs stated roads to be resurfaced will be Hodges Run, Hodges Way, Hazel Close, Prairie Wind Place, Andrew Drive, Parkway Drive and Ter Maat Court.

If approved, the bids would go out in the paper and Quest CDN, a contractors website, sometime next week - May 28th and 29th On June 10th, there will be a bid opening at Village Hall at 10:00 am. Bid openings are open to the public. On June 17th, the Board will consider

the lowest bid. Construction will begin after the 4th of July holiday and final completion should be completed by the end of August.

- 12. Approval of Ordinance 2025-08, approving an Annexation and a Map Amendment from the Winnebago County Agricultural Zoning District to the RE: Single Family Residential Estate District for 18.45 acres of a property commonly known as 92XX Sheringham Drive (PIN: 08-11-100-013).**

[Applicant: KG2JGS investments, LLC & Robert S. & Lynne M. Twigg]

ZBA recommends approval voting 5-0-0 on May 14, 2025

President Gustafson asked for a motion to suspend the rules of ordinance 2025-08 approving an annexation and map amendment from the urban transitional district to RE: Single Family Residential Estate District for 18.45 acres of a property commonly known as 92XX Sheringham Drive. Motion to suspend the rules were made by Trustee Broda seconded by Trustee Sima voting yes Trustees Sima, Mead, Babcock, Broda, Wright 5-0-0.

Motion for Approval for the annexation and map amendment in ordinance 2025-08. Motion was made by Trustee Wright, seconded by Trustee Babcock. Voting yes: Trustees Sima, Broda, Mead, Wright, Babcock. 5-0-0.

- 13. Approval of travel expenses for Village Clerk to attend the Illinois Clerk's Conference.**

President Gustafson asked for a motion to suspend an approval of the travel expenses for the Village Clerk to attend the Illinois clerk's conference.

Motion was made by Trustee Broda, seconded by Trustee Babcock. Voting yes: Trustees Mead, Broda, Sima, Babcock, Wright 5-0-0.

Motion to approve travel expenses for the Village clerk motion was made by Trustee Sima, seconded by Trustee Wright. Voting yes: Trustees Sima, Babcock, Wright, Mead, Broda 5-0-0.

QUESTIONS AND REPORTS

14. Project Updates:

- Subdivision Identification Signage
- Hodges Run Incubator Project
- Stateline Fastpitch - Swanson Park Agreement

Subdivision Identification Signage information is scheduled for the June 3rd or June 17th meetings. Administrator Kurlinkus will keep the Board updated moving forward.

Hodges Run Incubator specs are completed and will be on the June 3rd the Committee of the Whole discussion.

Stateline Fastpitch - Swanson Park Agreement it was approved and the everything has been signed by all parties. The first two payments have been made and the final payment will be made by the end of June.

PUBLIC COMMENT (Limited to 3 minutes per speaker)

Troy Taylor was at Olson Park for the end of the school year celebration. Troy brought in the bucket truck for a duck drop. The drop was a huge success. Olson Park gave out prizes to the excited kids.

Public Works week is still going on. We are hoping for more participation so we will be able to do it next year.

EXECUTIVE SESSION (IF NECESSARY)

ADJOURNMENT

President Gustafson entertained a motioned to adjourn the meeting @ 7:46.

All voted yes.

VILLAGE OF ROSCOE

AGENDA ITEM - STAFF REPORT



VILLAGE of
ROSCOE

Item # 5.

Agenda Item: Discussion of Grocery Tax Elimination and Local Implementation

Date: June 3, 2025

Meeting: Village Board

Prepared by: Josef Kurlinkus

Department: Administration

Overview/Background Information

As part of Public Act 103-0781, the State of Illinois has enacted legislation to eliminate the 1% statewide grocery sales tax effective January 1, 2026. This tax has historically been collected by the Illinois Department of Revenue and distributed entirely to local municipalities and counties, generating approximately \$325 million annually in revenue across the state.

For the Village of Roscoe, the anticipated revenue loss is approximately \$100,000 annually, which currently supports core municipal services. While the State's repeal was delayed until January 2026—partly due to advocacy efforts by the Illinois Municipal League (IML) and organizations such as the Northern Illinois Council of Governments (NorthCOG)—municipalities are now faced with the decision of whether to adopt a local grocery tax to prevent revenue shortfalls.

The legislation grants authority to both home rule and non-home rule municipalities to enact a 1% locally imposed grocery sales tax via ordinance, without referendum, to take effect as early as January 1, 2026, if the ordinance is filed with IDOR by October 1, 2025. Delayed implementation is also possible, provided ordinances are postmarked before April 1 or October 1 of a given year, with effective dates of July 1 or January 1, respectively.

In response, the other municipal members of the Northern Illinois Council of Governments (NorthCOG) are all placing this item on their agendas during the month of June, and it is expected that most will adopt an ordinance approving a local grocery tax in order to preserve this revenue stream.

Key Issues

- Whether the Village wishes to pursue adoption of a local 1% grocery sales tax to offset the projected \$100,000 annual loss in revenue.
- Potential impacts to core services and capital programs if the tax is not replaced.
- Timing and process for local ordinance adoption and filing (must be postmarked by October 1, 2025 for January 1, 2026 implementation).
- Public communication and outreach strategies for residents and local businesses.
- Regional alignment and consistency with other NorthCOG municipalities, most of whom are expected to move forward with adoption in June.

Fiscal Note/Budget Impact

- Projected annual revenue loss without a local tax: **\$100,000**.
- If a local tax is adopted timely, there will be **no lapse** in grocery tax revenue.
- If no action is taken, the grocery tax will be **automatically repealed** in Roscoe on **January 1, 2026**, and the Village will permanently lose this revenue stream.

Action Required/Recommendation

This item is presented for discussion only.

Locally Imposed Grocery Sales Tax

BY ILLINOIS MUNICIPAL LEAGUE STAFF

April 29, 2025

During the 2024 Spring Legislative Session, the Illinois Municipal League (IML) played an integral role in securing the authority for both home rule and non-home rule municipalities to implement by ordinance a 1% locally imposed grocery sales tax (without need for referendum approval) following the elimination of the statewide grocery tax effective January 1, 2026.

While IML's preference was to maintain the status quo and for the tax to remain statewide, Public Act 103-0781 repeals the statewide tax on groceries. However, the authority to implement a 1% grocery sales tax locally by ordinance was approved as part of the same legislation.

IML advocated for a delayed implementation date of the statewide grocery tax repeal and the elimination of the Illinois Department of Revenue's (IDOR) administrative fees to collect and remit the tax, meaning municipalities will see no decrease or lapse in grocery tax revenue, if timely in implementing the tax locally.

IMPLEMENTATION TIMELINE

- **Now:** Municipalities that wish to implement the local grocery tax effective on January 1, 2026, should adopt IML's model ordinance now to ensure timely filing with the Illinois Department of Revenue.
- **Prior to October 1, 2025:** A certified copy of an ordinance authorizing the local implementation of a grocery sales tax must be submitted to IDOR, postmarked by October 1, 2025.
- **January 1, 2026:** The statewide grocery sales tax expires; only locally imposed grocery sales taxes will remain.

The statewide tax will not be repealed until January 1, 2026; until then, nothing will change and no action will be necessary by municipalities. However, for those municipalities that wish to implement the tax locally on day one, there are important benchmarks to consider.

For municipalities, both home rule and non-home rule, that wish to implement a local grocery sales tax effective on January 1, 2026, the first step is to pass an authorizing ordinance. IML has developed a model ordinance that can be adopted locally, which is available on our website.¹ A certified copy of the ordinance must then be submitted to IDOR, postmarked by October 1, 2025, in order for the tax to be imposed beginning January 1, 2026. This will guarantee no lapse in revenues from this tax.

The ordinance must be sent to IDOR through MyLocalTax² or via USPS, FedEx or UPS (it may not be submitted by email) to:

*Aaron Allen, Division Manager
Local Tax Allocation Division 3-500
Illinois Department of Revenue
101 West Jefferson Street
Springfield, IL 62702
(217) 785-7116*

If a municipality chooses to wait to implement a local 1% grocery tax at a later date, please keep in mind that ordinances authorizing a local tax must be sent to IDOR and postmarked before April 1 for collection to begin on July 1, or postmarked after April 1 but before October 1, for collections to begin January 1 of the following year.

If your municipality does not wish to impose the grocery tax locally after the statewide expiration, no action is required and the 1% grocery tax will be automatically repealed within your jurisdiction on January 1, 2026.

IML suggests you consult with your municipal attorney prior to considering the adoption of this model ordinance. More resources are available at iml.org/grocerytax.

¹ <https://www.iml.org/page.cfm?category=5382>

² https://mytax.illinois.gov/MyLocalTax/_/



Scan for
PDF Version

POLICY SPOTLIGHT | APRIL 11, 2024

Should Illinois Eliminate the State Grocery Tax?

The state of Illinois imposes a “Retailer’s Occupation Tax” (ROT), or sales tax, of 6.25% on general merchandise and 1% on qualifying food, drugs, and medical appliances.¹ The 1% tax is charged on most food items for home consumption, or “food at home” (FAH) and is often referred to as a “grocery tax.” The state grocery tax plays a role in local government finance because a portion of state receipts are passed through to municipalities. Illinois is among 13 states that impose a grocery tax (Figueroa & Legendre, 2020).²

Grocery taxes are a controversial way to raise revenue. Because low-income households spend a much higher share of their income on food than better-off households, the concern is that the grocery tax may be regressive, so that low-income households end up paying more than their “fair share” of taxes. A tax on FAH may also encourage consumer substitution into less nutritious food away from home (FAFH). Because of this, the grocery tax could have an adverse impact on lower-income households’ health.

Under current law, one percentage point of the state’s 6.25% ROT (or 16% of state ROT

Author

Institute of Government and Public Affairs

Elizabeth T. Powers, Interim Associate Director, Institute of Government and Public Affairs, Associate professor in the Department of Economics at the University of Illinois at Urbana-Champaign. An expert on family centered policies, including child care, she has assisted the Illinois Department of Human Services and other policy actors.

collections) is passed through to municipal governments.³ Elimination of the grocery tax would lower ROT revenue by reducing the taxable base of retail sales.⁴ In 2022 Gov. Pritzker and the General Assembly agreed to suspend the grocery tax for state fiscal year (SFY) 2023 (P.A. 102-0700). From July 1, 2022 through June 30, 2023, items formerly subject to the 1% tax rate (with the exception of medicines and drugs) were not subject to the state tax.⁵ It is important to note that the elimination of the grocery tax only eliminates the portion of ROT revenue that is generated by grocery sales. The state still passes through a 1% ROT collected on non-grocery items. This means that the elimination of the grocery tax has a fairly small revenue impact relative to all ROT that is passed through to local governments.

¹ A detailed description of Illinois sales taxes can be found at <https://perma.cc/X3J8-MG4D>.

² The other states with grocery taxes are Arkansas (0.125%), Missouri (1.23%), Virginia (2.5%), Utah (3.0%), Alabama (4.0%), Hawaii (4.0%), Tennessee (4.0%), Oklahoma (4.5%), South Dakota (4.5%), Idaho (6.1%), Kansas (6.5%) and Mississippi (7.0%). Hawaii, Oklahoma, Idaho, and Kansas have a state tax credit to partly offset the cost of the tax for low-income households (Figueroa & Legendre, 2020).

³ For more details on how the state ROT is distributed, see <https://perma.cc/6QG6-7QMG>.

⁴ Items such as alcoholic beverages, soft drinks, and prepared food for immediate consumption would continue to be taxed at the 6.25% rate (see <https://perma.cc/Y7MH-L2F7>).

⁵ Further details on the SFY 2023 suspension are available at <https://perma.cc/U8JV-B8AT>.

The state estimated a revenue reduction of \$360 million due to the elimination of the grocery tax in SFY 2023 (Gourdie, 2024), and local governments were reimbursed for their losses.⁶

The state grocery tax went back into effect on July 1, 2023. In his 2025 budget, Gov. Pritzker seeks to permanently eliminate the tax on July 1, 2024, without offering local governments any

In announcing his proposal, Governor Pritzker argued that

“It’s one more regressive tax we just don’t need. If it reduces inflation for families from 4% to 3%, even if it only puts a few hundred bucks back in families’ pockets, it’s the right thing to do (Inklebarger, 2024).”

compensating revenue stream.

This brief argues that the implications of eliminating the grocery tax are not so clear-cut. I consider the extent to which eliminating the

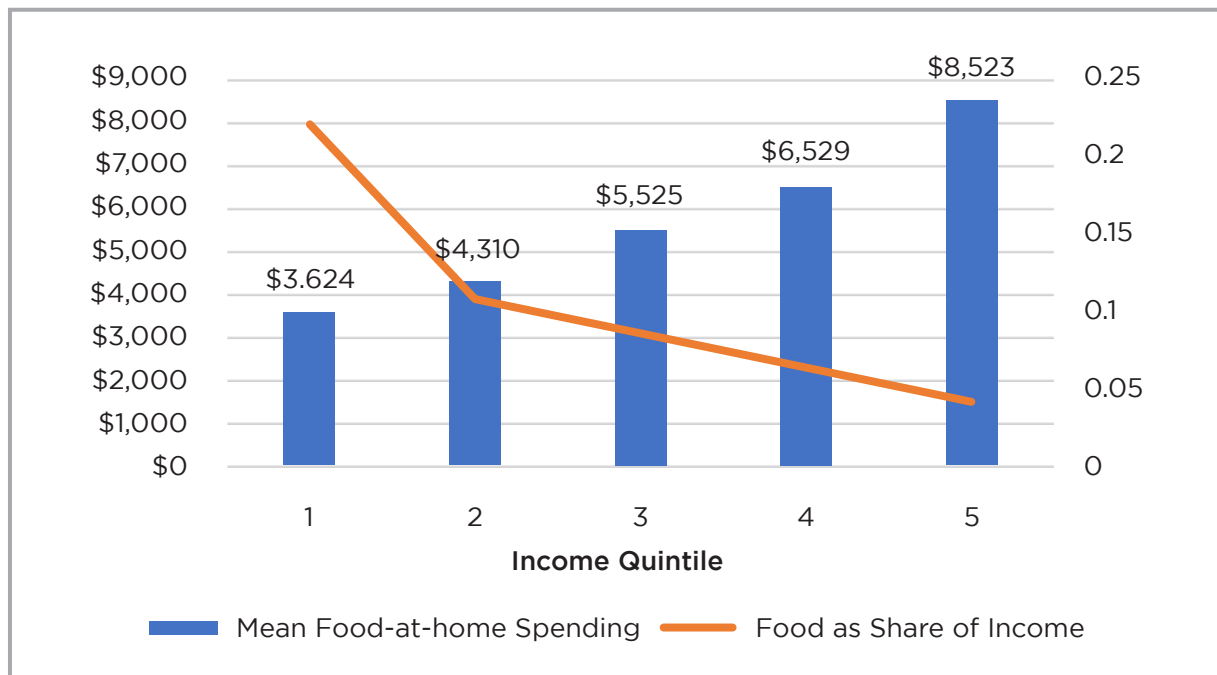
grocery tax would reduce household expenses, reduce tax regressivity, and encourage healthy diets. That analysis is followed by a discussion of the impact on municipal revenue and possible responses.

OVERVIEW OF FISCAL BALANCE

Because the state grocery tax is just 1%, a family would have to spend at least \$30,000 on FAH grocery items to obtain the “few hundred bucks” in savings mentioned by the Governor in the course of one year. **Figure 1** shows that average annual expenditures on FAH for 2022 (the latest available year) in the U.S. ranged from \$3,624 for the lowest-income households to \$8,523 for the highest-income households.⁷ It would take a low-income family over 8 years to accumulate several hundred dollars in tax savings from the elimination of the grocery tax. The state grocery tax liability of higher-income households would go down the most due to their higher FAH spending, but even the highest quintile households would need more than 3 years to accrue several hundred dollars in savings.

Figure 1. Food at Home Expenditures and Food at Home Expenditures as a Share of Household Income

Notes: Data from Bureau of Labor Statistics Table 1101 available at <https://www.bls.gov/cex/tables/calendar-year/mean-item-share-average-standard-error/cu-income-quintiles-before-taxes-2022.pdf>.



⁶ It is notable that in FY 2023, SNAP benefits were still enhanced due to COVID. Because SNAP purchases are not subject to tax, the revenue losses from foregoing the tax at that time were lower than they would be now that COVID provisions have expired.

⁷ Arraying households from lowest to highest income, the first quintile selects the 20% of households with the lowest income, the second quintile the next 20% of households by income, and so on. The blue bars correspond to the axis on the left, while the line corresponds to the axis on the right.

IS THE GROCERY TAX REGRESSIVE?

A tax is regressive when the amount paid is higher relative to income for lower than higher income families. **Figure 1** shows that the share of FAH expenditures in income are declining as income rises. Families in the lowest 20% of the income distribution spent 22.2% of their income on FAH in 2022. This share is cut in half at the second quintile (to 11.0%) and is below 5% of after-tax income for the wealthiest families.

Table 1: Mean Income and Food Expenditures by Income Quintile, 2022

Income Quintile Lower Limit	Mean Income	FAH Expenditures ⁸	FAH expenditures as a Share of Income
\$0	\$14,191	\$3,624	0.22
\$25,807	\$37,441	\$4,310	0.11
\$50,092	\$65,659	\$5,525	0.09
\$83,696	\$108,730	\$6,529	0.07
\$140,363	\$244,025	\$8,523	0.04

Note: Data from Bureau of Labor Statistics Table 1101 available at <https://www.bls.gov/cex/tables/calendar-year/mean-item-share-average-standard-error/cu-income-quintiles-before-taxes-2022.pdf>.

Viewed in isolation, the spending patterns shown in **Figure 1** and **Table 1** suggest that Illinois' grocery tax is inherently regressive. But the important issue is not whether FAH expenditures are regressive but whether grocery tax payments are. The major means-tested federal nutrition program, the Supplemental Nutrition Assistance Program (SNAP), supports low income households' FAH purchases. Because SNAP-funded purchases are not subject to tax, SNAP is a key determinant of who bears the grocery tax. As a means-tested program, SNAP benefits are distributed disproportionately to lower income households, relieving many of them of the grocery tax burden. Therefore, to assess regressivity of the grocery tax, we must consider how much of FAH is financed by SNAP.

Table 2 presents details of the calculations to determine after-SNAP regressivity of the grocery tax. Information on the distribution of SNAP benefits (the amount of FAH not subject to grocery tax) by income quintile is available for the entire U.S. for 2014 and is shown in column

2 of **Table 2**.⁹ Column 3 repeats average FAH spending from Table 1 for convenience. The SNAP benefit shares to each quintile in column 2 are multiplied by total SNAP spending in Illinois for 2022 and divided by one-quarter of the number of households in Illinois to arrive at average SNAP-funded FAH purchases by quintile (column 4). Average taxable FAH spending is equal to average FAH spending less average SNAP-funded FAH purchases (column 5). Applying the grocery tax rate of 1% to taxable FAH spending yields the average amount of grocery tax paid in a year (column 6). The final column presents the average grocery tax divided by average income in each quintile.

Accounting for SNAP payments reduces the incidence of the grocery tax on the bottom quintile to 0.01%. The incidences are higher for the other quintiles, so the tax is not regressive with respect to the bottom of the income distribution (lowest quintile). However, the tax is regressive from the point of view of quintiles 2 and 3, because the income share declines from

⁸ *Consumer Expenditures in 2022*. BLS Report 1107. Shane Meyers, Geoffrey D. Paulin, & Kristen Thiel. December 2023. <https://perma.cc/3DFF-Q6WJ>.

⁹ This information from the Congressional Budget Office is reported in Reeves & Pulliam (2018). I assume that the U.S. and Illinois distributions of SNAP benefits over quintiles are similar, and that these distributions have not changed much in the past decade.

quintiles 2 and 3 through quintile 5. Therefore, accounting for SNAP considerably reduces, but does not eliminate, grocery tax regressivity.^{10,11}

Table 2: Incidence of the Grocery Tax After SNAP Benefits

Quintile of Income	Share of SNAP Payments	Average FAH Expenditures	Average FAH Purchased with SNAP	Taxable FAH Spending	Average Grocery Tax	Tax as Share of Income
1	63.2	\$3,624	\$3,459.92	\$164.08	\$1.64	0.01%
2	24.6	\$4,310	\$1,346.74	\$2,963.26	\$29.63	0.08%
3	7.4	\$5,525	\$405.12	\$5,119.88	\$51.20	0.08%
4	1.1	\$6,529	\$60.22	\$6,468.78	\$64.69	0.06%
5	0	\$8,523	\$ -	\$8,523.00	\$85.23	0.04%

Notes: Data from Bureau of Labor Statistics Table 1101 available at <https://www.bls.gov/cex/tables/calendar-year/mean-item-share-average-standard-error/cu-income-quintiles-before-taxes-2022.pdf>. The distribution of SNAP benefits is from the Congressional Budget Office as reported in Reeves and Pulliam (2018).

WOULD ELIMINATING THE GROCERY TAX IMPROVE NUTRITION?

Foods subject to the 1% grocery tax are generally more nutritious than other items in grocery stores (like soft drinks and candy) subject to the 6.25% rate as well as FAFH. By lowering the relative cost of healthy foods, eliminating the grocery tax may tilt consumption away from restaurant and junk food.

A USDA study provides evidence on this point (Dong & Stewart, 2021). The findings confirm that, consistent with the exemption of SNAP purchases from taxation, grocery taxes do not seem to impact the balance between FAH and FAFH consumption of SNAP-receiving households. Households with similar but somewhat higher incomes than SNAP recipients were found to increase their FAH spending very modestly when grocery taxes were lower. These findings reinforce the conclusion that benefits of eliminating the grocery tax are concentrated on households that are low, but not lowest, income.

IMPLICATIONS OF REMOVING THE GROCERY TAX FOR MUNICIPAL BUDGETS

“If [municipalities] want to impose a grocery tax on their local residents, they should be able to go do that,” [Governor Pritzker] said. “I don’t think it’s the right thing to do, I wouldn’t do it locally. Having said that, I understand the need for the dollar, and if they feel like they need them they should think about imposing that tax on their own (Vinicky, 2024).”

In FY 2022, the state collected \$14.7B in total from the ROT applied to all taxable products (Mendoza, 2022). Of this amount, \$2.35B (16%), passed through to municipal governments. As noted, the state reported that the grocery tax suspension of 2022 reduced state payments to municipalities by \$360 million (Gourdie, 2024).¹²

¹⁰ The regressivity analysis relies on quintile averages. Within each quintile, there is a range of grocery tax payments, so not every household pays the same average grocery tax. For example, there are individual households in the first quintile who do not receive SNAP, and so pay a higher-than-quintile-average grocery tax.

¹¹ Illinois has extremely high SNAP participation eligible households. Between 95% and 100% of eligible individuals participated in SNAP in Illinois in 2018, including 92% of eligible workers (see <https://perma.cc/3DFF-Q6WJ>). This implies that the incidence of the grocery tax could not be changed much through further efforts to recruit households to SNAP.

¹² The base of the state grocery tax would be larger in SFY 2025 under the grocery tax because SNAP enhancements expired in March 2023. Therefore the loss from suspending the tax in SFY 2025 is likely higher than \$360 million.

For municipalities, passing their own grocery tax is not a light lift. For one, politics may be a hindrance. Will the typical taxpayer understand that the 1% restoration of the grocery tax by a municipality is not a “new” tax? Many municipalities already impose sales taxes; an existing municipality grocery sales tax could be perceived as high to begin with, and taxpayers may frame an additional 1% tax increment as excessive in that context, even though it simply replaces the lost state tax.

The goal of ending the state grocery tax on July 1, 2024 does not appear to leave municipalities time to pass a “replacement” local sales tax until some of the next fiscal year has passed. Home-rule municipalities can levy a new sales tax rate as an ordinance, but this had to be accomplished by April 1, 2024 if a local grocery tax was to take effect on July 1, 2024. Non-home rule municipalities would need to mount a voter referendum by May 1, 2024 for a July 1, 2024 start (Illinois Municipal League, 2021). An ordinance or referendum result by October 1, 2024 would put the new municipal sales tax into effect mid-fiscal year. That means that if the state did repeal the grocery tax by July 1, 2024, even local governments moving expeditiously to institute a local grocery tax would lose half of SFY 2025’s potential revenue. Exactly how this plays out will depend on when (and whether) the state passes a law to repeal the grocery tax.

If the state chooses to eliminate the grocery tax without providing any compensating funds, and if municipalities are reluctant to impose an additional 1% grocery tax locally, they will need to turn to other sources of revenue or reduce expenditures. One possibility is to further raise the sales taxes on regular retail items to make up for the elimination of groceries from the sales tax base. However, because lower-income households buy other retail goods that cannot be purchased with SNAP benefits, and expenditures on these goods are comparatively high, this option is more regressive than the grocery tax. Property taxes—municipal governments’ other major option for raising revenue—are widely regarded as regressive (Institute on Taxation and Economic Policy, 2024). The state argues that by increasing pass-throughs from state income taxes to municipalities, it has already begun to ameliorate

the impact of the grocery tax elimination. Since the Illinois income tax is modestly progressive, this may be a good solution. However, the SFY 2025 budget does not include an increase in state allocations of the income tax to municipalities to make up for the loss of state grocery tax revenue.

CONCLUSION

Grocery taxes are controversial. While not as regressive as is often portrayed because SNAP receipt exempts most of the FAH purchases of the lowest-income households from the tax, the grocery tax is regressive from the point of view of households in the lower-middle and middle of the income distribution. There is also some evidence that lower-income households not on SNAP shift their food consumption a little from FAFH into FAH when grocery taxes fall. Overall, this suggests that there are some benefits to eliminating the grocery tax for low and middle income households. However, given realistic levels of FAH expenditures, Illinois’ low grocery tax rate, and very small effects of taxing groceries on food consumption, the impact of Illinois’ grocery tax on any group of households is likely to be quite small.

While the savings to an individual household of lifting the grocery tax is very modest, the loss of tax revenue to municipalities is consequential, and the timetable caused by eliminating the tax on July 1, 2024 may lead to delays in implementing a local replacement. If municipalities do not cut spending, state increases in the amount of income tax that is passed on to municipalities may make up for lost revenue without increasing reliance on regressive taxes.

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Photographs

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**STATE OF ILLINOIS FY2025
RECOMMENDED BUDGET:**
ANALYSIS AND RECOMMENDATIONS



THE CIVIC FEDERATION

MAY 14, 2024



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EXECUTIVE SUMMARY

The State of Illinois has made significant progress on stabilizing its finances, ending each of the past four fiscal years with budget surpluses. Those surpluses were driven by several factors: strong revenue performance via a strong economic recovery from COVID-19 and the State's enactment of budgets in better structural balance than past practice. The State has also prioritized payment of outstanding debt including COVID-related borrowing, interfund borrowing, the Unemployment Insurance Trust Fund and increased pension contributions while continuing to build up reserves through its contributions to the Budget Stabilization Fund and sustaining a normal bill payment schedule. Revenue growth has slowed in fiscal year 2024, but one-time revenue increases have nevertheless helped produce better-than-projected revenue performance overall. Together, prudent choices and improved revenue performance have moved the State from a crisis orientation to a more stabilized financial position. However, looking forward, there is more work to do.

The proposed FY2025 budget represents the first year the State has had an initial budget deficit to close since the start of the pandemic. Based on current projections, the State's revenues are expected to come in lower than projected expenditures in FY2025, resulting in a deficit of \$970 million. The Governor's proposal introduces a number of tax changes and enhancements that would close the budget deficit if approved by the General Assembly, thereby bringing the budget into technical balance. The Civic Federation understands the need for revenue enhancements to balance this year's budget and regards the Governor's proposal as a reasonable and prudent short-term measure, but we note that the State needs to be working towards sustainable, long-term revenue solutions.

Given signaling from the General Assembly that the proposed tax increases may not have enough support to pass, the Governor asked agency leadership teams to prepare for a budget scenario with \$800 million less in revenue.¹ This prudent anticipatory step will help assure a technically balanced budget for FY2025. The Civic Federation supports some of the State's long-term investments included in the proposed FY2025 budget, including an increase to the Evidence-Based Funding (EBF) formula for P-12 education and increased appropriations to the Monetary Award Program (MAP) grants for college students. We also recognize and commend the State's leadership in efforts to support the ongoing migrant crisis in various forms and levels of collaboration with Cook County and the City of Chicago. However, the Governor and Illinois General Assembly will need to balance these and other important programs against other competing priorities, particularly should the proposed tax revenues not be approved.

Given its more sustainable financial position, the logical next step for the State is to convene a public process to evaluate how discretionary spending choices are made and its overall revenue structure in order to better foster its regional competitiveness and overall economic growth. To achieve structural balance in future budgets and alleviate the burden on Illinois taxpayers, the

¹ Jerry Nowicki, "[Analysis: 'Significant enough' opposition to Pritzker's revenue plan leads to call for cuts](#)," *Capitol News Illinois*, May 9, 2024. See also [Memorandum from the Office of the Governor to Agency Directors](#), May 8, 2024.

Civic Federation recommends that the State re-evaluate its tax structure to align better with the modern economy to make Illinois' tax rates more competitive with peer states and set Illinois up for future revenue growth. Again, while much progress has been made, there is more the State can do to address its fiscal challenges through strategic and long-term financial planning in order to alleviate the need for short-term funding solutions in future budgets.

The Civic Federation offers the following **key findings** on the Governor's recommended FY2025 State Budget:

- The \$52.7 billion proposed General Funds **operating budget** is a 4.5% increase from estimated year-end FY2024 spending of approximately \$50.4 billion—excluding FY2024 supplemental appropriations of \$1.2 billion.
- **Agency spending** (excluding pension contributions and transfers out of the General Funds for debt service and other purposes) will increase by \$1.9 billion, or 4.9%, from the FY2024 year-end estimate to \$40.4 billion.
 - o The FY2025 budget includes proposed **supplemental FY2024 agency appropriations** of \$1.2 billion, including:
 - \$430 million to the Department of Healthcare and Family Services;
 - \$346.8 million to the Department of Human Services; and
 - \$188.3 million to the Department of Central Management Services.
 - The remaining appropriations are allocated to other agencies including the Department of Innovation and Technology, Department of Corrections, Department on Aging and Department of Children and Family Services.
 - o After accounting for the FY2024 proposed supplemental appropriations, agency spending represents an increase of \$685 million, or 1.7%, from the prior year estimate.
- General Fund **revenues** are proposed at approximately \$53.0 billion for FY2025, an increase of \$779 million, or 1.5%, from the FY2024 year-end estimate of \$52.2 billion.
- The State is projected to end FY2025 with a \$128 million **surplus** after a proposed \$170 million contribution to the rainy day fund.
- The Governor's proposed budget fully meets the State's 50-year pension funding plan by making the statutorily required General Funds pension contribution of \$10.1 billion in FY2025. It also proposes increasing the 50-year funded ratio goal from 90% to 100%, which will add three additional years to the funding payment plan and extend its end date from FY2045 to FY2048. The proposal to reach 100% funding would therefore pay off the remaining \$33.6 billion in unfunded liabilities that would have remained after FY2045 and proposes making additional payments to the pension funds between FY2030 and FY2040 by using revenue freed from the retirement of the backlog and pension obligation bonds that are paid off in those years.
- The State has **paid down** a total of \$11 billion in debt between FY2022 and FY2025, which includes:

- o COVID-related borrowing;
- o Interfund borrowing;
- o Delayed health insurance bills;
- o Unemployment Trust Fund debt; and
- o Supplemental contributions to the Pension Stabilization Fund.
- FY2025 is projected to end with \$447 million remaining in accounts payable, or outstanding bills. This is a major improvement from the larger backlog of bills in past years and represents a normal bill payment schedule, with the caveat that a significant portion of prior past due payables were settled with bonds, with approximately \$3 billion in principal remaining.
- The State of Illinois received approximately \$8.4 billion in Coronavirus State Fiscal Recovery Funds and Coronavirus Capital Projects Funds, all of which had been allocated by the end of June 2023 toward debt repayment, revenue replacement and programs and initiatives led by a variety of State agencies.

The Civic Federation **supports** the following aspects of the Governor's recommended FY2025 budget:

- The State's improved financial condition;
- Making statutorily required pension payments;
- Proposal for a new pension funding plan; and
- Proposal to evaluate Tier 2 pensions.

The Civic Federation has the following **concerns** about the Governor's recommended FY2025 budget:

- Spending pressure points in the FY2025 budget;
- Proposed revenue enhancements;
- The effect of the permanent elimination of the grocery sales tax on local governments; and
- The combined fiscal and operational crisis facing the public transit systems in Northeastern Illinois.

The Civic Federation offers the following **recommendations** to the Governor and Illinois General Assembly:

- Develop a long-term financial plan;
- Review and evaluate the effectiveness of all existing tax treatments;
- Develop a tax structure for a sustainable future;
- Identify additional offsetting revenue sources for local governments if the grocery tax is eliminated;
- Sustain a rainy day fund that meets best practice standards; and
- Reform the governance and funding structure of public transit in Northeastern Illinois.

CIVIC FEDERATION POSITION

The Civic Federation recognizes the significant progress the State of Illinois has made over the past several years to stabilize its finances, moving away from a crisis orientation towards one of normalization. The Civic Federation urges the Governor and Illinois General Assembly to use this opportunity to come up with long-term plans to resolve the state's remaining fiscal challenges and put the State in a position to enhance economic growth. The State must continue to take action to address its worst in the nation pension funding levels, build up reserves to a more substantial level and avoid short-term solutions to close future budget gaps.

The following are summaries of the issues the Federation supports in the Governor's FY2025 budget proposal, issues of concern, and our recommendations for future planning for the Governor and General Assembly's consideration as they move through the budget enactment process and look to future years. We encourage long-term thinking about how the State of Illinois can improve its tax structure to be more competitive with other states and to generate enough revenue to support many competing state and local funding priorities.

ISSUES THE CIVIC FEDERATION SUPPORTS

The Civic Federation supports the following aspects of the Governor's FY2025 State of Illinois budget:

The State's Improved Financial Condition

The State of Illinois has made important financial progress in recent years. From fiscal years 2022 through 2024, its financial condition significantly improved, including paying down \$11 billion in debt. Included in the \$11 billion total was nearly \$2.0 billion in COVID-related borrowing, \$300 million in interfund borrowing, \$3.6 billion in delayed health insurance bills, \$4.1 billion repaid to the Unemployment Insurance Trust Fund and \$700 million in supplemental payments contributed to the Pension Stabilization Fund.² Due in part to these efforts to reduce the state's obligations, all three credit rating agencies have upgraded the State's credit ratings multiple times.

Additionally, the State has remained on a normal bill payment schedule after paying down \$16.7 billion in backlogged bills it had accumulated during the FY2015-FY2017 budget impasse. By the end of fiscal year 2023, the State had achieved a more than 97% reduction in accounts payable since FY2017 due in large part to the issuance of a \$6 billion General Obligation bond to pay vouchers incurred before July 1, 2017. However, the State still has \$3 billion in outstanding principal on the backlog bonds as of December 31, 2023. The reduction in the bill backlog and short-term borrowing has reduced the amount of interest the State pays on penalties. (For more about the State's bill backlog, see the Bill Backlog section of this report beginning on p. 26.) In March 2023, the Comptroller announced the State was on a normal bill

² State of Illinois FY2025 Budget, p. 52-54.

payment schedule, with remaining debt comprised of bills due in less than 30 days and State account transfers. Since then, the State has not returned to extending bill payments like it did in previous fiscal years—even though it expects a \$970 million deficit in FY2025—which is a good budget practice. The State projects it will end FY2025 with \$447 million in payments outstanding by June 30, 2025, a figure representing the total amount of payments due within 30 days.³ The Civic Federation supports the State’s decision to remain on a normal bill payment schedule and believes it is prudent for the State to continue doing so to remain in good financial condition.

Making Statutorily Required Pension Payments

Governor Pritzker’s FY2025 budget proposes the State make its full statutorily required general funds pension payment of \$10.1 billion, a \$323 million increase over the \$9.8 billion required payment made in FY2024. The State also contributed supplemental amounts beyond the minimum required to the Pension Stabilization Fund in previous fiscal years. In FY2022 the State contributed an additional \$300 million to the Fund, and in FY2023 it contributed \$400 million, for a total of \$700 million in supplemental pension contributions.⁴ The State was able to finance the extra payments by using higher-than-expected revenues.

However, despite these supplemental contributions, pension obligations still make up an extraordinarily high portion of total State spending. Contributions have grown to comprise over 20% of state-source general funds revenues.⁵ Illinois’ retirement systems are among the most poorly funded of any state in the U.S. and the unfunded liabilities are expected to continue to grow until FY2027⁶. At the end of FY2023, actuarial unfunded liabilities for the State’s five pension funds totaled nearly \$141.4 billion and the combined funded ratio stood at 44.9%, near the bottom of most every national ranking by state. Under the current 50-year funding plan, the State’s unfunded pension liabilities have continued to grow despite pension contributions consuming large portions of the State’s spending. This is because the State’s current funding plan defers a large portion of required contributions to future years, meaning current contributions fall short of the “tread water” contribution that would keep the unfunded liability from growing.

The State has historically struggled to make its annual statutory contribution and implemented a number of gimmicks and changes to reduce the contribution, ranging from pension holidays to extending the timeline of payments to borrowing money to make the pension payments. Given this history, the Governor’s proposal to make the full pension contribution in FY2025, combined with the previous \$700 million in supplemental contributions in recent budgets shows progress. The Civic Federation commends the Governor for proposing to meet the statutorily required FY2025 pension payments but also cautions, as set forth in the next section,

³ State of Illinois FY2025 Budget, p. 54-55.

⁴ State of Illinois FY2025 Budget, p. 80 and 82.

⁵ For additional detailed analysis of the State’s five pension funds, see the Pensions section of this report beginning on p. 46.

⁶ Illinois General Assembly, Commission on Government Forecasting and Accountability, *Special Pension Briefing*, November 2023, p. 12.

that pensions will remain a significant burden on future State budgets for the next two decades absent creative approaches to shore up funding and reduce liabilities.

Proposal for a New Pension Funding Plan

The Governor's proposed FY2025 budget recommends increasing the State's current 50-year pension funding plan for its five retirement systems from 90% funding by fiscal year 2045 to 100% funding by fiscal year 2048.⁷ Adding three additional years to the funding plan would bring the State to a 100% funded level, which is similar to peer states' funding plans. It would also present a plan to pay off the \$33.6 billion in unfunded liabilities that would have remained in FY2046. Additionally, the plan would increase the State's contributions toward pensions by utilizing half of the revenue freed up once its backlog bonds and pension obligation bonds are paid off in 2030 and 2034.⁸ These plans would represent another step in the right direction for the state on its pension burden.

The current 90% ratio target goal for the State's retirement system, and subsequent statutory changes have enabled the deferment of a large portion of the required contributions to future years, allowing the State to fund more immediate priorities in its annual budgets at the expense of its pension funds. Consequently, the State is still experiencing negative amortization of its pension funds, that is it not contributing enough to decrease the unfunded liability. The State estimates pension contributions will increase from nearly \$11 billion in FY2026 to over \$18 billion by fiscal year 2045.

The Civic Federation supports the Governor's proposal and believes it is a well-considered option to rationalize the State's pension funding schedule. The General Assembly would need to approve this proposal. We strongly urge them to do so before the spring legislative session ends in May.

Proposal to Evaluate Tier 2 Pensions

The Civic Federation strongly supports the Governor's FY2025 budget proposal to review the Tier 2 pensionable earnings cap and potentially adjust it to match the Social Security Wage Base to ensure compliance with federal law. We agree that first evaluating before making any benefit adjustments is the prudent way to address compliance with federal Safe Harbor guidelines. The Federation has been on record calling for a comprehensive, statewide analysis of Tier 2 benefits before changes are implemented.⁹

The Federation acknowledges that the lower benefit structure of Tier 2 pension plans, which applies to Illinois government employees hired since January 1, 2011, *may* fall out of compliance with Social Security Safe Harbor rules which require that government workers who do not participate in Social Security must receive certain minimum benefits that are deemed

⁷ State of Illinois FY2025 Budget, p. 59.

⁸ State of Illinois FY2025 Budget, p. 60.

⁹ The Civic Federation, "[Before Enhancing Tier 2 Benefits, Evaluate the Financial Impact of Illinois Pension Proposals](#)," April 28, 2023.

equivalent to Social Security.¹⁰ Of the State of Illinois' five pension plans, most of the Teachers' Retirement System (TRS) and State Universities Retirement System (SURS) members, including some of the State Employees' Retirement System (SERS) members, are not covered by Social Security.

We also support the Governor's recommendation to adjust the maximum pensionable salary to match the Social Security Wage Base such that both grow at the same rate over time. This is the simplest and least costly way to assure Illinois' pension plans meet Safe Harbor tests. Enacting any other Tier 2 pension benefit enhancements would be far more costly and could undo much of the progress that Tier 2 benefits have made to curb unsustainable growth in pension costs.

CIVIC FEDERATION CONCERNS

The Civic Federation has the following concerns about the Governor's recommended FY2025 budget:

Spending Pressure Points in the FY2025 Budget

The Governor's budget proposes significant increases in certain areas of the budget, which are funded by proposed revenue enhancements and increased revenues. Proposed FY2025 operating appropriations will increase by approximately \$1.9 billion, or 4.9% from the FY2024 year-end estimate prior to supplemental FY2024 appropriations.¹¹ This figure includes agency expenditures and employee group health insurance but excludes statutorily mandated pension contributions to the State's five pension funds, the Chicago Teacher's Pension Fund and transfers out of the General Fund to other funds. The Governor's proposal also includes nearly \$1.2 billion in supplemental agency expenditures to close out the 2024 fiscal year. These supplemental appropriations, if approved by the General Assembly, will be funded through a projected FY2024 budget surplus. After accounting for the \$1.2 billion in supplemental FY2024 appropriations, the FY2025 proposal represents an increase of \$685 million, or 1.7% from prior year estimated expenditures.

Before addressing our concerns, the Federation notes there are several positive aspects related to agency spending in this year's budget. First, we appreciate that the FY2025 General Funds budget walk down this year separates the FY2024 supplemental appropriations from the FY2024 year-end estimate, making it easier for the reader to see how those supplementals will impact FY2024 spending in each program area. Second, the Civic Federation supports many increases in spending in the FY2025 budget. Among these are a proposed increase of \$350 million to the evidence-based funding formula to fund P-12 education, which addresses historic underfunding of Illinois' education systems, as well as other smaller increases to support higher education and the Monetary Award Program (MAP). We similarly have supported efforts to

¹⁰ See the Civic Federation's issue brief, "[Tier 2 Pensions and the Safe Harbor Issue: Explained](#)," November 7, 2023.

¹¹ State of Illinois FY2025 Budget, p. 75.

restore funding levels for critical programs that were reduced or held flat as a result of the FY2015-2017 budget impasse.

However, the Federation is concerned about how the State will sustain increased spending levels in FY2025 and beyond. In addition to a significant increase in education, spending within the Department of Human Services is set to increase by \$716 million, or 7.0%, prior to supplemental appropriations of \$420 million, for programs like the Home Illinois initiative and the Home Services program for people with developmental disabilities.¹² The cost of health insurance for employees and retirees is also anticipated to increase significantly. Group health insurance within the General Funds is budgeted to increase by \$490 million from the FY2024 estimate, prior to supplemental appropriations. The State expects an increase in total health insurance liabilities of 17%, from \$3.2 billion in FY2024 to \$3.8 billion in FY2025,¹³ which is driven in part by prescription drug prices, including for the expansion of injectable weight-loss drug coverage to all state insurance plans, estimated to add approximately \$210 million above existing costs.¹⁴

The supplemental appropriations, likewise, represent additional spending pressures that are addressed outside of the annual budget enactment process. This raises a broader issue with the budgeting process, which involves passing hundreds of pages of legislation at the tail end of the General Assembly session each spring, with little time for sufficient vetting and explanation. In the absence of immediate improvements to the budget adoption process, the Governor's Office of Management and Budget could do a better job of describing the need for and programs supported by the \$1.2 billion in supplemental FY2024 appropriations in the annual budget book.

Increased FY2025 spending levels, some of which are within the State's control and some beyond the State's discretion, may create pressure points that are difficult to sustain in future years in the event of an economic downturn or weak revenue performance. Additionally, the State will need to make choices in the forthcoming years about how to prioritize funding considering the many competing needs of state and local government agencies, including transit systems and school districts will be competing for limited state resources in the near future. The Governor's Office and Illinois General Assembly must develop a plan for prioritizing both reoccurring and new agency spending based on a framework that evaluates spending effectiveness. The Federation also urges the State to re-evaluate Illinois' tax structure to ensure that the State is employing the most effective forms of taxation and generating sustainable revenues that keep pace with rising costs over time.

¹² State of Illinois FY2025 Budget, p. 39 and 339.

¹³ Commission on Government Forecasting and Accountability, [FY2025 Liabilities of the State Employees' Group Health Insurance Program](#), March 2024, p. 6.

¹⁴ Dave McKinney, "[Weight-loss drug coverage for Illinois State workers could cost hundreds of millions of dollars](#)," WBEZ, April 30, 2024.

Proposed Revenue Enhancements

The Governor's budget proposes a number of revenue enhancements to close the \$970 million FY2025 budget gap,¹⁵ including:

- Extending the limit on corporate net operating loss deductions, which were set to expire, through tax year 2027, at a new threshold of \$500,000 compared to the current limit of \$100,000, which is projected to yield \$526 million;
- Capping the Retailers' Discount of 1.75% that Illinois retailers are allowed to recoup for the cost of collecting sales taxes on behalf of the state. The proposed cap is \$1,000 per month, which would only impact 1% of retailers. This is expected to generate \$101 million for the State's General Funds and \$85 million for local governments;
- Increasing the Sports Wagering Tax rate from 15% to 35%, of which the increased portion of the tax collected above 15% would be transferred to the General Fund. This is expected to generate an additional \$200 million in revenue;
- Setting the standard personal income tax deduction at \$2,250, which reflects a one-year Consumer Price Index (CPI) adjustment but is a lower deduction than would otherwise occur under existing state statute. This change would increase General Funds revenue by \$93 million;
- Making a supplemental \$175 million deposit into the Public Transportation Fund from the Road Fund, thereby reducing the need for General Funds to be diverted; and
- Directing a \$25 million increase in the distribution of part of the Real Estate Transfer Tax to the General Fund, rather than the Open Space Lands Acquisition and Development Act (only for FY2025).

While these enhancements represent appropriate short-term solutions to increase revenue and balance this year's budget, they do not comprise a full ongoing solution to the State's structural budget shortfall. Additionally, the possibility that the General Assembly does not support and pass the proposed tax increases could result in a major revenue shortfall. Given this potential scenario, the Governor has asked agency leadership teams to prepare for a budget scenario with \$800 million less in revenue.¹⁶ This is a prudent step to maintain a balanced budget for FY2025.

The State's strong pandemic recovery, which has yielded higher-than-expected resources over the past several years, has begun to slow and there is still risk of a future recession. Compounding this issue is the State's tax structure, which is both antiquated and comparatively volatile. According to a recent study, Illinois carries the highest tax burden in the nation for a typical middle-class family, with the highest combined income, sales and property tax rate as a percentage of income.¹⁷ It is also one of the few states that still does not tax services despite

¹⁵ For more detail about the FY2025 budget gap, see the Budget Balancing and Bill Backlog section of this report beginning on p. 21.

¹⁶ Jerry Nowicki, "Analysis: 'Significant enough' opposition to Pritzker's revenue plan leads to call for cuts," *Capitol News Illinois*, May 9, 2024. See also [Memorandum from the Office of the Governor to Agency Directors](#), May 8, 2024.

¹⁷ Doug Milnes, "[Americans Are Moving to the Most Tax-Friendly States in the Country](#)," March 19, 2024.

the fact that it constitutes a significant portion of its overall economy and, if done prudently, is one of the more equitable forms of taxation.¹⁸

To achieve structural balance in future budgets and alleviate the burden on Illinois taxpayers, the Civic Federation recommends that the State take on a re-evaluation of its revenue structure to position itself for long-term growth. A more updated tax system that aligns with the modern economy would increase the State's competitiveness and alleviate the need for short-term funding solutions in future budgets.

Permanent Elimination of the Grocery Sales Tax

The Civic Federation is concerned about the impact of the elimination of the State's grocery tax on municipal governments. The State of Illinois currently collects a 1% retailer's occupation tax on qualifying food, drugs and medical appliances, which is distributed to municipalities. The Governor's FY2025 budget proposes the permanent elimination of the 1% tax applied to food purchased for consumption at home, often referred to as the grocery tax. The Illinois Municipal League (IML) estimates that the repeal will result in a \$325 million reduction in funding to local governments Statewide.¹⁹

The Governor's FY2023 Budget called for a one-year suspension of the Grocery Tax but included a \$360 million reimbursement to municipalities to account for the loss. The State appropriated \$325 million as grocery tax replacement to local governments in FY2022 and another \$75 million in FY2023. The Federation supported this initiative because the total impact on the State budget was limited and local governments were held harmless.²⁰

The proposed permanent repeal contains no such reimbursement, though the Governor's budget notes that several tax treatment changes and revenue enhancements in the proposed budget could increase state revenues distributed to local governments. Among these proposed tax changes is a cap on the retailers' discount which, if approved, could result in \$85 million in sales taxes directed to local governments, thereby partially offsetting the loss in revenue from the grocery tax. The Governor also argues that state revenue sources have increased to local governments in recent years based on pass-throughs from State income taxes and a number of other tax sources.²¹ Another reason cited for eliminating the grocery tax is that it is regressive and negatively impacts lower and middle-income households. Additionally, local governments would be able to enact their own locally imposed version of the tax.

However, the new revenue sources available to local governments also represent an increase in the overall tax burden paid by taxpayers for things like motor fuel, sales taxes, cannabis and video gaming. The FY2025 budget also does not include an increase for allocations from income

¹⁸ Amanda Vinicky, "[Illinois Taxes Goods. But What About Services?](#)", *WTTW*, July 2, 2019.

¹⁹ [Memo](#) from Illinois Municipal League to Local Governments, February 22, 2024.

²⁰ Civic Federation, [State of Illinois FY2023 Recommended Budget: Analysis and Recommendations](#), p. 6.

²¹ See [Gov. J.B. Pritzker: Get rid of the grocery tax. Period.](#), *Chicago Tribune*, March 18, 2024; and State of Illinois FY2025 Budget, p. 62-63.

tax revenues to municipalities to account for lost revenue.²² The loss in revenue could mean significant budget holes for many municipalities. Further, the tax would only offer modest benefits to low- and middle-income households, according to a report by the Institute of Government and Public Affairs at the University of Illinois,²³ although this finding is disputed by the Governor's office.²⁴

The Civic Federation offers a recommendation to on p. 18 of this report.

Public Transit Systems in Northeastern Illinois Remain in Crisis

Northeastern Illinois' mass transit agencies—CTA, Metra and Pace, which are overseen by the Regional Transportation Authority—are fast approaching a looming fiscal crisis. The transit agencies face an [estimated \\$730 million deficit](#) beginning in 2026 after federal pandemic relief funds are depleted. This represents approximately 20% of the system's operating budget and will continue to grow unless it is addressed. The revenue decline is largely due to reductions in farebox revenue as ridership has failed to return to pre-COVID 19 pandemic levels and federal pandemic relief funds run out. Ridership is projected to increase to 349 million trips in 2024, but this is just [62% of the ridership level of 562 million](#) in 2019. The Illinois General Assembly must take action to significantly reform the governance structure and funding of the Chicago region's transit systems in order to ensure the economic sustainability of the region.

A [recent report](#) from the Civic Federation recommends consolidating the Regional Transportation Authority (RTA), CTA, Metra and Pace into a single transit agency as a strong step toward solving these and other problems. In the report, the Civic Federation cites the [Plan of Action for Regional Transit](#) (PART) developed by the [Chicago Metropolitan Agency for Planning](#) (CMAP), which included analysis of several governance reform options. The PART report also informed [proposed legislation](#) for a new Metropolitan Mobility Authority that was introduced to the General Assembly on April 29, 2024. The Civic Federation supports consolidation of the transit agencies; for more on this issue, see our recommendation, Reform the Governance and Funding Structure of Public Transit in Northeastern Illinois, beginning on p. 19.

CIVIC FEDERATION RECOMMENDATIONS

The Civic Federation offers the following recommendations to the Governor and the General Assembly as they develop the final FY2025 budget:

²² University of Illinois, Institute of Government and Public Affairs, [Policy Spotlight: Should Illinois Eliminate the State Grocery Tax?](#), April 11, 2024.

²³ University of Illinois, Institute of Government and Public Affairs, [Policy Spotlight: Should Illinois Eliminate the State Grocery Tax?](#), April 11, 2024.

²⁴ Joe Deacon, ["Pritzker administration official defends grocery tax cut as report projects modest relief for families," WCBU](#), April 29, 2024.

Develop a Long-Term Financial Plan

Illinois is in better financial shape than it has been for a long time. This gives the State an excellent opportunity to develop a long-term, sustainable plan to provide critical services and economic growth.

The Governor and General Assembly undoubtedly recognize the urgency of growing the State's economy while addressing its long-term challenges, such as unfunded pension liabilities and infrastructure needs. While current projections show slowing but still strong revenues, many uncertainties remain regarding the likelihood of a recession. Also, spending pressure from the State's pension systems will continue to mount, rising an estimated \$7.3 billion or more in the next 20 years²⁵ and continuing to crowd out spending for other public services. Thus, it is imperative that key stakeholders work together to carefully consider what the State can afford to spend, reassess its revenue streams and determine how best to address the cost of mounting long-term obligations. The best way to do this would be for the State to develop a long-term financial plan that lays out the challenges the State faces and proposes structural solutions to those challenges.

In order to achieve stability in the State's long-term finances, a comprehensive financial plan should meet the following goals:

- Ensure future annual operating budgets are balanced;
- Prevent a backlog of unpaid bills;
- Provide achievable spending limits;
- Avoid drastic revenue cliffs;
- Broaden the tax base if necessary to provide for sustainable revenue sources;
- Include additional assistance for local governments;
- Set aside reserves for an adequate rainy day fund; and
- Address Illinois' long-term challenges, such as unfunded pension liabilities and infrastructure needs.

The Government Finance Officers Association (GFOA) recommends that "all governments prepare and maintain a long-term financial plan that projects revenues, expenses, financial position, and external factors for all key funds and government operations at least five years into the future."²⁶ The GFOA additionally recommends that governments update their plans annually. The State of Illinois does release five-year budget forecasts but has not yet taken the next step of developing a long-term financial plan.

An essential element of the long-term financial planning process is that it be an open and public process involving all stakeholders, including legislators and local governments. It is also a key

²⁵ Illinois General Assembly, Commission on Government Forecasting and Accountability, Special Pension Briefing, November 2023, p 12.

²⁶ Government Finance Officers Association, "[Best Practices: Long-Term Financial Planning](#)," March 4, 2022.

method of “[c]ommunicating long-term financial position to residents and other stakeholders, including rating agencies and bond investors.”²⁷

Developing and implementing a long-term financial plan is not an easy undertaking. It involves many painful choices and the investment of time and energy on the part of stakeholders. But Illinois cannot simply hope that its remaining fiscal challenges will disappear on their own. They will not until they are addressed head-on.

Review and Evaluate the Effectiveness of All Existing Tax Treatments

The State of Illinois provides a number of exemptions, deductions, credits, allowances and abatelements, referred to as tax expenditures, to individuals or organizations to further public policy goals. They represent reductions to the state treasury. In FY2022, according to the latest information available from the State Comptroller, the total impact of the State’s business and agricultural tax expenditures was approximately \$2.3 billion. Business tax expenditures provided specifically for economic development purposes totaled \$669 million.²⁸

Before proposing further changes or enhancements to business and other tax expenditures, the State should commission a comprehensive review of these incentives. The review would clearly identify the goals and objectives of each program, require the transparent reporting of metrics that help determine whether goals are being met and provide for reduction or elimination of tax incentives that fail to produce promised results such as job creation.

The State of Washington, for example, regularly reviews the performance of tax expenditures to determine if they meet the goals set forth by the legislature when incentives are adopted and makes recommendations for changes when needed.²⁹ Illinois should follow a similar model.

Develop a Tax Structure for a Sustainable Future

The Civic Federation urges the State to re-evaluate its tax structure to align better with the modern economy, to make Illinois more competitive with peer states and to set up the State for future revenue growth. The State of Illinois collects the majority of its revenue every fiscal year from three large tax sources—individual and corporate income taxes and sales taxes. The State also receives grants and reimbursements from the federal government but relies heavily on the above-mentioned tax sources as operating resources to support ongoing programs and services. Revenues have performed better than expected over the past few years, which in FY2024 was due to one-time sources including a higher-than-anticipated transfer from the Income Tax Refund Fund and a retroactive draw of Medicaid matching dollars.³⁰ The Commission on Government Forecasting and Accountability (COGFA) has also recently released revised revenue estimates for FY2024 showing revenue increases from the Governor’s year-end

²⁷ Government Finance Officers Association, “[Best Practices: Long-Term Financial Planning](#),” March 4, 2022.

²⁸ Illinois State Comptroller, [Tax Expenditure Report](#), Fiscal Year 2022, pp. 6 and 8.

²⁹ [Washington Joint Legislative Audit and Review Committee](#).

³⁰ Illinois State FY2025 Budget, p. 83.

estimate of \$374 million, or 0.7%, due to strong revenue performance in corporate income taxes and increases in interest income projections.³¹

However, the State's revenue mix has historically shown a high level of volatility. Additionally, the Governor's proposed FY2025 budget includes State source revenue increases of \$1.1 billion, which incorporates a number of tax treatments and other changes that must be approved by the General Assembly. The State has also projected budget deficits for fiscal years 2026 through 2029 as expenditures are expected to outpace revenues in future years, though some of the deficits could be offset by the tax treatment changes included by the Governor in the FY2025 budget³² Now that the State has allocated all of its American Rescue Plan Act funding, it needs to consider how it will continue investing in programs and services with a reliable and secure revenue source. It will be critical for the State to broaden its tax structure to reduce regressivity while promoting economic growth. The Civic Federation encourages the State to evaluate and develop an equitable and sustainable tax structure that would best benefit its economy in future years.

Identify Additional Offsetting Revenue Sources for Local Governments if the Grocery Tax is Eliminated

As noted in an earlier concern (see Permanent Elimination of the Grocery Sales Tax), the Governor's budget proposes the permanent elimination of the 1% grocery sales tax which is collected by the State of Illinois and distributed to municipalities. The Civic Federation is concerned about the impact that this revenue loss could have on local governments, estimated at a total of \$325 million statewide. If the General Assembly chooses to move forward with eliminating the grocery tax, the Civic Federation recommends that the State consider both a reasonable timeline within which the tax would be phased out and other revenue sources to offset revenue loss to municipalities. As referenced in a report by the Institute of Government and Public Affairs, if the tax were eliminated effective July 1, 2024, that would not provide enough time for municipalities to levy a local replacement grocery sales tax beginning on July 1, and any efforts to pass local taxes thereafter would not be able to be implemented until mid-fiscal year.³³ The tax could be phased out over a period of time long enough to allow for additional analysis and to give local governments adequate time to implement revenue replacements. Additionally, the State should consider providing other sources of revenue to local governments to fully offset the revenue loss in the absence of a State or locally imposed grocery tax.

Sustain a Rainy Day Fund that Meets Best Practice Standards

Building a financial cushion to deal with economic downturns is a key element in restoring the State to fiscal stability. According to public finance experts, all governments should place a

³¹ Commission on Government Forecasting and Accountability, March 2024 Monthly Briefing, p. 3.

³² Governor's Office of Management and Budget, [Illinois Economic and Fiscal Policy Report](#), November 15, 2023.

³³ University of Illinois, Institute of Government and Public Affairs, [Policy Spotlight: Should Illinois Eliminate the State Grocery Tax?](#), April 11, 2024.

portion of their general operating revenues in a general reserve or “rainy day” fund.³⁴ Rainy day funds are savings accounts that governments can use to address revenue shortfalls or unanticipated expenditures and to help stabilize tax rates. Historically, Illinois has not had a functional rainy day fund, although a law was enacted in 2004 with a goal of maintaining 5% of General Funds revenues in an existing account called the Budget Stabilization Fund. The State had essentially no reserves at the onset of the COVID-19 pandemic, which put it at a serious disadvantage when the pandemic hit in 2020 and significantly reduced State revenue. Until recently, the fund had never received significant resources.

However, in FY2023, Public Act 102-1115 was enacted and it raised the targeted balance for the Fund from 5% of revenues to 7.5%. Over the past few fiscal years, the State has made significant contributions to the Fund. At the end of fiscal year 2023, the Budget Stabilization Fund had an account balance of \$2 billion. This means that the State would be able to operate for an estimated 13.8 days on its reserves. However, the median state within the United States has enough reserves to sustain 46 days of operations at that time. The State is projecting that the Fund will receive \$205 million in FY2024 and \$170 million in FY2025, which will bring the total estimated balance to \$2.3 billion.³⁵ This would represent 4.3% of FY2025 General Fund revenues.

The Civic Federation has long recommended that once the State has paid off its backlog of bills, it should begin to build up a more robust rainy day fund to be better positioned to deal with contingencies or emergencies in the future.³⁶ Furthermore, since the State has reduced its outstanding liabilities and contributed to the Pension Stabilization Fund, it should also implement and sustain a Budget Stabilization Fund balance that would allow the State to provide critical services during an economic downturn.

According to Pew Charitable Trusts, individual states’ rainy day fund balances may vary depending upon the state’s economic history. However, they suggest that each state define the purpose of the fund, the volatility of its tax revenue structure, and the level of coverage needed to best provide for its fiscal year budgets.³⁷ The Federation supports the Governor’s proposed contributions to the Budget Stabilization Fund as a prudent use of higher-than-expected revenues, but also recommends the state analyze effective ways to build this Fund for a sustainability of spending on programs in the future.

Reform the Governance and Funding Structure of Public Transit in Northeastern Illinois

The current state of mass transit in Illinois impels a change to the governance structure that oversees the delivery of public transit services in the Chicago metropolitan region to improve service delivery and efficiency. In this moment of looming fiscal crisis and operational

³⁴ Government Finance Officers Association, Best Practice: Appropriate Level of Unrestricted Fund Balance in the General Fund, September 2015.

³⁵ State of Illinois FY2025 Budget, p. 57.

³⁶ The Civic Federation, [2022 Legislative Agenda](#).

³⁷ The Pew Charitable Trusts, [States Build Their Reserves Amid Growing Uncertainties](#), October 18, 2022.

deficiency within Illinois' mass transit systems, the Civic Federation urges seizing the opportunity for true transformation by adopting centralized transit governance reform. Additional funding from the State of Illinois will be critical to resolving the crisis, but financial support must first be linked with structural reforms that would provide a more centralized, efficient governance system that focuses on regional challenges and leverages regional opportunities.

The Civic Federation calls on Governor Pritzker, the Illinois General Assembly, the RTA and the service boards to take this once-in-a-generation opportunity to fully restructure its major mass regional transit system by consolidating the three transit agencies—CTA, Metra and Pace—with the Regional Transportation Authority into a single regional transit agency.³⁸ Failing to reform the governance structure of the region's transit agencies would only lead to the continuation of flawed, inefficient transit services.

The Federation was pleased to see that legislation sponsored by State Senator Ram Villivalam and Representative Eva-Dina Delgado to accomplish this goal was introduced on April 29, 2024. House Bill 5823, part of a larger package of transit reform legislation, would consolidate the Regional Transportation Authority and its three service boards into a new Metropolitan Mobility Authority. The Federation urges the Illinois General Assembly to continue consideration of this proposal and take action before the \$730 million deficit hits the budgets of the RTA and the three transit service boards.

³⁸ For more on this recommendation, see the Civic Federation's recently released report, ["Reforming Mass Transit Governance in the Chicago Region."](#)

BUDGET ANALYSIS AND METHODOLOGY

This report is organized into two key parts: 1) The Civic Federation's position on the Governor's proposed FY2025 budget, which is a critique that highlights our key areas of support, concern and accompanying recommendations; and 2) Descriptive analysis of components of the FY2025 budget proposal.

The remaining sections of the report provide analysis of key budget components including:

- Balancing of the year-end FY2024 budget and upcoming FY2025 budget;
- The State's bill backlog status;
- Use of American Rescue Plan Act funds;
- Revenues;
- Expenditures;
- Pension funds; and
- Debt.

The Federation's analysis focuses primarily on the General Funds budget, which comprises approximately 42% of the total operating budget across all funds, including other state funds and federal funds. The General Funds are the key focus due to the way information is presented in the annual budget book and because the General Funds are where the State has the most discretion regarding how to allocate funds.

Key sources used to compile the analysis of the annual budget include:

- [The Fiscal Year 2025 Proposed Operating Budget](#) and other budget sources and reports made available on the [Office of Management and Budget website](#);
- Past year annual operating budgets; and
- Reports published by the [Commission on Government Forecasting and Accountability](#).

BUDGET BALANCING AND BILL BACKLOG

This section presents the financial situation into which the State of Illinois will be entering the upcoming fiscal year, including year-end projections for FY2024 and projections for FY2025. After several years of surpluses, the Governor's proposed budget anticipates the State will enter FY2025 with a deficit, which the Governor proposes to close through a number of tax treatments described below.

Changes to FY2024 Forecast

In November 2023, the Governor's Office of Management and Budget (GOMB) estimated that the State would end FY2024 with a surplus of \$1.6 billion.³⁹ However, the updated forecast released in the Governor's FY2025 proposed budget results in a substantially smaller surplus of

³⁹ Illinois Governor's Office of Management and Budget, [FY2024 Economic and Fiscal Policy Report](#), p. 8.

\$68 million based on projected changes to revenues and proposed supplemental expenditures, including:⁴⁰

- Revenue increases of \$199 million;
- Nearly \$1.6 billion in expenditure increases, including \$1.2 billion in proposed supplemental appropriations and a \$350 million transfer out for one-time FY2024 commitments.

The table below summarizes these changes to the year-end FY2024 budget projections.

Changes to FY2024 Budget Projections
(in \$ millions)

Revenues		Expenditures	
Income Taxes	\$ -	Proposed Supplemental Appropriations	\$ (1,183)
Sales Taxes	\$ (45)	Reappropriations Adjustment	\$ 33
Transfers In	\$ 96	Lapsed Appropriations Estimate	\$ (60)
Federal Sources	\$ 20	Proposed Additional Transfer Out	\$ (350)
All Other Changes	\$ 128		
Total	\$ 199	Total	\$ (1,560)

Source: Illinois State FY2025 Budget, p. 64.

The above revenue and expenditure projection changes, combined with a \$205 million contribution to the Budget Stabilization Fund, reduce the originally projected surplus of \$1.6 billion to \$68 million, as shown below.

Revisions to FY2024 Forecast
(in \$ millions)

Surplus from 5-Year Report	\$ 1,620
Increase to Revenue Forecast	\$ 199
Increase in Projected Expenditures	\$ (1,560)
Decrease in Transfers Out	\$ 14
Budget Stabilization Fund Contribution	\$ (205)
Total	\$ 68

Source: Illinois State FY2025 Budget, p. 64.

FY2025 Budget Deficit and Gap Closing Actions

In November 2023, GOMB projected a FY2025 budget deficit of \$891 million.⁴¹ However, updated revenue and expenditure projections released in February 2024 increased the projected deficit to \$970 million, accounting for \$350 million in natural revenue growth and a \$437 million increase in expenditures.

⁴⁰ Illinois State FY2025 Budget, p. 64.

⁴¹ Illinois Governor's Office of Management and Budget, [Economic and Fiscal Policy Report](#), November 15, 2023, p. 9; Illinois Commission on Government Forecasting and Accountability, [FY2025 Economic Forecast and FY2024 Revenue Estimate Update](#), p. 36.

The resulting \$970 million budget gap is proposed to be eliminated through the following actions:⁴²

- Extending the limit on corporate net operating loss deductions (increased from \$100,000 to \$500,000) through tax year 2027, yielding \$526 million;
- Capping the Retailers' Discount at \$1,000 per month, which will generate \$101 million;
- An increase in the Sports Wagering Tax rate from 15% to 35%, of which the portion of the tax between 15% and 35% would be transferred to the General Fund. This is expected to generate an additional \$200 million in revenue;
- Setting the standard income tax deduction at \$2,250, which reflects a one-year Consumer Price Index (CPI) adjustment that results in a lower deduction than would otherwise occur under existing state statute, thereby increasing revenue by \$93 million;
- Making a supplemental \$175 million deposit into the Public Transportation Fund from the Road Fund (thereby reducing the need for General Funds to be diverted); and
- Directing a \$25 million increase in the distribution of part of the Real Estate Transfer Tax to the General Fund, rather than the Open Space Lands Acquisition and Development Act (only for FY2025).

Collectively, the above measures will result in an additional \$1.1 billion in projected General Funds revenues. These revenue increases will be partially offset by the following additional measures:

- The creation of a new refundable child tax credit totaling \$12 million; and
- An increase in the corporate franchise tax exemption, which is expected to reduce revenues by \$10 million.

⁴² Illinois State FY2025 Budget, pp. 65-66.

Following these actions, the proposed FY2025 budget proposal anticipates an operating surplus of \$128 million. The following table summarizes how the State proposes closing the budget gap through the measures described above.

Closing the FY2025 Budget Deficit

Original Projected Deficit	\$	(891)
Adjustments Made to Close the FY2025 Budget Deficit		
Natural Revenue Growth	\$	(358)
Expenditure Increases	\$	437
Subtotal Adjustments	\$	79
Adjusted FY2025 Deficit (Deficit -Adjustments)	\$	(970)
Gap Closing Measures		
Standard Deduction Adjustment	\$	93
New Refundable Child Tax Credit	\$	(12)
Modified Corporate Net Operating Loss Deduction Limitation Extension	\$	526
Road Fund Offset for Public Transportation Fund	\$	175
Retailer's Discount Cap Increase	\$	101
Corporate Franchise Tax Exemption Increase	\$	(10)
Real Estate Transfer Tax Transfer Distribution*	\$	25
Sports Wagering Tax Increase	\$	200
Total Gap Closing Measures	\$	1,098
FY2025 Surplus	\$	128

*Distributes a portion of the Real Estate Transfer Tax to the General Fund rather than the Space Lands Acquisition and Development Fund (FY2025 only).

Source: Illinois Commission on Government Forecasting and Accountability, FY2025 Revenue Forecast and FY2024 Revenue Estimate Update, p. 36; Illinois State FY2025 Budget, pp. 65-66.

STATE OF ILLINOIS FINANCIAL WALK DOWN FY2022-FY2025

The following table shows the operating budget walk down from FY2022 through FY2025. FY2022 (final) and FY2023 (preliminary) will end with surpluses of just under \$2 billion and \$803 million respectively due to the combination of strong revenue performance and the infusion of the American Rescue Plan Act revenue replacement funds. The State previously estimated a budget surplus of \$273 million for FY2024. Included in these numbers are supplemental expenditures and other uses of the projected FY2024 revenue increases, including:⁴³

- Approximately \$1.2 billion in supplemental FY2024 spending;

⁴³ Illinois State FY2024 Budget, p. 84.

- A \$205 million Budget Stabilization Fund contribution; and
- A \$350 million transfer for one-time FY2024 commitments.

After accounting for these changes, the adjusted projected FY2024 surplus totals \$68 million.

The FY2025 budget projects a surplus of \$298 million. However, the Governor's proposal to transfer \$170 million of that surplus to the Budget Stabilization Fund would yield a net year-end surplus of \$128 million.

State of Illinois General Funds Financial Walk Down				
FY2022-FY2025				
(\$ in Millions)				
	FY2022 Final	FY2023 Preliminary	FY2024 Estimated	FY2025 Proposed
Operating Resources				
State Source Revenues	\$ 43,658	\$ 43,657	\$ 45,266	\$ 46,663
Federal Revenues	\$ 4,584	\$ 3,802	\$ 4,308	\$ 3,969
Statutory Transfers In	\$ 2,092	\$ 3,248	\$ 2,642	\$ 2,361
Comptroller Adjustments	\$ (38)	\$ (7)	\$ -	\$ -
ARPA Reimbursements	\$ 736	\$ 1,064	\$ -	\$ -
State CURE	\$ -	\$ 1,363	\$ -	\$ -
TOTAL RESOURCES	\$ 51,032	\$ 53,127	\$ 52,216	\$ 52,993
Expenditures				
Operating Budget Expenditures	\$ 30,763	\$ 35,178	\$ 37,842	\$ 38,037
Pension Contributions	\$ 9,363	\$ 9,632	\$ 9,813	\$ 10,135
State Group Insurance	\$ 2,750	\$ 1,831	\$ 1,837	\$ 2,327
TOTAL OPERATING BUDGET EXPENDITURES	\$ 42,876	\$ 46,641	\$ 49,492	\$ 50,499
Expenditures: Transfers Out of General Funds				
Statutory Transfers Out	\$ 722	\$ 1,282	\$ 443	\$ 445
Debt Service	\$ 1,230	\$ 1,149	\$ 1,658	\$ 1,751
Interfund Borrowing Repayment	\$ 933	\$ -	\$ -	\$ -
Pension Stabilization Fund	\$ -	\$ 400	\$ -	\$ -
Property Tax Rebate Checks	\$ 470	\$ 50	\$ -	\$ -
Income Tax Rebate	\$ 685	\$ -	\$ -	\$ 0
Grocery Tax Replacement	\$ 325	\$ 75	\$ -	\$ -
Short Term Borrowing Repayment	\$ 1,052	\$ -	\$ -	\$ -
Proposed Transfer to Fund #611*	\$ -	\$ -	\$ 350	\$ -
State CURE**	\$ -	\$ 1,239	\$ -	\$ 0
TOTAL TRANSFERS OUT	\$ 5,417	\$ 4,195	\$ 2,451	\$ 2,196
TOTAL EXPENDITURES	\$ 48,293	\$ 50,836	\$ 51,943	\$ 52,695
General Funds Surplus/Deficit	\$ 2,739	\$ 2,291	\$ 273	\$ 298
Proposed Set-Aside for Budget Stabilization Fund Contribution	\$ 746	\$ 1,188	\$ 205	\$ 170
Proposed Additional Pension Stabilization Fund Contribution	\$ -	\$ 200	\$ -	\$ -
Proposed Early Childhood Capital Investment	\$ -	\$ 100	\$ -	\$ -
Adjusted General Funds Surplus/Deficit	\$ 1,993	\$ 803	\$ 68	\$ 128

Totals may not sum due to rounding.

FY2024 total includes supplemental appropriations.

* The Proposed Transfer to Fund #611 includes \$350 million in FY2024 for the Fund for Illinois' Future through the Budget Implementation Bill (BIMP) proposal.

** An authorized transfer of \$1.239 million from the General Fund to the State Coronavirus Urgent Remediation Emergency (CURE) Fund in FY2023 to ensure that the State fully expended its federal dollars within the timeframe set by the federal government.

Source: Illinois State FY2024 Budget, pp. 67, 78; Illinois State FY2025 Budget, pp. 75, 86.

BILL BACKLOG

Historically, Illinois has routinely managed budgetary shortfalls by delaying payments to vendors, school districts, local governments and universities, thereby increasing accounts payable by billions of dollars at the end of the fiscal year. This backlog led the State to begin each fiscal year in a deficit, requiring revenues from the current year to be used to pay off the previous year's bills, which in turn reduced the amount of revenues available for current year spending.

By law, the State has until six months after the end of a fiscal year to pay bills based on that year's appropriations.⁴⁴ Certain other bills consisting mainly of group health insurance and Medicaid bills, known as Section 25 liabilities, may be paid from appropriations in future years.⁴⁵

The State has made significant progress in reducing its backlog of unpaid bills since its \$16.7 billion peak in 2017.⁴⁶ At the time, the State issued a \$6 billion General Obligation bond to pay vouchers incurred before July 1, 2017, to address the situation.⁴⁷ The \$6.5 billion in proceeds from the sale was to cut the unpaid bill backlog by \$7.5 billion, saving taxpayers an estimated \$4 billion to \$6 billion in interest costs through 2029 by paying off billions of dollars that were accruing interest penalties between 9% and 12% per year.⁴⁸ As of December 31, 2023, the outstanding principal on these bonds totaled nearly \$3 billion.⁴⁹

The State used some of the \$3.2 billion in funds borrowed from the Municipal Liquidity Facility in FY2020 and FY2021 to manage the previous year's bills and pay down the Medicaid bill backlog, which generated enhanced federal reimbursements used to pay general obligations. The State paid off these funds in their entirety nearly two years ahead of schedule in January 2022, which will save taxpayers an estimated \$82 million in interest costs.⁵⁰

The State also utilized another measure to manage the unpaid bills that allows the State to invest in its own backlogged debt using money from other State funds with sufficient liquidity.⁵¹ The law gives the Illinois Treasurer the authority to invest up to \$2 billion with the Comptroller, who uses the funds to pay off pending unpaid bills and avoid high-interest penalties. The remaining \$405 million of this program was paid off during FY2021.

The Governor's FY2025 budget projects that there will be approximately \$1.5 billion in outstanding accounts payable and short-term debt as of June 30, 2024, consisting primarily of

⁴⁴ 30 ILCS 105/25 (m).

⁴⁵ 30 ILCS 105/25.

⁴⁶ Illinois State Comptroller, [Accounts Payable Statement](#).

⁴⁷ The bond sale was authorized by Public Act 100-0023, enacted on July 6, 2017.

⁴⁸ Illinois State Comptroller, [Accounts Payable Statement](#).

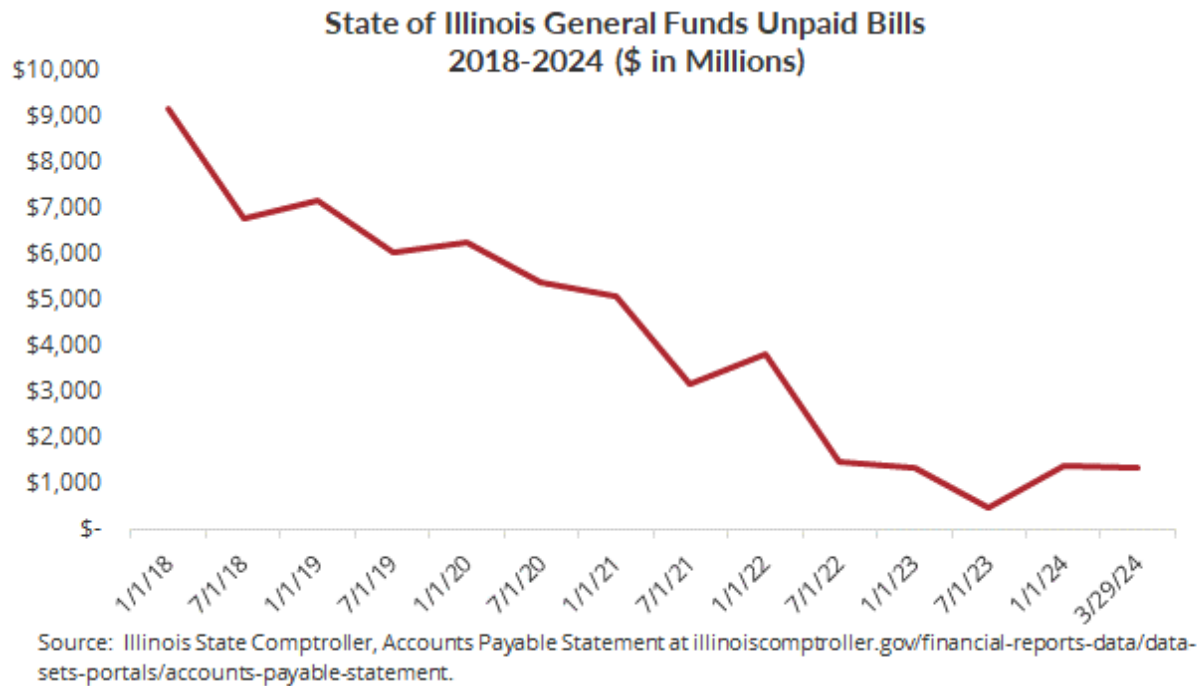
⁴⁹ Illinois State FY2024 Budget, p. 574.

⁵⁰ Illinois State Comptroller, ["Paying Off Loan Early Will Save Taxpayers \\$82 Million,"](#) January 5, 2022.

⁵¹ Public Act 100-1107.

bills with a due date within 30 days and transfers owed to other State accounts.⁵² This is a major improvement from the large backlog of bills in past years and represents a normal bill payment schedule.

The following chart shows the State's bill backlog at the beginning of each fiscal year from 2017-2024. As of March 29, 2024, the State's bill backlog was estimated at \$1.4 billion.



The Civic Federation has long recommended that the State of Illinois, once it made sufficient progress in paying down its unpaid bill backlog, should begin to rebuild its Budget Stabilization Fund, known as the “rainy day fund.”⁵³ Strong revenues in the previous few fiscal years have allowed the Governor to make more than \$2 billion in deposits into the fund since FY2022. The Governor’s FY2024 recommended budget includes a \$205 million deposit into the Budget Stabilization Fund, and another \$170 million for FY2025. Additionally, legislation was enacted that directs a 10-year repayment of \$450 million in State funds provided to the Unemployment Insurance Trust Fund into the Budget Stabilization Fund.⁵⁴

AMERICAN RESCUE PLAN ACT

As a result of six pieces of federal legislation enacted by the U.S. Congress in 2020 and 2021 to address the impact of COVID-19, governments across Illinois received a total of \$53.8 billion in stimulus funding, including the American Rescue Plan Act (ARPA). As part of ARPA, the State received \$8.1 billion in State Fiscal Recovery Funds (SFRF). These funds are allowed to be used

⁵² Illinois State FY2024 Budget, pp. 54-55.

⁵³ See for example current and past Civic Federation Legislative Agendas and [State of Illinois Roadmaps](#).

⁵⁴ Illinois State FY2025 Budget, p. 57.

for supporting public health expenditures, addressing negative economic impacts caused by the public health emergency, replacing lost public sector revenue, providing premium pay for essential workers and investing in water, sewer and broadband infrastructure. They must be obligated by December 31, 2024, and spent by December 31, 2026.

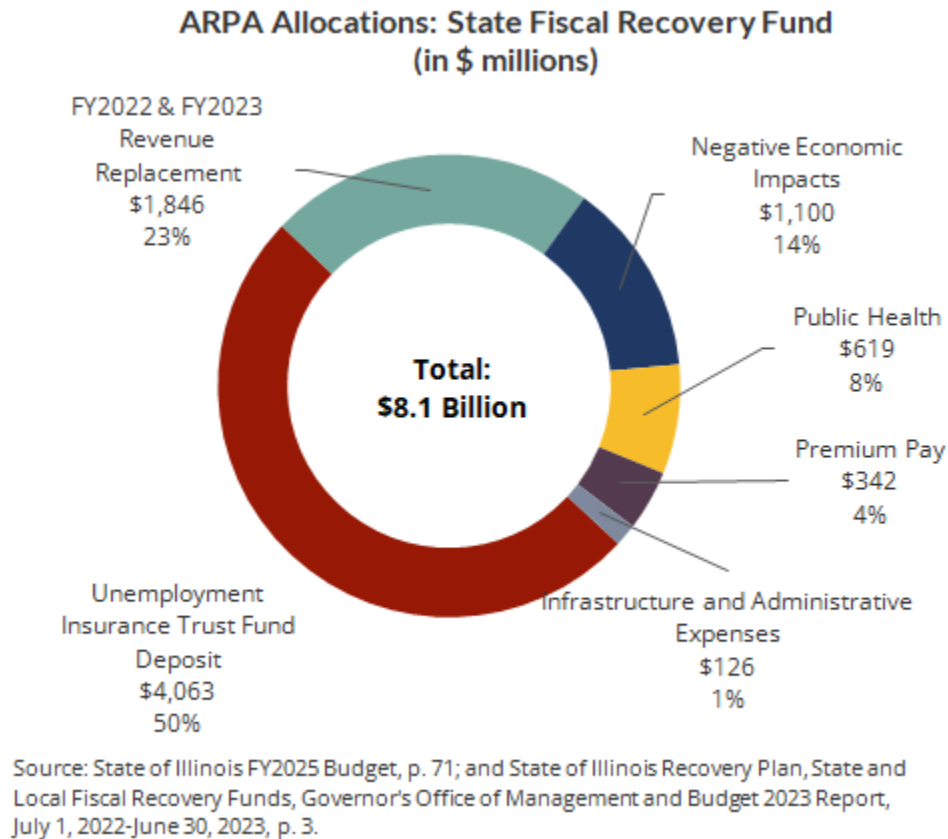
The State also received \$254 million from the Coronavirus Capital Projects Fund as part of the ARPA funding, for a total of approximately \$8.4 billion in federal COVID-era stimulus money.⁵⁵ All of this funding had been allocated, and most of it was spent, by the end of FY2023.⁵⁶

As of the end of fiscal year 2023, the State had allocated nearly half of the ARPA funds, or \$4.063 billion, to repay the Unemployment Insurance Trust funds the State of Illinois borrowed from the federal government to make unemployment payments during the worst of the pandemic, and another \$1.8 billion was allocated for revenue replacement. The remaining \$2.2 billion included \$1.1 billion allocated to a variety of State agencies for programs to address negative economic impacts of COVID-19, \$619 million for public health programs, \$88 million for infrastructure, \$342 million for premium pay to eligible essential workers and \$38 million for expenses to administer state and local recovery projects and programs.⁵⁷ These allocations are shown in the chart below.

⁵⁵ Illinois State FY2025 Budget, p. 70.

⁵⁶ Illinois State FY2025 Budget, p. 71.

⁵⁷ Illinois State FY2025 Budget, p. 71. See also the [State of Illinois Recovery Plan](#), State and Local Fiscal Recovery Funds, Governor's Office of Management and Budget, 2023 Report, July 1, 2022-June 30, 2023.



REVENUES

The State of Illinois generates annual operating resources by collecting taxes and levying fees. These revenues are augmented by grants and reimbursements provided by the federal government.

The Governor's proposed FY2025 operating budget projects total revenues of \$109.8 billion across all funds. Of that amount, \$52.3 billion is available for General Funds spending.⁵⁸

The General Funds support the regular operating and administrative expenses of most State agencies and are the funds over which the State has the most control. The operating budget also includes Other State Funds, which are accounts for activities funded by specific revenue sources that may only be used for specific purposes, and Federal Funds (other than those designated for General Funds), which support a variety of State programs with federal revenues. The remaining revenues that are not included in the General Funds are restricted for specific purposes, shared through revolving funds between government agencies, held in trusts or generally not available for discretionary spending by the General Assembly.

⁵⁸ State of Illinois FY2025 Budget, pp. 138-139.

This analysis focuses primarily on the revenue projections and proposals in the Governor's proposed FY2025 General Funds budget, and also includes an update on FY2024 revenue projections.

FY2024 REVENUE PROJECTION CHANGES

Since the FY2024 State budget was enacted, projections for FY2024 year-end revenues have increased, but by less than in prior years.

The most recent numbers from February 2024 show a 3.2% increase, from \$50.6 billion to \$52.2 billion, from original projections in June 2023 when the FY2024 budget was enacted. GOMB attributes this upward revision to higher-than expected investment income returns, a higher-than-anticipated transfer from the Income Tax Refund Fund, and a retroactive draw of Medicaid matching dollars.⁵⁹

FY2024 Revenue Projection Increases
(in \$ millions)

	FY2024 Enacted	November 2023 Revision	February 2024 Revision	\$ Change	% Change
State Sources					
Individual Income Tax (Net)	\$ 25,711	\$ 25,711	\$ 25,711	\$ -	0.0%
Corporate Income Tax (Net)	\$ 5,116	\$ 5,169	\$ 5,169	\$ 53	1.0%
Sales Tax (Net)	\$ 10,415	\$ 10,576	\$ 10,531	\$ 116	1.1%
Other Revenues	\$ 5,487	\$ 6,273	\$ 6,496	\$ 1,009	18.4%
Total State Resources	\$ 46,729	\$ 47,729	\$ 47,907	\$ 1,178	2.5%
Federal Sources	\$ 3,883	\$ 4,288	\$ 4,308	\$ 425	10.9%
Total Revenues	\$ 50,612	\$ 52,017	\$ 52,215	\$ 1,603	3.2%

Sources: Illinois State FY2024 Enacted Budget General Funds Walkdown, June 7, 2023; "Illinois Economic and Fiscal Policy Report," Governor's Office of Management and Budget, November 15, 2023; Illinois State FY2025 Budget, p. 75.

Net corporate income tax and net sales tax revenues are projected to increase slightly by 1% and 1.1%, respectively. Individual income tax revenue projections have remained the same. Other revenues, which include all sources outside of individual income taxes, corporate income taxes and sales taxes, show an anticipated \$1 billion, or 18.4%, increase.

More recent estimates provided by the Commission on Government Forecasting and Accountability (COGFA) in March 2024 track similarly to GOMB's projections, but with \$374 million, or 0.7%, more in total revenue. The changes largely derive from strong revenue performance in corporate income taxes for the month of February 2024 that were not incorporated in GOMB's projections, as well as increases in interest income projections that were offset by lower sales tax projections. COGFA's projections also include an additional \$100 million in revenue from a statutory transfer from the Income Tax Refund Fund that was not

⁵⁹ Illinois State FY2025 Budget, p. 83.

accounted for in the proposed FY2025 budget.⁶⁰ COGFA's estimate for total revenue in FY2024 is nearly \$52.6 billion.

FY2025 GENERAL FUND REVENUES

The following table shows the change in General Funds revenues between FY2024 year-end estimates and the proposed FY2025 budget. The FY2024 numbers incorporate the upward revisions released in February 2024 in the Governor's proposed FY2025 budget, discussed above. Total revenues from all sources are projected to increase by \$779 million, or 1.5%, which includes a number of tax treatment and other changes proposed by the Governor in the FY2025 budget, ranging from an extension of the net operating loss deduction limitation to a cap on the Retailers' Discount. See the Budget Balancing and Bill Backlog section for a more in-depth discussion of the revenue adjustments, which total approximately \$1.098 billion.

Sports Wagering receipts will contribute to the General Fund for the first time in FY2025 based on a proposed increase from 15% to 35% on adjusted sports gross wagering receipts. Upon authorization in 2019,⁶¹ the State began imposing a 15% tax on adjusted sports wagering revenue to be used to fund infrastructure projects. The Governor's proposed FY2025 budget increases this tax to 35%, the additional 20 percentage points of which are slated to be transferred to the General Fund.⁶² The increase is expected to generate \$200 million.

⁶⁰ Illinois Commission on Government Forecasting and Accountability, [FY2025 Economic Forecast and FY2024 Revenue Estimate Update](#), March 2024, pp. 24 and 29.

⁶¹ See [Public Act 101-0031](#).

⁶² Illinois State FY2025 Budget, pp. 65 and 177.

Other transfers will decrease by 36.9%, mostly based on a \$405 million decrease in the Income Tax Refund Fund Transfer.⁶³ Federal revenues will also decrease based on a one-time retroactive Medicaid claim draw in FY2024.⁶⁴

**State of Illinois General Funds Revenues: Estimated FY2024
and Governor's Recommended FY2025
(in \$ millions)**

				\$ Change	% Change
	FY2024 Est.	FY2025 Proj.	FY2024-FY2025	FY2024-FY2025	
State Taxes and Fees					
Income Taxes (net)					
Individual (net)	\$ 25,711	\$ 26,690	\$ 979	3.8%	
Corporate (net)	\$ 5,169	\$ 5,477	\$ 308	6.0%	
Sales Taxes	\$ 10,531	\$ 10,874	\$ 343	3.3%	
Public Utility Taxes	\$ 700	\$ 701	\$ 1	0.1%	
Cigarette Tax	\$ 208	\$ 200	\$ (8)	-3.8%	
Liquor Gallonage Taxes	\$ 184	\$ 182	\$ (2)	-1.1%	
Estate Tax	\$ 575	\$ 525	\$ (50)	-8.7%	
Insurance Taxes & Fees	\$ 514	\$ 522	\$ 8	1.6%	
Corporate Franchise Tax & Fees	\$ 228	\$ 208	\$ (20)	-8.8%	
Interest on State Funds & Investments	\$ 548	\$ 300	\$ (248)	-45.3%	
Cook County Intergovernmental Transfer	\$ 244	\$ 244	\$ -	0.0%	
Other Sources	\$ 653	\$ 741	\$ 88	13.5%	
Total State Taxes and Fees	\$ 45,265	\$ 46,664	\$ 1,399	3.1%	
Transfers and Adjustments					
Lottery	\$ 850	\$ 902	\$ 52	6.1%	
Gaming	\$ 155	\$ 177	\$ 22	14.2%	
Sports Wagering	\$ -	\$ 200	\$ 200		
Adult-Use Cannabis	\$ 116	\$ 123	\$ 7	6.0%	
Other Transfers	\$ 1,521	\$ 959	\$ (562)	-36.9%	
Total Transfers and Adjustments	\$ 2,642	\$ 2,361	\$ (281)	-10.6%	
Total State Revenues	\$ 47,907	\$ 49,025	\$ 1,118	2.3%	
Federal Sources	\$ 4,308	\$ 3,969	\$ (339)	-7.9%	
Total Revenue	\$ 52,215	\$ 52,994	\$ 779	1.5%	

Note: Numbers may differ slightly from the FY2025 Budget Book due to rounding.

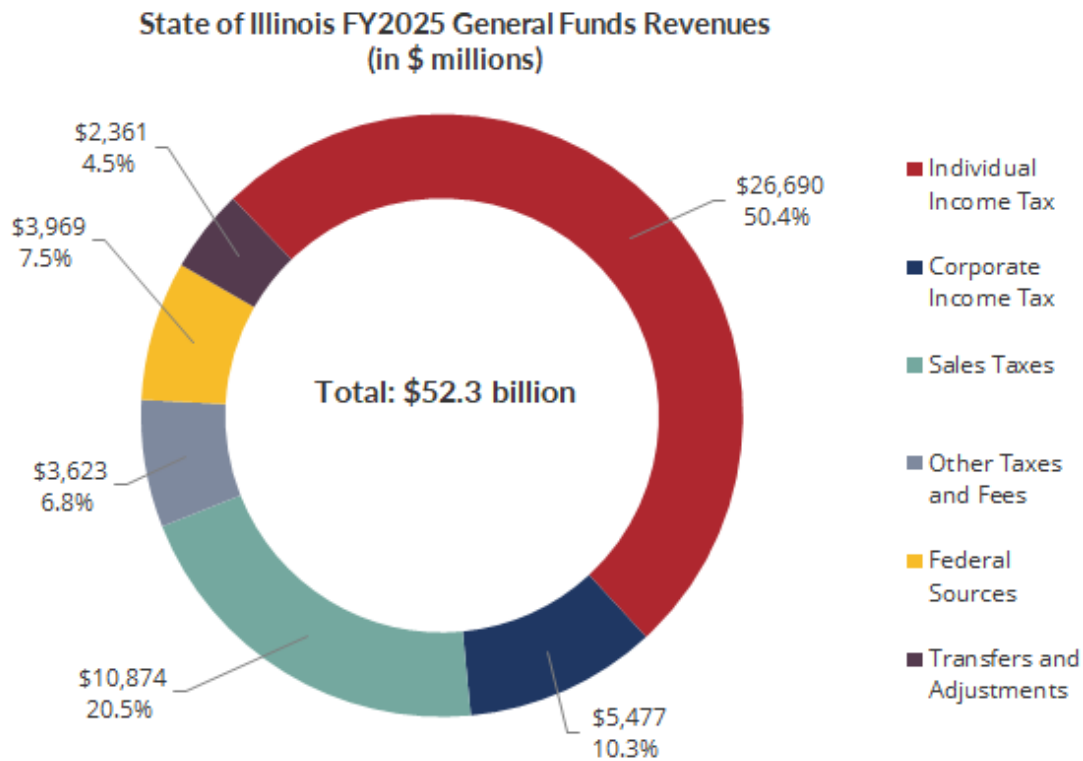
Source: Illinois State FY2025 Budget, p.139.

As shown in the following chart, the State relies heavily on two elastic, or economically sensitive revenues: individual and corporate income and sales taxes, which account for a combined 81.2% of all General Funds revenue.

⁶³ Illinois State FY2025 Budget, p. 177.

⁶⁴ Illinois State FY2025 Budget, p. 178. See Governor's Office of Management and Budget, [Internal Review Identifies Additional Federal Match Owed to State For Developmental Disability Services Provided](#), August 11, 2023.

Individual and corporate income taxes will together provide 60.7% of all General Funds revenue in FY2025, or \$32.2 billion. The single largest revenue source for the proposed FY2025 budget is individual income taxes, which are expected to total \$26.7 billion, or 50.4%, of all revenues. Sales taxes are projected to be the second-largest revenue source at \$10.9 billion, or 20.5%, of all General Funds revenues.

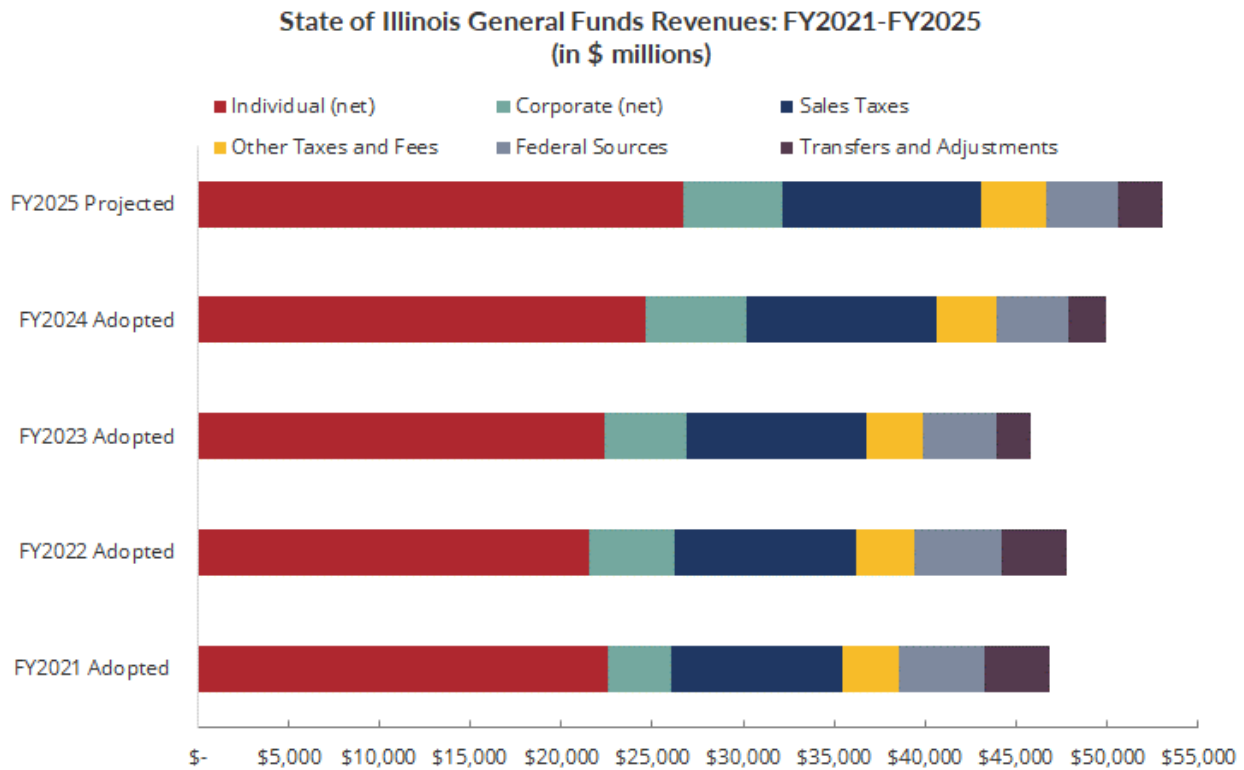


Source: Illinois State FY2025 Budget, p. 139.

The next chart presents a five-year trend of Illinois General Funds revenues by major source. It is important to note that FY2021 income tax numbers are artificially high based on a one-time tax filing extension in FY2020 that shifted a portion of FY2020 revenues into FY2021.⁶⁵ Fiscal

⁶⁵ Illinois State FY2024 Budget, p. 71.

years 2023 through 2024 reflect stronger-than-expected economic trends, and FY2025 reflects increased revenue from new tax treatments.



Source: Illinois State FY2025 Budget, p. 139.

Income Taxes

Individual and corporate income taxes constitute the State's largest and third-largest individual revenue sources, accounting for more than half of all General Funds revenue. On July 6, 2017, after a number of years in which income tax rates fluctuated, the General Assembly permanently established the corporate income tax rate at 7% and raised the individual rate to 4.95%.⁶⁶

The following table shows gross income taxes collected by the State from FY2021 actuals through FY2025 proposed budget projections, including the funds transferred to pay for tax refunds and provided to local governments through the Local Government Distributive Fund (LGDF). The gross amount less the two deductions is the net income tax revenue amount collected by the State. Over the five-year period, total net income tax proceeds are expected to increase by 23.3%, from \$26.1 billion in FY2021 to \$32.2 billion. During the same period, net individual income tax proceeds are expected to increase by 18.5%, or \$4.2 billion, and net corporate income tax receipts are projected to increase by \$1.9 billion, or 53.6%. The share allocated to the LGDF, traditionally 10% of revenues derived from pre-2011 tax rates (equivalent

⁶⁶ [Public Act 100-0022](#), July 6, 2017.

to 6.06% of individual income taxes and 6.85% of corporate income taxes at current rates, was reduced by 10% to increase State revenues in FY2018. The holdback was reduced to 5% in fiscal years 2019-2021. Since then, there has not been a holdback.

State of Illinois General Funds: Total Income Tax Revenues									
FY2021-FY2025									
(in \$ millions)									
Income Tax Increment	FY2021	FY2022	FY2023	FY2024 Est.	FY2025 Proj.		Five-year	Five-year	
Individual Income Tax							\$ Change	% Change	
Tax Rate	4.95%	4.95%	4.95%	4.95%	4.95%				
Individual Income Tax	\$ 25,582	\$ 26,625	\$ 25,641	\$ 25,516	\$ 26,452	\$ 870		3.4%	
Pass-Through Entities*	\$ 768	\$ 2,512	\$ 2,401	\$ 4,742	\$ 4,958	\$ 4,190		545.6%	
Gross Individual Income Tax	\$ 26,350	\$ 29,137	\$ 28,042	\$ 30,258	\$ 31,410	\$ 5,060		19.2%	
Refund Fund Transfer	\$ (2,372)	\$ (2,695)	\$ (2,594)	\$ (2,769)	\$ (2,874)	\$ (502)		21.2%	
Deposits into LGDF	\$ (1,453)	\$ (1,602)	\$ (1,568)	\$ (1,779)	\$ (1,846)	\$ (393)		27.0%	
Net Individual Income Tax	\$ 22,525	\$ 24,840	\$ 23,880	\$ 25,710	\$ 26,690	\$ 4,165		18.5%	
Corporate Income Tax									
Tax Rate	7.00%	7.00%	7.00%	7.00%	7.00%				
Gross Corporate Income Tax	\$ 4,451	\$ 6,831	\$ 7,186	\$ 6,453	\$ 6,836	\$ 2,385		53.6%	
Refund Fund Transfer	\$ (625)	\$ (1,026)	\$ (1,042)	\$ (903)	\$ (957)	\$ (332)		53.1%	
Deposits into LGDF	\$ (262)	\$ (398)	\$ (421)	\$ (380)	\$ (403)	\$ (141)		53.8%	
Net Corporate Income Tax	\$ 3,565	\$ 5,407	\$ 5,723	\$ 5,170	\$ 5,476	\$ 1,911		53.6%	
Total Income Taxes (net)	\$ 26,090	\$ 30,247	\$ 29,603	\$ 30,880	\$ 32,166	\$ 6,076		23.3%	

* The State began reporting income from pass-through business entities, such as partnerships and S-corporations, separately from other individual income starting in FY2017.

Note: Numbers may differ slightly from the FY2025 Budget Book due to rounding.

Source: Illinois State FY2025 Budget, pp. 167-168.

Individual Income Tax

Projections for net individual income tax receipts in the General Fund in FY2025 total \$26.7 billion, which is \$979 million, or 3.7%, above the FY2024 year-end estimate. FY2024 net individual income tax receipts are expected to increase by \$1.8 billion from FY2023, which almost entirely reflects a growth in Pass-Through Entity (PTE) payments over the prior year, as well as increases in wages and employment.⁶⁷ PTE income includes income received by individuals through partnerships, fiduciaries and S-corporations that “passes through” to individual income statements rather than being taxed as corporate income and were enabled through legislation⁶⁸ signed by the Governor in FY2022.⁶⁹ The most recent State projections reflect continuing economic growth and proposed changes to the Illinois Income Tax Act, including the creation of the refundable child tax credit and an adjustment to the standard deduction for tax year 2024.⁷⁰

Corporate Income Tax

Net corporate income tax revenue shows an increase of \$306 million, or 5.9%, from FY2024 projections, bringing the total from \$5.2 billion to \$5.5 billion. Corporate income tax receipts

⁶⁷ Illinois State FY2025 Budget, p. 168.

⁶⁸ [Public Act 102-0658](#).

⁶⁹ Illinois Commission on Government Forecasting and Accountability, [May 2023 Monthly Briefing](#), p. 4.

⁷⁰ Illinois State FY2025 Budget, p.168.

have begun to decline from their strong pandemic recovery that continued through FY2024 based on cooling inflation and the incorporation of the PTE reconciliation described above. The increase projected for FY2025 is due to the Governor's proposed continuation of the net operating loss deduction limitation at a new threshold over the next three years and also accounts for an anticipated change in the base allocation formula between corporate income tax and PTE withholding tax.⁷¹ Over the five-year period, net corporate income tax receipts have increased by \$1.9 billion, or 53.6%.

Sales Tax

Sales taxes were strong during the pandemic as federal stimulus dollars and expanded unemployment benefits supported consumers' disposable personal income. Further, federal stimulus dollars, combined with the shift in consumption patterns from services, which largely are not taxable in Illinois, to goods, which are taxable, engendered an increase of taxable income. This growth is projected to taper off, as taxable consumption has yet to increase in FY2024 based on declining motor fuel prices, high mortgage and interest rates, the spending shift back toward services from goods and consistently high consumer prices.⁷² General Fund receipts from sales taxes have also seen decreased growth due to increasing deposits into the Road Fund as the State implements a five-year shift of the State portion of the motor fuel tax from the General Fund to the Road Fund.

Despite these changes, net sales tax receipts are expected to increase by \$343 million, or 3.3%, in FY2025, based on an additional \$175 million Road Fund offset deposit into the Public Transportation Fund and a proposed \$1,000 monthly cap on the 1.75% Retailers Discount.⁷³

Other State-Source Revenue

Total General Funds revenues from State sources other than income and sales taxes, including public utility, liquor, cigarette, estate and other taxes, will total \$3.6 billion. This reflects an expected decrease of 6%, or \$231 million, from FY2024 to FY2025 that is largely based on a decline in interest on State funds and investments.

Transfers and adjustments, such as lottery, gaming and cannabis revenues, are predicted to decrease by \$281 million, from \$2.6 billion in FY2024 to \$2.4 billion in FY2025. The largest source for this decline derives from a lower transfer from the Income Tax Refund Fund.⁷⁴ The Commission on Government Forecasting and Accountability (COGFA) reported in January 2024 that the decline in transfers to the Income Tax Refund Fund is due to the transfer value returning to a more typical level when compared to FY2023 levels, which was significantly higher due to stronger than expected income tax performance during that fiscal year.⁷⁵

⁷¹ Illinois State FY2025 Budget, p. 169.

⁷² Illinois State FY2025 Budget, pp. 169-170.

⁷³ Illinois State FY2025 Budget, p. 170.

⁷⁴ Illinois State FY2025 Budget, pp. 83 and 177.

⁷⁵ Illinois Commission on Government Forecasting and Accountability, [January 2024 Monthly Briefing](#), p. 6

Federal Revenues

Federal revenues are expected to decrease by 7.9%, from \$4.3 billion in FY2024 to \$4 billion in FY2025, due to a decline in Medical Assistance from a one-time retroactive draw tied to waiver services for Medicaid reimbursements.⁷⁶

APPROPRIATIONS AND EXPENDITURES

The recommended FY2025 operating budget proposes total appropriations of \$123.2 billion, including \$51.3 billion in General Funds spending authority.⁷⁷ The budget proposal also includes \$53.6 billion in appropriations from Other State Funds and \$18.3 billion in Federal Funds appropriations.

General Funds support the regular operating and administrative expenses of most agencies and are the funds over which the State has the most control.⁷⁸ Other State Funds are accounts for activities funded by specific revenue sources that may only be used for specific purposes. Federal Funds (other than those designated for General Funds) use federal revenues to support a variety of State programs.

Proposed General Funds expenditures total \$52.7 billion.⁷⁹ General Funds expenditures include both spending from appropriations and transfers from General Funds to other State accounts to make interest and principal payments on borrowings as well as for other legislatively required purposes.

TOTAL APPROPRIATIONS BY FUND TYPE

Recommended total appropriations of \$123.2 billion in FY2025 represent a decrease of \$1.9 billion, or 1.6%, from enacted appropriations of \$121.3 billion in FY2024. Proposed FY2025 General Funds appropriations increase by nearly \$2.1 billion, or 4.4%, from \$49.2 billion the year before. Total appropriations grew by \$17.6 billion, or 16.6%, from \$105.7 billion in FY2021, while General Funds appropriations increased by \$10.6 billion, or 26.2%, over the five-year

⁷⁶ Illinois State FY2024 Budget, pp. 83 and 178. See Governor's Office of Management and Budget, [Internal Review Identifies Additional Federal Match Owed to State For Developmental Disability Services Provided](#), August 11, 2023.

⁷⁷ Illinois State FY2025 Budget, p. 107.

⁷⁸ The definition of General Funds was changed in FY2018 to include three additional funds: the Fund for the Advancement of Education, Commitment to Human Services Fund and Budget Stabilization Fund.

⁷⁹ Illinois State FY2025 Budget, p. 86.

period. The following table shows enacted appropriations by type of fund from FY2021 through FY2024 and proposed appropriations for FY2025.

State of Illinois Appropriations by Fund Type: FY2021-FY2025 (in \$ millions)									
	FY2021 Enacted*	FY2022 Enacted*	FY2023 Enacted*	FY2024 Enacted*	FY2025 Proposed	Two-Year \$ Change	Two-Year % Change	Five-Year \$ Change	Five-Year % Change
General Funds	\$ 40,695	\$ 43,750	\$ 47,722	\$ 49,198	\$ 51,339	\$ 2,141	4.4%	\$ 10,644	26.2%
Other State Funds	\$ 38,728	\$ 43,347	\$ 50,103	\$ 51,356	\$ 53,646	\$ 2,291	4.5%	\$ 14,919	38.5%
Federal Funds	\$ 26,229	\$ 30,678	\$ 25,132	\$ 20,765	\$ 18,254	\$ (2,511)	-12.1%	\$ (7,974)	-30.4%
Total**	\$ 105,651	\$ 117,775	\$ 122,956	\$ 121,320	\$ 123,240	\$ 1,920	1.6%	\$ 17,589	16.6%
*Enacted appropriations for FY2021, FY2022 and FY2023 include original and supplemental appropriations. Enacted appropriations for FY2024 include the proposed supplemental appropriations total of approximately \$1.2 million.									
**Totals may not sum due to rounding.									
Source: Illinois State FY2025 Budget, p.107; Illinois State FY2024 Budget, p.98 and Illinois State FY2023 Budget, p. 91.									

Total enacted appropriations do not accurately reflect State spending because spending from Other State Funds and Federal Funds is often significantly below appropriated amounts. In FY2023, for example, actual spending from Other State Funds was \$39.8 billion, 20.6% below the \$50.1 billion appropriated.⁸⁰ Actual spending from Federal Funds in FY2023 was \$11.1 billion, 56.0% below the \$25.1 billion adjusted appropriation. General Funds spending from appropriations typically reflects a much lower level of unspent appropriations. Appropriations from Other State Funds and Federal Funds do not affect the projected operating surplus, which is based on General Funds revenues and expenditures.

Appropriations for Federal Funds declined over the five-year period by \$8.0 billion, or 30.4%, from \$26.2 billion in FY2021 to \$18.3 billion in FY2025. The decrease is due to the State appropriating nearly all of the \$8.1 billion provided to them through the American Rescue Plan Act (ARPA) by the end of June 2023, which was allocated through the Coronavirus State Fiscal Recovery Fund (SFRS). The majority of the final allocations of the ARPA funds included \$4.063 billion to repay the Unemployment Insurance (UI) Trust Fund advances; \$1.8 billion used for revenue replacement; \$619 million for public health initiatives; \$88 million for infrastructure; \$1.1 billion to address negative economic impacts of COVID-19; \$342 million for premium pay; and approximately \$38 million for expenses to administer state and local recovery projects and programs.⁸¹ The proposed FY2025 budget includes the continued use of the remaining ARPA Coronavirus State and Local Fiscal Recovery Funds (SLFRF) to support capital projects including the improvement of water and sewer infrastructure.

GENERAL FUNDS APPROPRIATED SPENDING

To understand State spending pressures, it is helpful to distinguish appropriated agency spending from pension contributions and group insurance payments. The legislature generally has more discretion over agency appropriations than the other two spending categories.⁸²

⁸⁰ Illinois State FY2025 Budget, p. 107.

⁸¹ Illinois State FY2025 Budget, p. 71.

⁸² Medicaid is considered as discretionary in this analysis, even though most spending changes in the Medicaid program require changes in State law, administrative rules and/or approval from the federal government.

Pension contributions are based on State law, determined by Illinois' five retirement systems and covered by continuing appropriations. Continuing appropriations are funds that the Illinois Comptroller and Treasurer are statutorily authorized to spend in the event the legislature fails to appropriate or insufficiently appropriates for a particular purpose.⁸³ Group insurance consists mainly of health insurance for employees and retirees, which is required by State law and union contracts.

The following table shows appropriated spending for these categories from FY2021 through FY2024 and proposed appropriated spending for FY2025. The FY2022 and FY2023 pension contributions in the table below are certified amounts and do not include additional pension stabilization fund contributions totaling \$700 million. In FY2022 \$300 million above the certified amount was contributed to the fund, to help pay down the State's pension debt, and in FY2023 an additional \$400 million was provided to fund. In FY2024, the State increased its contribution to the retirement systems by \$181 million from prior year levels based on the certified required amounts. Additionally, these certified contributions will increase again in FY2025 by \$322 million.⁸⁴

State of Illinois General Funds Appropriated Expenditures by Category: FY2021-FY2025 (in \$ millions)									
	FY2021	FY2022	FY2023 Actual	FY2024 Est.	FY2025 Proposed	Two-Year \$ Change	Two-Year % Change	Five-Year \$ Change	Five-Year % Change
Agency Appropriations Spent*	\$ 28,681	\$ 30,763	\$ 35,178	\$ 37,842	\$ 38,037	\$ 195	0.5%	\$ 9,356	32.6%
Pension Contributions**	\$ 8,624	\$ 9,363	\$ 9,632	\$ 9,813	\$ 10,135	\$ 322	3.3%	\$ 1,511	17.5%
Group Insurance	\$ 2,022	\$ 2,750	\$ 1,831	\$ 1,837	\$ 2,327	\$ 490	26.7%	\$ 305	15.1%
Total	\$ 39,327	\$ 42,876	\$ 46,641	\$ 49,492	\$ 50,499	\$ 1,007	2.0%	\$ 11,172	28.4%
*Enacted expenditures in FY2022, FY2023 and FY2024 include supplementary appropriations.									
**The FY2022 and FY2023 pension contributions do not include proposed pension stabilization fund contributions totalling \$700 million.									
Source: Illinois State FY2025 Budget, pp.75 and 86; Illinois State FY2024 Budget, pp.67 and 78; Illinois State FY2023 Budget, pp. 60 and 70.									

Proposed agency spending from appropriations is expected to increase by \$195 million, or 0.5%, to \$38.0 billion in FY2025, up from \$37.8 billion in FY2024. The FY2024 Agency Appropriations of \$37.8 billion include proposed total supplemental appropriations of approximately \$1.2 billion, including \$430 million to the Department of Healthcare and Family Services (HFS), \$346.8 million to the Department of Human Services (DHS) and \$188.3 million to the Department of Central Management Services. The remaining appropriations will be allocated to other agencies including the Department of Innovation and Technology, Department of Corrections, Department on Aging and the Department of Children and Family Services (DCFS).⁸⁵

Over a five-year period, agency spending is projected to increase by \$9.4 billion, or 32.6%, from \$28.7 billion in FY2021.

⁸³ Illinois State FY2025 Budget, p. 620.

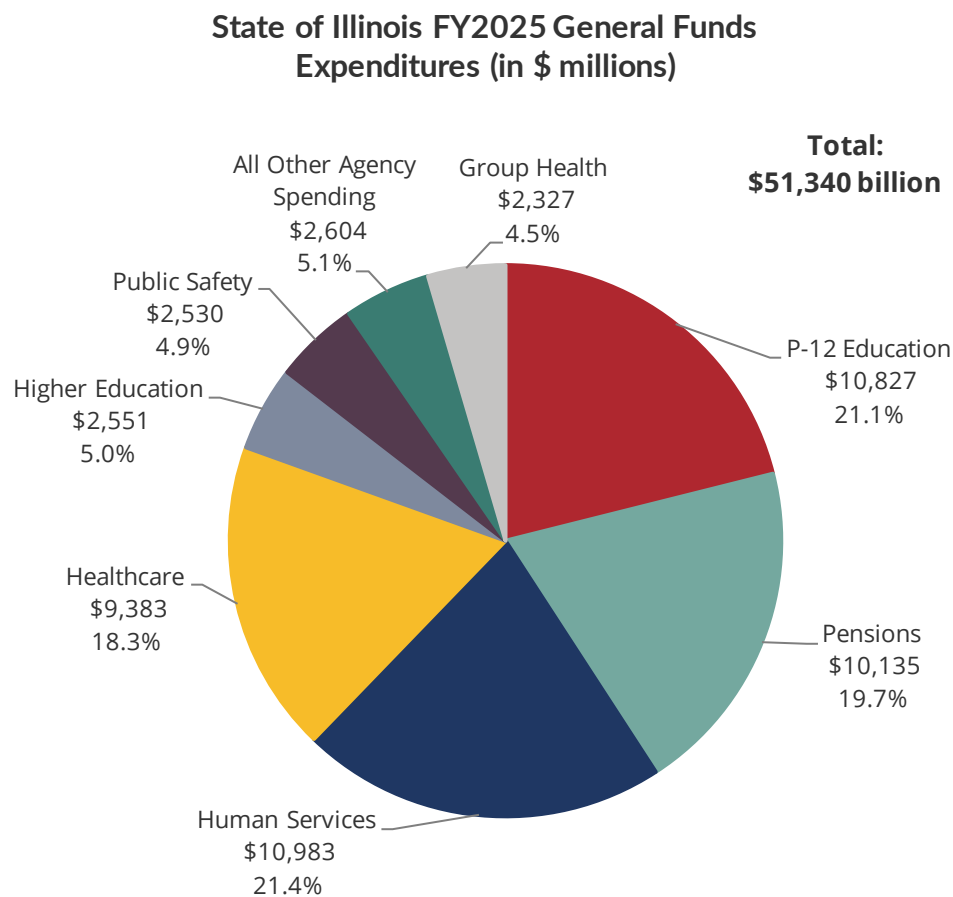
⁸⁴ Illinois State FY2025 Budget, p. 80-85.

⁸⁵ Illinois State FY2025 Budget, pp. 84 and 136.

The FY2025 budget proposes to increase General Funds pension contributions by \$322 million, or 3.3%, to \$10.1 billion, up from \$9.8 billion in FY2024. The proposed FY2025 contribution is equal to the certified full amount required under existing state law.⁸⁶

Proposed FY2025 General Funds group health insurance payments will increase by \$490 million from the prior year to \$2.3 billion. The increase is due to 2025 liabilities for statewide Group Insurance through the Department of Central Management Services.⁸⁷ However, as of fiscal year 2022, the State has reduced its healthcare liabilities by 56% due to effective negotiations.⁸⁸

GENERAL FUNDS PROPOSED AGENCY EXPENDITURES BY AREA



Source: State of Illinois FY2025 Proposed Budget, p. 75.

Note: Does not include unspent appropriations or transfers out of General Funds.

⁸⁶ Illinois State FY2025 Budget, p. 85.

⁸⁷ Illinois State FY2025 Budget, p. 272.

⁸⁸ Illinois State FY2024 Budget, p. 66.

The chart above shows the State of Illinois' proposed FY2025 General Funds expenditures. These do not include unspent appropriations or transfers out of General Funds. The Proposed FY2025 budget includes P-12 Education appropriations of \$10.8 billion, or 21.1% of General Funds. Approximately \$11.0 billion, or 21.4%, is for Human Services and \$9.4 billion, or 18.3%, is for Healthcare. About \$2.3 billion, or 4.5%, of General Funds will go towards Group Health Insurance payments. Additional expenditures include \$10.1 billion, or 19.7%, for Pension contributions and \$2.6 billion, or 5.0%, for Higher Education. Approximately \$2.5 billion, or 4.9%, will go to Public Safety and \$2.6 billion, or 5.1%, for All Other Agency Spending. All Other Agency Spending includes State contributions to the Chicago Teacher's Pension Fund and the areas of Economic Development, Environment and Culture and Government Services.⁸⁹ The following table explains in detail the agency expenditures and appropriations from FY2021 to FY2025. It details spending by area of government, based on the categories in the budget book.⁹⁰ Actual spending by area is shown for FY2021 through FY2023, estimated expenditures for FY2024 and proposed appropriations for FY2025. The list of agencies in each category can be found in the Appendix of this report.

State of Illinois General Funds Agency Expenditures and Appropriations by Area:
FY2021-FY2025 (in millions)

	FY2021	FY2022	FY2023	FY2024 Est.	FY2025	Two-Year	Two-Year	Five-Year	Five-Year
	Exps.	Exps.	Exps.	Exps.	Proposed	\$ Change	% Change	\$ Change	% Change
P-12 Education*	\$ 8,897	\$ 9,327	\$ 9,764	\$ 10,365	\$ 10,827	\$ 462	4.5%	\$ 1,930	21.7%
Higher Education**	\$ 1,973	\$ 2,292	\$ 2,253	\$ 2,539	\$ 2,551	\$ 12	0.5%	\$ 578	29.3%
Human Services	\$ 7,177	\$ 7,705	\$ 10,839	\$ 10,267	\$ 10,983	\$ 716	7.0%	\$ 3,806	53.0%
Healthcare	\$ 8,179	\$ 7,853	\$ 8,596	\$ 9,292	\$ 9,383	\$ 91	1.0%	\$ 1,204	14.7%
Public Safety	\$ 1,915	\$ 2,036	\$ 2,343	\$ 2,515	\$ 2,530	\$ 15	0.6%	\$ 615	32.1%
All Other Agency Spending***	\$ 1,906	\$ 2,423	\$ 2,464	\$ 2,570	\$ 2,604	\$ 34	1.3%	\$ 698	36.6%
Total	\$ 30,047	\$ 31,636	\$ 36,259	\$ 37,548	\$ 38,878	\$ 1,330	3.5%	\$ 8,831	29.4%

*P-12 Education does not include contributions to the Teachers' Retirement System or the Teachers' Retirement Insurance Program.

**Higher Education does not include contributions to the State Universities Retirement System or the College Insurance Program.

***All Other Agency Spending includes the State contribution to the Chicago Teachers' Pension Fund and the areas of Economic Development, Environment and Culture and Government Services (excluding group insurance).

Source: Illinois State FY2025 Budget, p.75; Illinois State FY2024 Budget, p.67 and Illinois State FY2023 Budget, p. 60.

P-12 Education

Among the State's proposed FY2025 expenditures, appropriations for preschool to secondary education will increase from the prior year by \$462 million, or 4.5%, from \$10.4 billion in FY2024 to \$10.8 billion in FY2025. The Governor's proposed budget meets the \$350 million annual funding target increase that was part of the State's 2017 evidence-based school funding law. The \$350 million increase was also included in the enacted budgets for FY2024, FY2023, FY2022 and FY2020, but not the pandemic-impacted budget for FY2021. Since FY2021, there has been a \$1.8 billion increase in annual funding to help achieve the Evidence-Based Funding (EBF) formula statutory target.⁹¹ The five-year increase of \$1.9 billion, or 21.7%, in P-12 funding

⁸⁹ Illinois State FY2025 Budget, p. 75.

⁹⁰ Illinois State FY2025 Budget, p. 75.

⁹¹ Illinois State FY2025 Budget, p. 33.

comes almost entirely from increases in FY2022, FY2023, FY2024 and the projected FY2025 budget.⁹²

The EBF school funding reform law required that the State for the first time pay for part of the pension benefits earned each year by Chicago Public Schools (CPS) teachers.⁹³ However, those CPS pension costs, estimated at \$354 million in FY2025, are not included in the education category in the budget; they instead are shown in All Other Agency Spending in the table above.⁹⁴

The proposed FY2025 budget is providing over \$400 million in funding for the second year of the Governor's Smart Start Illinois early childhood initiative, which is a multi-year program that will provide a comprehensive approach to investments focused on preparing children to be lifelong learners. The budget is also proposing \$13 million in operational funding for the new Department of Early Childhood to develop needed operational infrastructure before merging pieces that support early childhood education in various areas of state government. The budget also appropriates an increase of \$75 million for the Early Childhood Block Grant to expand access to support services and preschool availability. Additionally, \$200 million, plus additional federal dollars, will go toward increased compensation for early childhood workers.⁹⁵

Higher Education

Proposed spending for higher education increases by \$12 million, or 0.5%, to nearly \$2.6 billion in FY2025, up from \$2.5 billion in FY2024.⁹⁶ Higher education includes: nine public universities⁹⁷; the Illinois Community College Board, which distributes funds to 48 community colleges; and the Monetary Award Program (MAP), which provides college tuition grants for low income students.⁹⁸ The FY2025 budget increases General Funds support for universities and community colleges by \$30.6 million, or 2%, compared to FY2024 levels. The budget will provide an additional \$10 million for MAP, which would provide sufficient funding for approximately 146,000 students. The budget is also proposing \$5 million in new funds for the continuation of

⁹² P-12 education funding does not include State contributions to the Teachers' Retirement System, the pension fund for teachers outside of Chicago, or to the Teachers' Retirement Insurance Program, which provides health insurance for retired teachers outside of Chicago.

⁹³ The State has responsibility for both the normal cost and unfunded liability of the Teachers' Retirement System, which covers teachers outside of Chicago.

⁹⁴ Illinois State FY2025 Budget, p. 75. The budget book includes CPS normal pension costs (which include retiree health insurance) in the category of Government Services.

⁹⁵ Illinois State FY2025 Budget, p. 32.

⁹⁶ Illinois State FY2025 Budget, p. 75.

⁹⁷ WTTW News [reported](#) that the Commission on Equitable Public University Funding issued a new report in March 2024 calculating that public universities in the State are underfunded by approximately \$1.4 billion.

⁹⁸ Higher education also includes the Illinois Board of Higher Education, Math and Science Academy and State Universities Civil Service System. Higher education budget numbers presented here do not include State contributions to the State Universities Retirement System and College Insurance Program or group health insurance payments for university employees and retirees.

the Early Childhood Access Consortium for Equity scholarships⁹⁹, which were previously funded by the federal government.¹⁰⁰

Human Services

Proposed appropriations for human services increase by \$716 million, or 7.0%, to approximately \$11.0 billion in FY2025, up from \$10.3 billion in FY2024. Over the five-year period, proposed human services spending increases by \$3.8 billion, or 53.0%, to \$11.0 billion in FY2025, up from \$7.2 billion in FY2021. The Human Services category includes not only the Department of Human Services, but the Departments on Aging, Children and Family Services, Juvenile Justice, Employment Security, Human Rights, Public Health, Veterans' Affairs and several others.

The FY2025 General Funds budget proposal for the Department of Human Services (DHS) is \$7.3 billion, an increase of \$652 million, or 9.0%, up from estimated FY2024 spending of \$6.6 billion.¹⁰¹ The additional funding includes \$50 million for services for people with developmental disabilities through programs such as the Home Illinois initiative, which includes investments for eviction mitigation, shelter diversion, scattered site housing and court-based rental assistance. The proposed budget also includes a \$116 million increase to support services for people with developmental disabilities through the State's *Ligas* consent decree. Meanwhile, the Home Services Program will receive an increase of \$116 million for expected caseload growth and liability increases, and a \$19.0 million increase to support mental health care and treatment for forensic inpatient and outpatient services, the suicide and crisis hotline, and the *Williams* and *Colbert* consent decrees.¹⁰²

The proposed FY2025 General Funds budget for the Department on Aging is \$1.6 billion, an increase of \$165.4 million over estimated spending of \$1.4 billion in FY2024.¹⁰³ Additional funding includes an increase of \$104.4 million to accommodate caseload growth and utilization as well as the proposed rate increase of \$1.15 per hour, effective January 1, 2024. There is also a \$3.0 million increase for the Home-Delivered Meals Program.¹⁰⁴ The Department of Children and Family Services will receive an additional \$76.2 million in General Funds appropriations in FY2025, or a 5.2% increase over FY2024. The increase will support additional staff positions and maintain funding for current programs and various State initiatives, including a modernized case management system and supports for other programs.¹⁰⁵

⁹⁹ The [Illinois Student Assistance Commission](#) provides scholarships to students who work in early childhood education that are seeking additional credentials and/or a degree in early childhood education.

¹⁰⁰ Illinois State FY2025 Budget, pp. 34 -35.

¹⁰¹ Illinois State FY2025 Budget, p. 339.

¹⁰² Illinois State FY2025 Budget, pp. 39 and 339.

¹⁰³ Illinois State FY2025 Budget, p. 258.

¹⁰⁴ Illinois State FY2025 Budget, p. 40.

¹⁰⁵ Illinois State FY2025 Budget, pp. 38 and 278.

Healthcare

The State's healthcare category refers to the Department of Healthcare and Family Services (HFS), which is the Illinois agency mainly responsible for Medicaid, the joint federal-state program that pays for healthcare for low-income people. Proposed FY2025 General Funds appropriations for Medicaid of nearly \$9.4 billion are projected to increase by \$91 million, or 1.0%, from estimated spending of \$9.3 billion in FY2024. This represents an increase of \$1.2 billion, or 14.7%, over the past five years, up from \$8.2 billion in FY2021.

The differences between General Funds spending and appropriations for HFS vary widely because the agency frequently does not spend a sizable portion of its appropriations.¹⁰⁶ Additionally, trends in Medicaid spending are difficult to track because of heavy reliance on other State accounts, shifts in funding such as the increase in the Medicaid reimbursement rate during the pandemic and the reduction to the reimbursement rate this year after the end of the federal pandemic emergency, as well as recent changes in the program including the expansion of Medicaid coverage under the Affordable Care Act (ACA) and the enrollment of recipients in managed care organizations (MCOs).

The projected increase in General Funds appropriations in FY2024 for the Department of Healthcare and Family Services (HFS) is due mostly to Medicaid program rate increases and programmatic changes effective in the middle of fiscal year 2024. Additionally, \$629 million will be provided in FY2025 for the Health Benefits for Immigrant Seniors and Health Benefits for Immigrant Adults programs.¹⁰⁷

Public Safety

The Public Safety area of government includes the Department of Corrections, State Police, Criminal Justice Information Authority and many others, as shown in the Appendix of this report. Proposed General Funds appropriations for Public Safety increase by \$15 million, or 0.6%, to \$2.53 billion in FY2025, up from the FY2024 total of \$2.52 billion. Over a five-year period, public safety appropriations represent an increase of \$615 million, or 32.1%, from \$1.9 billion in FY2021.

In FY2025, the proposed budget increases appropriations to violence prevention programs like the Reimagine Public Safety Act and the Restore, Reinvest and Renew Grants Program.¹⁰⁸ The Criminal Justice Information Authority (CIJA) will invest \$3.1 million for Trauma Recovery Centers and \$200 million for the Restore, Reinvest, and Renew Grants Program, which will allow for

¹⁰⁶ HFS' unspent General Funds appropriations relate partly to Medicare premiums, which the State pays for recipients who are eligible for both programs. Instead of waiting for State payments, federal authorities in recent years have deducted the amount owed from Medicaid reimbursements. Because HFS does not know in advance whether the federal government will reduce revenues or require payment, the Medicare premium amount continues to be appropriated in the agency's budget (and included in the lump sum unspent amount for the overall budget).

¹⁰⁷ Illinois State FY2024 Budget, pp. 40 and 381.

¹⁰⁸ Illinois State FY2025 Budget, p. 43.

additional grants to be awarded and flexibility in administering them. The Criminal Justice Information Authority also includes \$1 million for a nationally established web-based data collection and reporting system known as InfoNet for victim service providers as well as a \$150,000 increase in funding for Bullying Prevention services.¹⁰⁹

The Department of Corrections will use the \$22.6 million proposed increase in funding to increase compensation for staff at 28 correctional facilities across the State and \$2 million for the expansion of the construction workforce vocational training program, which is funded by the federal government.¹¹⁰ The Illinois State Police will also receive \$5.3 million in General Funds to support two cadet classes to hire and train 100 additional sworn troopers. Additionally, smaller appropriations in the proposed FY2025 budget will help fund Illinois State Police laboratory enhancements. This includes a voluntary program offered to Illinois schools known as Safe2Help and contractual services.¹¹¹

GENERAL FUNDS EXPENDITURES

Total expenditures from General Funds are expected to increase by \$752 million, or 1.4%, to \$52.3 billion in FY2025, up from approximately \$51.9 billion estimated in FY2024. The increase is due to the state group insurance and pension contributions, which is offset by a decline in total transfers out. Over the five-year period, expenditures increased by nearly \$9.0 billion, or 20.5%, from \$43.7 billion in FY2021.

State of Illinois General Funds Expenditures:
FY2021-FY2025 (in \$ millions)*

	FY2021	FY2022	FY2023 Prelim.	FY2024 Est.	FY2025 Proposed	Two-Year \$ Change	Two-Year % Change	Five-Year \$ Change	Five-Year % Change
Agency Appropriations ¹	\$ 29,995	\$ 31,593	\$ 36,204	\$ 38,732	\$ 38,877	\$ 145	0.4%	\$ 8,882	29.6%
(Unspent Appropriations) ²	\$ (1,314)	\$ (830)	\$ (1,026)	\$ (890)	\$ (840)	\$ 50	-5.6%	\$ 474	-36.1%
Net Agency Appropriations Spent	\$ 28,681	\$ 30,763	\$ 35,178	\$ 37,842	\$ 38,037	\$ 195	0.5%	\$ 9,356	32.6%
Pension Contributions	\$ 8,624	\$ 9,363	\$ 9,632	\$ 9,813	\$ 10,135	\$ 322	3.3%	\$ 1,511	17.5%
State Group Insurance	\$ 2,022	\$ 2,750	\$ 1,831	\$ 1,837	\$ 2,327	\$ 490	26.7%	\$ 305	15.1%
Net Appropriations Spent	\$ 39,327	\$ 42,876	\$ 46,641	\$ 49,492	\$ 50,499	\$ 1,007	2.0%	\$ 11,172	28.4%
Statutory Transfers Out									
Legislatively Required Transfers	\$ 517	\$ 722	\$ 1,282	\$ 443	\$ 445	\$ 2	0.5%	\$ (72)	-13.9%
Proposed Pension Stabilization Fund Contribution	\$ -	\$ -	\$ 400	\$ -	\$ -	\$ -	0.0%	\$ -	0.0%
Property Tax Rebate Checks	\$ -	\$ 470	\$ 50	\$ -	\$ -	\$ -	0.0%	\$ -	0.0%
Grocery Tax Replacement to Local Governments	\$ -	\$ 325	\$ 75	\$ -	\$ -	\$ -	0.0%	\$ -	0.0%
Income Tax Rebate	\$ -	\$ 685	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	0.0%
Proposed Transfer to Fund #611 ³	\$ -	\$ -	\$ -	\$ 350	\$ -	\$ (350)	-100.0%	\$ -	0.0%
State CURE Fund ⁴	\$ -	\$ -	\$ 1,239	\$ -	\$ -	\$ -	0.0%	\$ -	0.0%
Repayment of Interfund Borrowing ⁵	\$ 140	\$ 933	\$ -	\$ -	\$ -	\$ -	0.0%	\$ (140)	-100.0%
Total Debt Service ⁶	\$ 1,529	\$ 1,230	\$ 1,149	\$ 1,658	\$ 1,751	\$ 93	5.6%	\$ 222	14.5%
Municipal Liquidity Facility Repayments	\$ 2,209	\$ 1,052	\$ -	\$ -	\$ -	\$ -	0.0%	\$ (2,209)	-100.0%
Total Transfers Out	\$ 4,395	\$ 5,417	\$ 4,195	\$ 2,451	\$ 2,196	\$ (255)	-10.4%	\$ (2,199)	-50.0%
Total Expenditures	\$ 43,722	\$ 48,293	\$ 50,836	\$ 51,943	\$ 52,695	\$ 752	1.4%	\$ 8,973	20.5%

*Totals may not sum due to rounding.

¹Agency Appropriations in FY2024 include the proposed supplemental appropriations of \$1,183 million.

²Unspent appropriations include Comptroller prior year adjustments of \$43 million in FY2022 and \$55 million in FY2023.

³The Proposed Transfer to Fund #611 includes \$350 million in FY2024 for the Fund for Illinois' Future through the Budget Implementation Bill (BIMP) proposal.

⁴An authorized transfer of \$1,239 million from the General Fund to the State Coronavirus Urgent Remediation Emergency (CURE) Fund in FY2023 to ensure that the State fully expended its federal dollars within the timeframe set by the federal government.

⁵Repayment of interfund borrowing includes \$140 million in FY2021 and \$933 million in FY2022 from the FY2018 - FY2022 interfund borrowing authority.

⁶Total Debt Service includes: Capital Bonds, Pension Bonds, Section 7.6 Bonds and Pension Acceleration Bonds.

Sources: Illinois State FY2025 Budget, pp. 75, 86, 570; Illinois State FY2024 Budget, pp. 67, 78, 546; Illinois State FY2023 Budget, pp. 60, 70, 516.

¹⁰⁹ Illinois State FY2025 Budget, p. 44.

¹¹⁰ Illinois State FY2025 Budget, p. 44.

¹¹¹ Illinois State FY2025 Budget, p. 46.

Transfers out of General Funds consist of legislatively required transfers and debt service transfers. Legislatively required transfers move funds from General Funds to Other State Funds for various programs and purposes. Outgoing debt service transfers are used to make debt service payments. Total transfers out in FY2024 will decline by \$255 million, or 10.4%, to \$2.3 billion in FY2025, down from \$2.5 billion in FY2024, and by \$2.2 billion, or 50.0%, from \$4.4 billion in FY2021.

In FY2025 legislatively required transfers will remain relatively flat, only increasing by \$2 million, or 0.5%, to \$445 million, up from \$443 million in FY2024. The increase is due to a multitude of small investments including Tourism Promotion, Revolving Workers' Compensation claims and the School Infrastructure Fund.¹¹² Debt service transfers will increase by \$93 million to \$1.8 billion in FY2025, up from \$1.7 billion in FY2024. Debt service includes payments to capital bonds, pension bonds, section 7.6 bonds and pension acceleration bonds.

PENSIONS

Illinois' retirement systems are among the most poorly funded of any state.¹¹³ At the end of FY2023, actuarial unfunded liabilities totaled nearly \$141.4 billion and the combined funded ratio stood at 44.9%. The unfunded liability and funded ratio based on the market value of assets were \$142.2 billion and 44.6%.¹¹⁴ Based on a wide array of economic and demographic assumptions, if the funded ratio were 100%, pension assets would be sufficient to cover projected pension benefits when they are owed.

The State's 50-year funding plan, which began in FY1996, requires the five retirement systems to reach 90% funding by FY2045. The five systems are: the Teachers' Retirement System, which covers public school teachers outside Chicago; the State Employees' Retirement System, for most State employees who are not eligible for another State plan; the State Universities Retirement System, for faculty and staff of universities and community colleges; the Judges' Retirement System; and the General Assembly Retirement System. To achieve the 90% funding goal, annual State contributions for all funds are currently projected to rise to \$18.7 billion in the next 21 years¹¹⁵ from \$10.9 billion in FY2024.¹¹⁶

¹¹² Illinois State FY2025 Budget, [General Transfers Out Addendum](#), pp. 49 and 137.

¹¹³ The Pew Charitable Trusts, "[States Shored Up Pension Plans in 2021, but More Is Needed](#)," *Issue Brief*, November 8, 2023..

¹¹⁴ Illinois General Assembly, Commission on Government Forecasting and Accountability, [Special Pension Briefing](#), November 2023, p. 2-3.

¹¹⁵ Illinois General Assembly, Commission on Government Forecasting and Accountability, [Special Pension Briefing](#), November 2023, p. 12.

¹¹⁶ Illinois General Assembly, Commission on Government Forecasting and Accountability, [Special Pension Briefing](#), November 2023, p. 12. The \$10.9 billion contribution is for all funds.

The State's unfunded pension liabilities are expected to continue growing until FY2027 despite increasing contributions.¹¹⁷ The State's funding plan and subsequent statutory changes deferred a large portion of required contributions to future years, which funded other priorities in annual budgets at the expense of the pension funds. This means the State is still experiencing negative amortization of its pension funds and is not contributing enough to decrease the unfunded liability.

The Governor's FY2025 budget includes a proposal to increase the goal of the 50-year funding program to 100% by FY2048, which would increase the State's contributions to the pensions from half of the budgetary savings when its backlog bonds and pension obligation bonds are paid off in 2030 and 2034. The Governor additionally proposes making changes to how annual gains and losses in the funds, compared to actuarial assumptions, are amortized in order to prevent swings in State payments during the final years of the funding schedule. The Civic Federation supports these proposals as well-considered options to rationalize the State's pension funding schedule.

Finally, the FY2025 proposed budget recommends that the State's pension funds and the General Assembly review changing the Tier 2 pensionable salary cap to the Social Security wage base for State employees who do not receive Social Security to ensure the Tier remains compliant with federal law. This recommendation is in line with the Civic Federation's recommendations as expressed in its analysis of the FY2024 proposed State budget, its testimony provided to the Illinois House Committee on Personnel and Pensions in 2023 and a joint Tier 2 safe harbor explainer released in November 2023 with the Civic Committee of the Commercial Club of Chicago.¹¹⁸

The next chart shows the State's annual pension contributions within the General Funds, including transfers from pension bonds, as a portion of General Funds revenue from State sources (which exclude federal funding or other non-State revenue sources).¹¹⁹ Pension costs as a share of General Funds State-source-only revenue grew from 8.3% in FY2008 to an estimated 22.9% in the proposed FY2025 budget.¹²⁰ The peak was 30.7% in FY2017 during the budget impasse. Total pension costs increased over this period from \$2.1 billion in FY2008 to

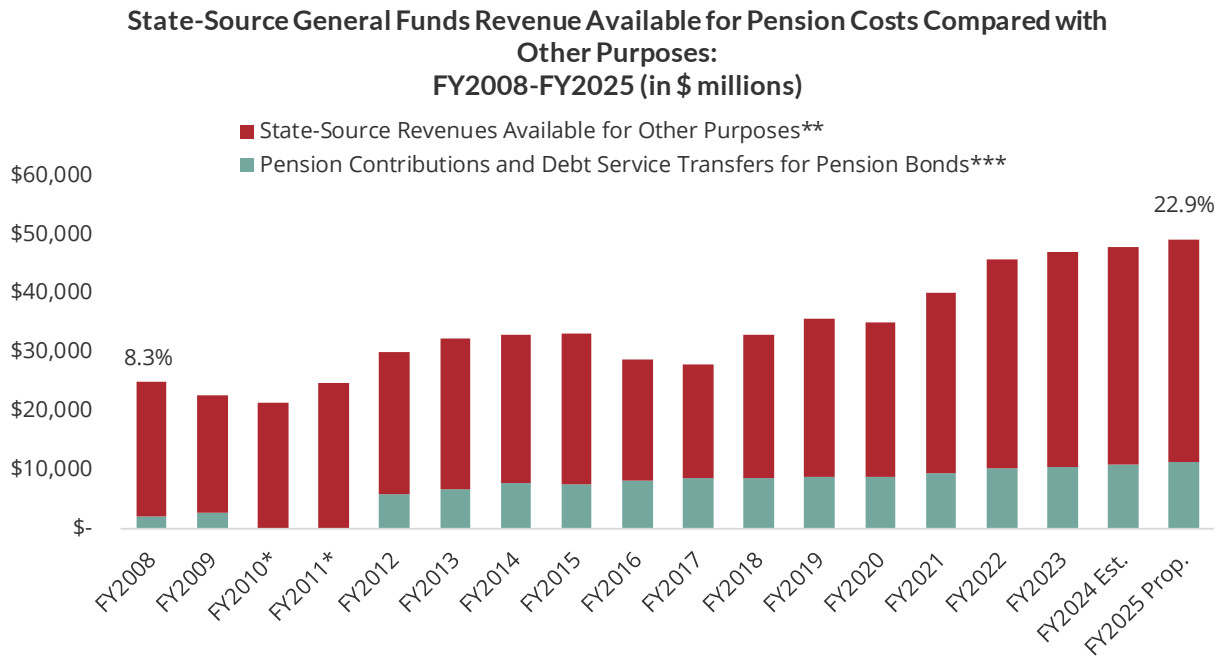
¹¹⁷ Illinois General Assembly, Commission on Government Forecasting and Accountability, [Special Pension Briefing](#), November 2023, p. 12.

¹¹⁸ See [FY2024 Proposed State Budget Analysis](#), [Written Testimony](#), [Tier 2 Safe Harbor Explainer](#).

¹¹⁹ General Funds revenues in Illinois include State-source revenues as well as federal revenues, which are mainly reimbursements for Medicaid spending.

¹²⁰ General Funds pension contributions account for approximately 89% of total State contributions. State of Illinois, General Obligation Bonds, Series of December 2023ABC, [Official Statement](#), November 28, 2023, p. A-16.

\$11.2 billion in FY2025. Pension contributions for FY2010 and FY2011 are not shown in the chart because they were paid from bond proceeds instead of General Funds.



* Pension contributions in FY2010 and FY2011 were made through issuance of bonds and are not included in this chart.

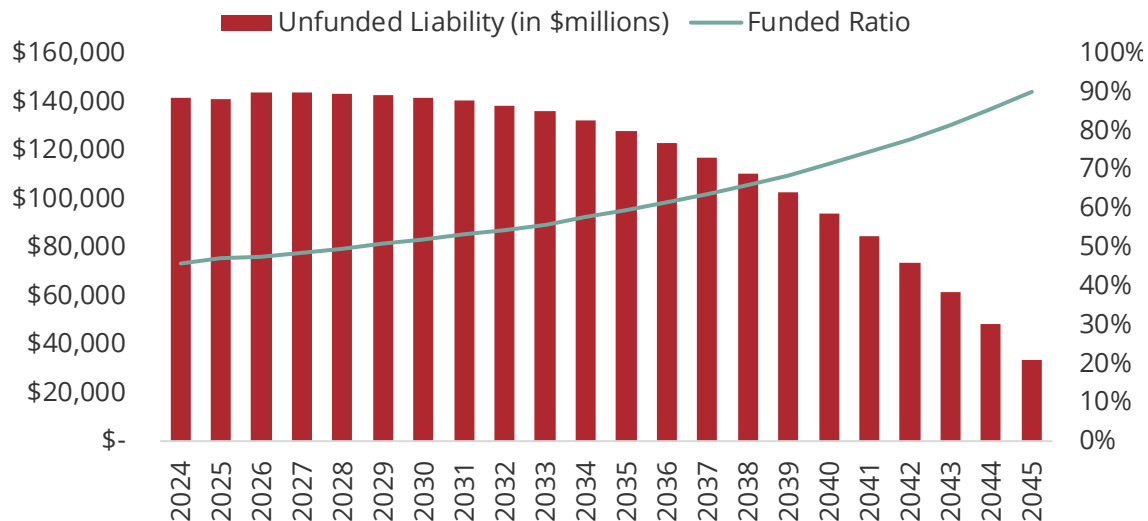
** State-source revenues exclude interfund and other borrowing.

*** Pension bonds debt service includes pension acceleration bonds.

The following chart shows the most recent estimates of total unfunded liabilities and combined funded ratios for the State's five retirement systems from FY2024 through FY2045. The projections are based on preliminary data from FY2023 and do not account for the Governor's pension funding proposal included in the FY2025 proposed budget. For charts showing the

potential impact of the Governor's proposed changes to the funding schedule and enhanced contributions, see page 59-61 of the FY2025 Illinois State Budget book.¹²¹

State of Illinois Retirement Systems Projected Financial Condition: FY2024 to FY2045



Source: Illinois General Assembly, Commission on Government Forecasting and Accountability, *Special Pension Briefing*, November 2023, p. 12.

CONDENSED HISTORY OF THE STATE OF ILLINOIS' EFFORTS TO ADDRESS STATE PENSION BENEFITS

The following sections provide brief summaries of the State of Illinois' initiatives to address public pension benefit levels.

Tier 2

To address budgetary pressures due to increasing pension costs, the State in 2011 created a second, significantly less generous Tier 2 of benefits for new employees.¹²² Among other benefit changes, new employees receive automatic annual increases upon retirement of 3% or one-half of the rise in the Consumer Price Index, whichever is less, on a simple-interest basis. The increase for workers hired before 2011 is 3% per year on a compounded basis. State contributions are expected to decline over time as new employees represent a larger share of the workforce.¹²³ However, the low Tier 2 benefits, which were not matched by lower employee

¹²¹ [Illinois State FY2025 Budget](#).

¹²² Public Act 96-0889, enacted on April 14, 2010.

¹²³ State of Illinois, General Obligation Bonds, Series of December 2023ABC, [Official Statement](#), November 28, 2023, B-32.

contributions, may not be sustainable due to legal and equity issues. Many Tier 2 members are paying more than the full cost of their benefits, effectively subsidizing the State by helping to pay down its unfunded liability. Most State employees are not currently covered by Social Security, but Tier 2 benefit caps might eventually be considered too low to meet minimum standards for exemption from Social Security coverage.¹²⁴ For more on Tier 2 pensions and the Civic Federation's position on this issue, see p. 10.

Tier 1 Pension Reform

Efforts to reduce pension benefits for existing employees and retirees have been blocked by the Illinois Supreme Court. Legislation enacted in 2013 for four of the five State funds included an actuarially sound employer pension contribution schedule and a limitation on the automatic annual benefit increase for both current employees and retirees, among other provisions.¹²⁵ The high court ruled in 2015 and 2016 that the State law and subsequent benefit changes enacted for two City of Chicago pension funds¹²⁶ violated the pension protection clause in the Illinois Constitution.¹²⁷ That clause states that pension benefits are part of a contractual relationship and cannot be diminished or impaired.¹²⁸

Pension Buyout Programs

Public Act 100-0587, which was effective June 4, 2018, created two voluntary pension buyout plans for members of the three largest retirement systems: TRS, SERS and the State Universities Retirement System (SURS). The two voluntary plans are intended to reduce State costs by allowing members to give up future benefits in exchange for immediate payments.¹²⁹ One offers certain employees who are about to retire upfront cash payments in exchange for lower automatic annual increases in their benefits. The other offers an opportunity for inactive members of the pension plans to take a lump sum payment of 60% of the current value of their benefits. While the programs were slow to roll out, they are now accounting for some liability reductions and budgetary savings. According to GOMB, the buyout program has reduced liabilities by approximately \$2.0 billion and the State's FY2025 contributions to SERS and TRS are

¹²⁴ Civic Federation and Civic Committee, "[Tier 2 Pensions and Safe Harbor Explained](#)," November 7, 2023.

¹²⁵ Public Act 98-0599, enacted on December 5, 2013.

¹²⁶ Public Act 98-0641, enacted on June 9, 2014.

¹²⁷ The Illinois Supreme Court opinions are available at <http://www.illinoiscourts.gov/OPINIONS/SupremeCourt/2015/118585.pdf> and <http://www.illinoiscourts.gov/Opinions/SupremeCourt/2016/119618.pdf> (last accessed on May 15, 2019).

¹²⁸ Ill. Const. art. XIII, sec. 5.

¹²⁹ For more information, see the Institute for Illinois' for Fiscal Sustainability at the Civic Federation blogs: "Examining Pension Savings in Illinois' FY2019 Budget," July 5, 2018, <https://www.civicfed.org/iifs/blog/examining-pension-savings-illinois-fy2019-budget>; "Illinois FY2019 Budget Still Faces Major Hurdles," October 5, 2018, <https://www.civicfed.org/iifs/blog/illinois-fy2019-budget-still-faces-major-hurdles>; State of Illinois Pension Contributions to Rise in FY2020, but by how Much," November 9, 2018, <https://www.civicfed.org/iifs/blog/state-illinois-pension-contributions-rise-fy2020-how-much>; "Illinois Budget Deficit Projected to Exceed \$1 Billion in FY2019," November 20, 2018, <https://www.civicfed.org/iifs/blog/illinois-budget-deficit-projected-exceed-1-billion-fy2019>; "Illinois' Pension Buyout Savings Far Less than Expected," July 18, 2019, <https://www.civicfed.org/iifs/blog/illinois-pension-buyout-savings-far-less-expected>.

\$40 million and \$96 million lower, respectively, than they would have been absent the buyout program.¹³⁰

To pay for the buyouts, the legislation originally authorized the issuance of up to \$1 billion in bonds and included a sunset date for the program of June 30, 2024. Public Act 102-718 increased the authorization to \$2 billion and extended the sunset date to June 30, 2026. As of December 2023, the State had issued \$1.5 billion in pension buyout bonds.¹³¹

Of the three funds, SERS was the system with the largest expected savings and has had the highest take-up rate. As of October 2023, SERS has processed payments totaling \$422.1 million for the accelerated pension benefits, with 26.2% of eligible retirees opting into the automatic annual increase (AAI) reduction program, and \$20.6 million for the buyout program. Participation in the AAI reduction program is 26.7% and the average payout is \$119,600. Participation in the pension buyout program is less than 1%. TRS has expended bond proceeds of \$809.1 million as of October 2023, with a 20.3% participation rate in the AAI reduction program with an average payout of \$130,841, and 10.8% participation in the buyout program with an average payout of \$123,432. SURS has expended bond proceeds of \$41.3 million as of June 30, 2023, and participation ranged between 1-1.6%.¹³²

DEBT BURDEN AND RATINGS

The State of Illinois currently pays debt service on four major types of bonds: General Obligation (GO) bonds for capital projects, GO bonds for pension obligations, GO bonds to pay backlogged bills and Build Illinois revenue Bonds.

All GO bonds are guaranteed by a pledge of the full faith and credit of the State. This is a legally binding commitment to pay both principal and interest on these loans as required by the bond agreements prior to directing revenues to any other use of State funds. The State is authorized under the General Obligation Bond Act to issue bonds to fund a variety of capital investments including roads, schools, mass transit, environmental projects and other facilities.¹³³

In 2003, the State amended the GO Bond Act to include the authorization to issue \$10 billion in **Pension Obligation bonds** (POBs) to increase the assets in its pension funds and make required annual contributions to the State's five retirement systems. The State issued additional POBs in FY2010 and FY2011; these were retired in 2015 and 2019, respectively. There is no ongoing statutory authority to issue additional POBs at this time. The outstanding principal for POBs as

¹³⁰ [Illinois State FY2025 Budget](#), p. 58.

¹³¹ State of Illinois, General Obligation Bonds, Series of December 2023ABC, [Official Statement](#), November 28, 2023, p. B-36.

¹³² State of Illinois, General Obligation Bonds, Series of December 2023ABC, [Official Statement](#), November 28, 2023, p. B-36.

¹³³ General Obligation Bond Act, 30 ILCS 330/1.

of December 31, 2023, was approximately \$7.2 billion and total debt service outstanding, including interest, was nearly \$9.3 billion.¹³⁴

In 2018, the General Assembly authorized the issuance of up to \$1 billion in **pension acceleration bonds** to reduce pension liabilities. In May 2022, the State increased the authorization for these bonds to \$2 billion.¹³⁵ Pension acceleration bonds are intended to finance the cost of two programs:¹³⁶

- The first program provides an accelerated pension benefit payment equal to 60% of the actuarial present value of future pension benefits in lieu of all future benefits to inactive, vested members of the Teachers' Retirement System (TRS), State Universities Retirement System (SURS) and State Employees' Retirement System (SERS) who have terminated employment but have not yet received a retirement annuity.
- The second program provides an accelerated pension benefit payment at the time of retirement to any Tier 1 member of TRS, SURS or SERS who elects to receive pension annuities with a reduced 1.5 percent non-compounded Annual Automatic Increase (AAI) in lieu of the standard 3 percent compounded Tier 1 AAI. This payment is equal to 70% of the difference in the actuarial present value of the AAIs.

The principal outstanding on these pension acceleration bonds as of December 31, 2023, was \$1.3 billion.¹³⁷

The General Assembly approved legislation in 2017 authorizing the issuance of \$6 billion in bonds to pay down the State's **unpaid bill backlog**.¹³⁸ These are called **Section 7.6 bonds**. In November 2017, the State issued the bonds at an interest rate of 3.5%. The bonds will mature in November 2029. The principal outstanding on these bonds as of December 31, 2023, was \$3 billion.¹³⁹ Public Act 101-0300 amended Section 7.6 to authorize the issuance of an additional \$1.2 billion in backlog bonds. The state has not yet declared its intentions as to when these bonds will be issued.¹⁴⁰

Illinois also uses several types of revenue bonds to fund capital projects. Unlike GO bonds, revenue bonds are not guaranteed by the full faith and credit of the State, but rather pledge a portion of specific State revenues. The largest ongoing revenue bond issuances are the **Build Illinois Bonds**, which were first issued in 1985. Build Illinois Bonds are backed by a pledge of the State's portion of sales tax receipts¹⁴¹ and by various revenue sources that fund the Capital Projects Fund. As of December 31, 2023, there were nearly \$2.3 billion in principal outstanding for Build Illinois Bonds.¹⁴²

¹³⁴ Illinois FY2025 State Budget, p. 587.

¹³⁵ Illinois FY2025 State Budget, p. 574.

¹³⁶ Illinois FY2025 State Budget, p. 574.

¹³⁷ Illinois FY2025 State Budget, p. 587.

¹³⁸ 30 ILCS 330/7.6 *General Obligation Bond Act. Income Tax Proceed Bond*.

¹³⁹ Illinois FY2025 State Budget, p. 573.

¹⁴⁰ Illinois FY2025 State Budget, p. 573.

¹⁴¹ Build Illinois Bond Act, 30 ILCS 425.

¹⁴² Illinois FY2025 State Budget, p. 588.

In 2019, the General Assembly approved and Governor Pritzker signed into law a \$45.0 billion multi-year capital plan called **Rebuild Illinois**. This was the first state capital plan since the Illinois Jobs Now! capital plan that was approved in 2010.¹⁴³ The FY2025 capital budget proposes appropriations of approximately \$51.0 billion; this includes new spending and reappropriation authority.¹⁴⁴ Additional information about the FY2025 capital budget will be provided in a subsequent Civic Federation report.

Furthermore, two state-related agencies, the Illinois Sports Facilities Authority and the Metropolitan Pier and Exposition Authority, also issue debt that is not backed by the full faith and credit of the State.

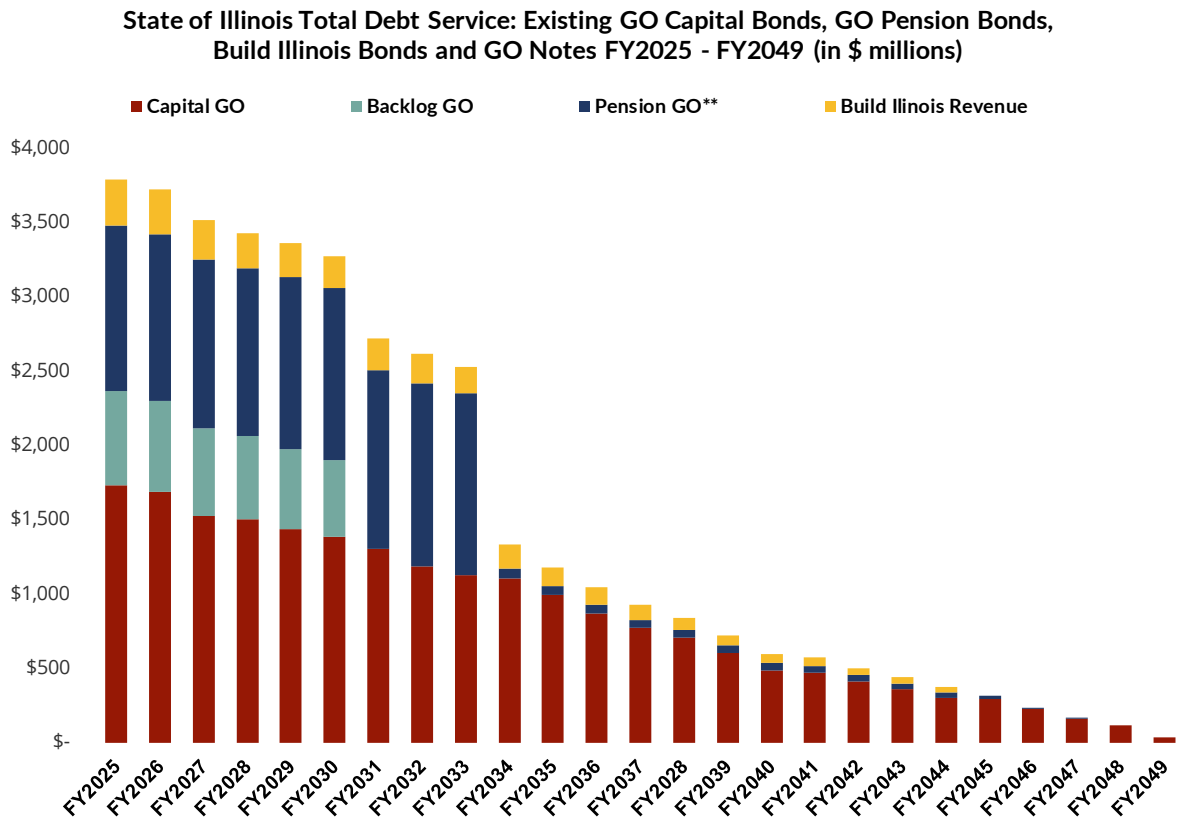
DEBT SERVICE

Debt service is the total cost of issuing debt, including the principal or the amount originally borrowed and interest. In FY2025, the State of Illinois is scheduled to pay debt service totaling nearly \$3.8 billion. The largest portion of the FY2025 debt service payment is due on capital purpose GO bonds totaling \$1.7 billion, followed by Pension Obligation and Pension Acceleration bonds at \$1.1 billion, backlog bonds at \$635.5 million, and Build Illinois revenue Bonds at \$308.0 million. Total cumulative debt service on existing GO and revenue bonds will be \$38.3 billion from FY2025 through FY2049.

¹⁴³ Public Acts 96-0004, 96-0035, 96-0039, 96-0819.

¹⁴⁴ Illinois FY2025 State Capital Budget, p. 20.

The following chart shows total debt service for existing Pension Obligation bonds, GO capital bonds, other capital bonds and GO notes from FY2025 through FY2049, as of the issuance of the FY2025 recommended state budget.



** Includes Pension Acceleration and Pension Obligation Bonds
Source: Illinois FY2025 State Budget, pp. 586-588.

DEBT SERVICE TRANSFERS

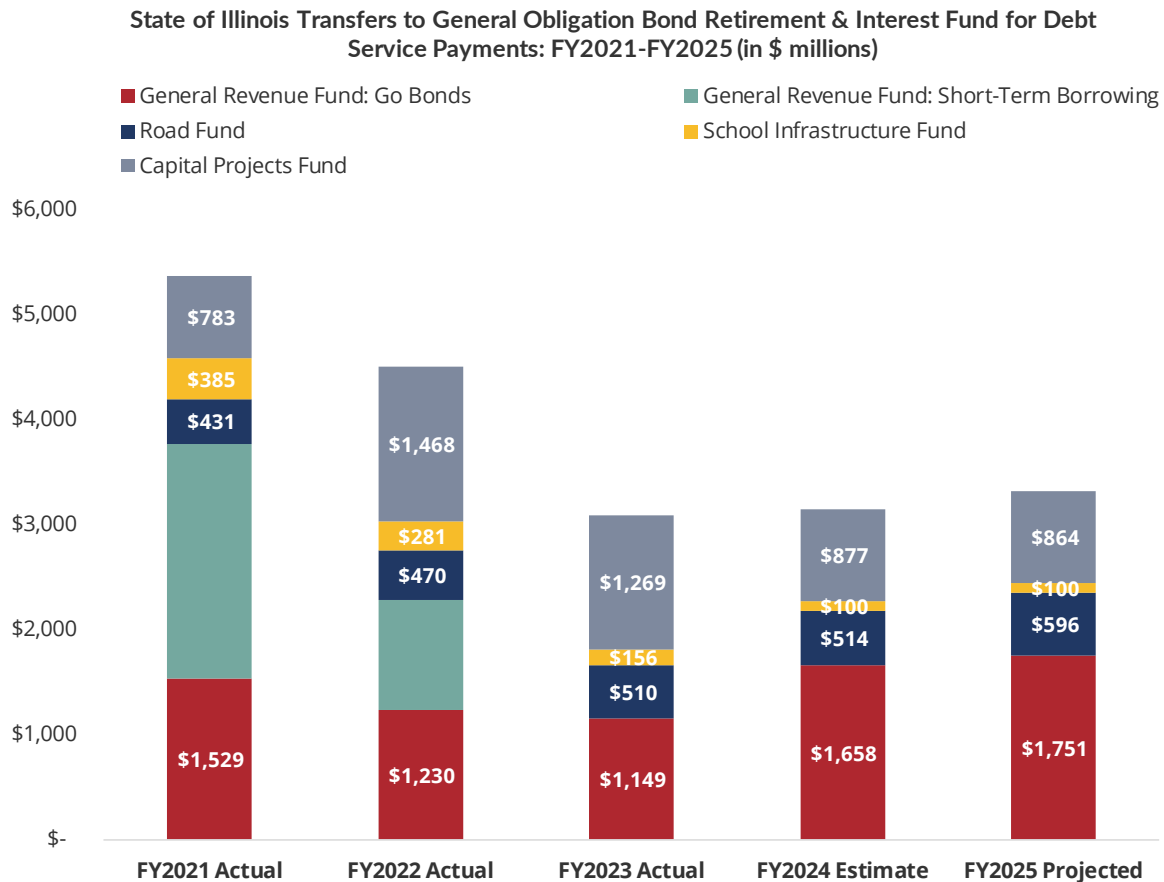
A portion of the State's total debt service repayment each year is made through a transfer from the General Revenue Fund to the General Obligation Bond Retirement and Interest Fund (GOBRI). In addition, transfers are also made from the Road Fund, School Infrastructure Fund and Capital Projects Fund to GOBRI. Build Illinois Bonds are paid through sales taxes diverted outside the General Funds and through the Capital Projects Fund. Other funds are used to pay for the remaining debt service.

The total debt service transfer to GOBRI for FY2025 will total \$3.3 billion. This is an increase of \$162 million from FY2024. Between FY2021 and FY2025, these costs will fall by 38.3% or \$2.0 billion, due primarily to the retirement of short-term debt, falling from \$5.3 billion to \$3.3 billion.¹⁴⁵

¹⁴⁵ Illinois FY2025 State Budget, p. 570.

Transfers to GOBRI from the General Funds alone will total \$1.8 billion in FY2025, up from \$1.7 billion in FY2024.

The following chart shows the transfers to the General Obligation Bond Retirement and Interest Fund for FY2021 through FY2025.



BUILD ILLINOIS BOND PROGRAM

Part of the funding to pay for Build Illinois Bonds debt service is diverted from the State's portion of sales tax receipts prior to being deposited into the General Funds. The State is required to transfer the larger of either 3.8% of its share of the sales taxes collected each year or one-eighth of the certified annual debt service requirement owed on all outstanding Build Illinois revenue bonds. Although these bonds are not paid for through a General Funds transfer, the cost of the Build Illinois revenue bonds reduces the amount of sales tax revenues that would otherwise be available to fund the annual operating budget.¹⁴⁶

¹⁴⁶ Illinois FY2025 State Budget, p. 575 and 30 ILCS 425, Sec. 13; 35 ILCS 120, Sec. 3.

OUTSTANDING DEBT

The following table shows the total principal, interest and debt service for State of Illinois debt outstanding in FY2021 and FY2025. Total debt service will decline by 15.6%, or \$7.1 billion, falling from \$45.4 billion to \$38.3 billion.

Between FY2021 and FY2025, the State of Illinois is expected to reduce the principal on outstanding bonds by 13.9% or \$4.5 billion. This is a decrease from \$32.6 billion to \$28.0 billion.

Total interest owed on the State's outstanding debt will decline by roughly \$2.6 billion over this five-year period. Interest owed on pension bonds will be \$1.6 billion less in FY2025 than it was in FY2021. Outstanding interest on capital purpose GO bonds will decrease by \$49.0 million over the five-year period. The interest owed on all outstanding Build Illinois Bond debt will rise by \$40.3 million over five years, from \$711.9 million in FY2021 to \$752.2 million in FY2025.

The GO Note debt service represents payments due for the \$2 billion three-year short-term note borrowed on December 17, 2020, from the federal Municipal Liquidity Facility to fund costs associated with the COVID-19 pandemic. This debt was retired by January 2022.¹⁴⁷

¹⁴⁷ Illinois FY2023 State Budget, p. 60.

Total pension debt service will decline by approximately \$2.3 billion, from \$13.4 billion to \$11.1 billion between FY2021 and FY2025. In the same period, general obligation debt service will rise slightly by \$32.3 million to an amount of \$20.7 billion.

State of Illinois Total Outstanding Debt Service:
General Obligation and Build Illinois Bonds Five-Year Comparison 2021-2050
(in \$ millions)

	FY2021	FY2022	FY2023	FY2024	FY2025	5-Year \$ Change	5-Year % Change
Principal							
GO Capital	\$ 14,186.9	\$ 14,335.0	\$ 14,640.3	\$ 15,335.5	\$ 14,268.0	\$ 81.1	0.6%
GO Pension	\$ 9,263.0	\$ 9,201.6	\$ 9,114.1	\$ 7,650.0	\$ 8,494.5	\$ (768.5)	-8.3%
GO Backlog	\$ 5,000.0	\$ 4,500.0	\$ 4,000.0	\$ 3,500.0	\$ 3,000.0	\$ (2,000.0)	-40.0%
GO Note	\$ 2,000.0	\$ -	\$ -	\$ -	\$ -	\$ (2,000.0)	-100.0%
Build Illinois	\$ 2,108.9	\$ 2,246.5	\$ 2,047.3	\$ 2,459.4	\$ 2,278.7	\$ 169.8	8.1%
Other Revenue	\$ 5.4	\$ -	\$ -	\$ -	\$ -	\$ (5.4)	---
Total Principal	\$ 32,564.2	\$ 30,283.1	\$ 29,801.7	\$ 28,944.9	\$ 28,041.2	\$ (4,523.0)	-13.9%
Interest							
GO Capital	\$ 6,507.2	\$ 6,387.6	\$ 6,643.9	\$ 7,194.9	\$ 6,458.4	\$ (48.8)	-0.7%
GO Pension	\$ 4,155.3	\$ 3,294.8	\$ 3,458.1	\$ 3,054.3	\$ 2,596.5	\$ (1,558.8)	-37.5%
GO Backlog	\$ 1,243.7	\$ 1,007.2	\$ 795.7	\$ 609.3	\$ 447.8	\$ (795.9)	-64.0%
GO Note	\$ 204.8	\$ -	\$ -	\$ -	\$ -	\$ (204.8)	-100.0%
Build Illinois	\$ 711.9	\$ 685.5	\$ 597.7	\$ 838.6	\$ 752.2	\$ 40.3	5.7%
Other Revenue	\$ 0.20	\$ -	\$ -	\$ -	\$ -	\$ (0.2)	---
Total Interest	\$ 12,823.1	\$ 11,375.1	\$ 11,495.4	\$ 11,697.1	\$ 10,254.9	\$ (2,568.2)	-20.0%
Debt Service							
GO Capital	\$ 20,694.1	\$ 20,722.6	\$ 21,284.2	\$ 22,530.4	\$ 20,726.4	\$ 32.3	0.2%
GO Pension	\$ 13,418.3	\$ 12,496.4	\$ 12,572.2	\$ 10,704.3	\$ 11,091.0	\$ (2,327.3)	-17.3%
GO Backlog	\$ 6,243.7	\$ 5,507.2	\$ 4,795.7	\$ 4,109.3	\$ 3,447.8	\$ (2,795.9)	-44.8%
GO Note	\$ 2,204.8	\$ -	\$ -	\$ -	\$ -	\$ (2,204.8)	-100.0%
Build Illinois	\$ 2,820.8	\$ 2,932.0	\$ 2,645.0	\$ 3,298.0	\$ 3,030.9	\$ 210.1	7.4%
Other Revenue	\$ 5.6	\$ -	\$ -	\$ -	\$ -	\$ (5.6)	---
Total Debt Service	\$ 45,387.3	\$ 41,658.2	\$ 41,297.1	\$ 40,642.0	\$ 38,296.1	\$ (7,091.2)	-15.6%

Note: Figures as of December 31 of each calendar year.

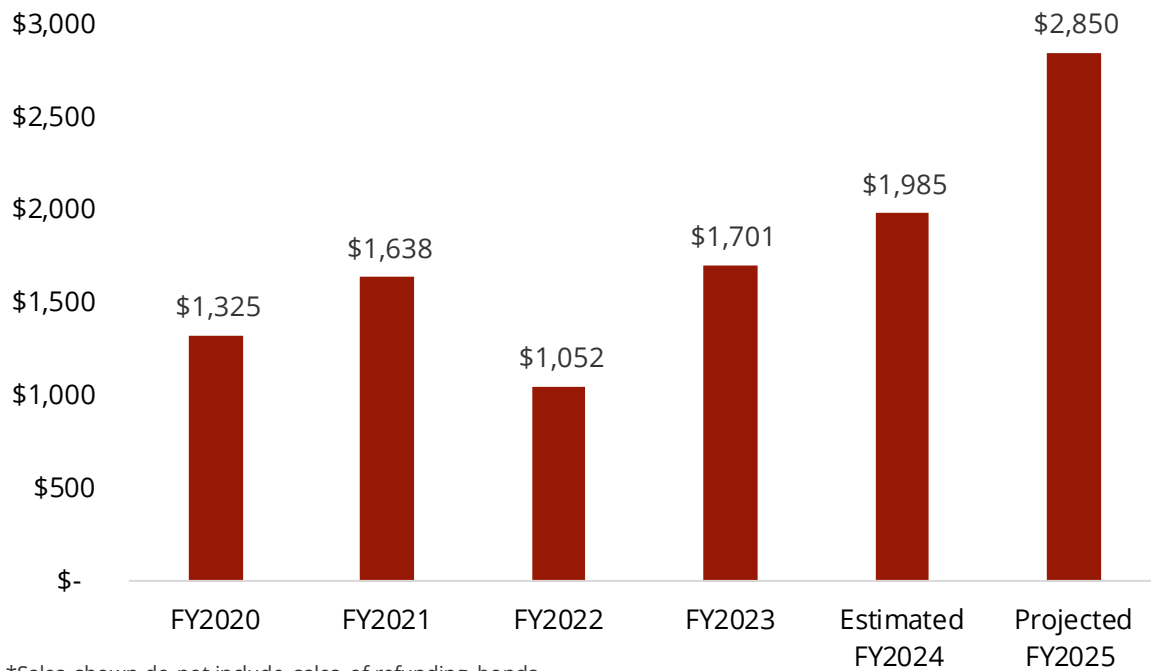
Sources: Illinois FY2021 State Budget, pp. 525-527; and Illinois FY2022 State Budget, pp. 516-518; FY2023 Illinois State Budget, pp. 531-533; Illinois FY2024 Budget, pp. 561-563; and Illinois FY2025 Budget, pp. 586-588.

NEW GENERAL OBLIGATION DEBT ISSUES IN FY2024 AND FY2025

In the FY2025 Budget Book, the State announced that it would issue nearly \$2.9 billion in new GO bonds to fund capital projects. This is an increase from the \$1.9 billion planned for issuance in the current 2024 fiscal year. The new bond issues will be used to finance a number of capital projects that have progressed from the planning and design stages to the construction phase.¹⁴⁸ The bond issues over the five years from FY2021 through FY2025 will support projects in the State's Rebuild Illinois capital plan approved in June 2019.

¹⁴⁸ State of Illinois FY2025 Budget, p. 570.

General Obligation New Capital Bond Sales
FY2020-FY2025 (in \$ millions)



*Sales shown do not include sales of refunding bonds.

Source: Illinois FY2025 State Budget, p. 571.

BOND RATINGS

Bond ratings are one of the factors that weigh heavily in determining the interest rates the State must pay to issue debt. The following chart shows the current ratings for Illinois' General Obligation Bonds and Build Illinois Bonds. The current State of Illinois ratings are all investment grade.

State of Illinois: Current Bond Ratings as of March 2024

Company	GO Bonds		Build Illinois Bonds	
	Rating	Outlook	Rating	Outlook
Moody's Investor's Services	A3	Stable	A3	Stable
S & P Global Ratings	A-	Stable	A	Stable
Fitch Ratings	A-	Stable	A+	Stable
Kroll Bond Rating Agency	Not Rated	N/A	AA+	Stable

Source: State of Illinois FY2025 Budget, p. 582.

RECENT RATING AGENCY ACTIONS

In January 2024 **Fitch Ratings** assigned an A+ with a stable outlook credit rating for \$600 million in new State of Illinois Build Illinois sales tax revenue bonds and affirmed the same rating for Illinois Build Illinois senior and junior obligation sales tax revenue bonds.¹⁴⁹

In November 2023 **Fitch Ratings** upgraded the State of Illinois' general obligation bonds to A- with a stable outlook from the previous rating of BBB+ with a positive outlook. The rating was based on the State's increased reserves, improved budget management and the significant paydown of outstanding accounts payable. Fitch also upgraded the State's Build Illinois revenue bonds to A+ from A; the upgrade reflected the improved financial situation of the State and confidence that state sales tax deposits would increase over time.¹⁵⁰

In March 2023 **Fitch Ratings** revised the State of Illinois's rating outlook to positive from stable and assigned a BBB+ rating to the State's \$2.5 billion in general obligation bonds. The change reflected the State's plans to increase its reserve fund contributions and its improved fiscal resilience.¹⁵¹

Moody's Investors Services upgraded the State of Illinois' issuer rating from Baa1 to A3 on March 14, 2023. Concurrently, it also increased the credit ratings of the State's general obligation and Build Illinois sales tax bonds to A3 from Baa1. Moody's cited continued improvement in the State's financial situation for the upgraders, including expansion of fiscal reserves, increased payments toward outstanding liabilities such as the pension funds and improved governance processes. The rating agency warned, however, that Illinois continues to face large long-term liability pressures that constrain its fiscal flexibility.¹⁵²

In February 2023 **Standard and Poor's Global Ratings** raised its credit rating to A- from BBB+ with a stable outlook on the State of Illinois' outstanding long-term general obligation debt. It also raised the rating to A from A- on the State's Build Illinois junior and senior lien sales tax bonds. The reasons given for the upgrade were the State's increased repayment of its liabilities, increases in the Budget Stabilization Fund and a slowing of growth in statutorily required pension fund growth.¹⁵³

¹⁴⁹ Fitch Ratings. [Fitch Rates \\$600MM Build Illinois Bonds 'A+'](#); Outlook Stable, January 3, 2024.

¹⁵⁰ Fitch Ratings. [Fitch Upgrades Illinois' IDR to 'A-' and Rates \\$875MM GO Bonds 'A-'](#); Outlook Stable, November 7, 2023.

¹⁵¹ Fitch Ratings. Rating Action Commentary. Fitch Revises State of Illinois's Rating Outlook to Positive; Rates Illinois' \$2.5B GO Bonds 'BBB+', March 29, 2023, at <https://www.fitchratings.com/research/us-public-finance/fitch-revises-state-of-illinois-rating-outlook-to-positive-rates-illinois-2-5b-go-bonds-bbb-29-03-2023>.

¹⁵² Moody's Investors Services, Rating Action: Moody's upgrades the State of Illinois to A3; outlook stable, March 14, 2023, at https://www.moody's.com/research/Moodys-upgrades-the-State-of-Illinois-to-A3-outlook-stable--PR_908032205.

¹⁵³ S & P Global Ratings. State of Illinois GO Debt Rating Raised to 'A-' from 'BBB+' on Improved Liquidity. February 23, 2023.

APPENDIX:

LIST OF STATE OF ILLINOIS AGENCIES BY OUTCOME AREA

The appendix shows the categorization of State agencies that appears in the FY2025 budget.¹⁵⁴

P-12 Education

Illinois State Board of Education

Higher Education

Illinois Board of Higher Education

Chicago State University

Eastern Illinois University

Governors State University

Northeastern Illinois University

Western Illinois University

Illinois State University

Northern Illinois University

Southern Illinois University

University of Illinois

Illinois Community College Board

Illinois Student Assistance Commission

Illinois Mathematics and Science Academy

State Universities Civil Service System

Economic Development

Agriculture

Commerce and Economic Opportunity

Labor

Transportation

Illinois Commerce Commission

Human Rights Commission

Illinois Sports Facilities Authority

Southwestern Illinois Development Authority

Public Safety

Corrections

Financial and Professional Regulation

Insurance

Military Affairs

¹⁵⁴ State of Illinois, Governor's Office of Management and Budget, "[Illinois Economic and Fiscal Policy Report](#)," p. 16, November 15, 2023.

State Police
 Environmental Protection Agency
 Illinois Criminal Justice Information Authority
 Illinois Workers' Compensation Commission
 Law Enforcement Training and Standards Board
 Prisoner Review Board
 Property Tax Appeal Board
 Illinois Emergency Management Agency
 Illinois Labor Relations Board
 State Fire Marshal

Human Services

Aging
 Children and Family Services
 Juvenile Justice
 Employment Security
 Human Rights
 Human Services
 Public Health
 Veterans' Affairs
 Illinois Deaf and Hard of Hearing Commission
 Illinois Guardianship and Advocacy Commission
 Illinois Council on Developmental Disabilities

Healthcare

Healthcare and Family Services

Environment and Culture

Natural Resources
 Illinois Arts Council
 Abraham Lincoln Presidential Library and Museum

Government Services (including employee health insurance)

General Assembly and Legislative Agencies
 Auditor General
 Supreme Court and Illinois Court System
 Supreme Court Historic Preservation Commission
 Courts Commission
 Judicial Inquiry Board
 State Appellate Public Defender
 State's Attorneys Appellate Prosecutor
 Court of Claims
 Governor
 Lieutenant Governor
 Attorney General

Secretary of State
 State Comptroller
 State Treasurer
 State Board of Elections
 Central Management Services
 Innovation and Technology
 Lottery
 Revenue
 Governor's Office of Management and Budget
 Office of the Executive Inspector General
 Executive Ethics Commission
 Capital Development Board
 Civil Service Commission
 Commission on Equity and Inclusion
 Procurement Policy Board
 Illinois Independent Tax Tribunal
 Illinois Gaming Board
 Illinois Racing Board
 Liquor Control Commission
 Other Government Services¹⁵⁵
 Chicago Teachers' Pension and Retirement System

Pensions

Teachers' Retirement System
 State Universities' Retirement System
 General Assembly Retirement System
 Judges' Retirement System
 State Employees' Retirement System

¹⁵⁵ Includes contributions to the Teachers' Retirement Insurance Program, College Insurance Program, operational expenses of the State Employees' Retirement System, and any additional appropriation authority needed to address the shortfall in contributions to the system in prior years (approximately \$99 million in fiscal year 2024).

POLICY SPOTLIGHT | APRIL 11, 2024

Should Illinois Eliminate the State Grocery Tax?

The state of Illinois imposes a “Retailer’s Occupation Tax” (ROT), or sales tax, of 6.25% on general merchandise and 1% on qualifying food, drugs, and medical appliances.¹ The 1% tax is charged on most food items for home consumption, or “food at home” (FAH) and is often referred to as a “grocery tax.” The state grocery tax plays a role in local government finance because a portion of state receipts are passed through to municipalities. Illinois is among 13 states that impose a grocery tax (Figueroa & Legendre, 2020).²

Grocery taxes are a controversial way to raise revenue. Because low-income households spend a much higher share of their income on food than better-off households, the concern is that the grocery tax may be regressive, so that low-income households end up paying more than their “fair share” of taxes. A tax on FAH may also encourage consumer substitution into less nutritious food away from home (FAFH). Because of this, the grocery tax could have an adverse impact on lower-income households’ health.

Under current law, one percentage point of the state’s 6.25% ROT (or 16% of state ROT

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collections) is passed through to municipal governments.³ Elimination of the grocery tax would lower ROT revenue by reducing the taxable base of retail sales.⁴ In 2022 Gov. Pritzker and the General Assembly agreed to suspend the grocery tax for state fiscal year (SFY) 2023 (P.A. 102-0700). From July 1, 2022 through June 30, 2023, items formerly subject to the 1% tax rate (with the exception of medicines and drugs) were not subject to the state tax.⁵ It is important to note that the elimination of the grocery tax only eliminates the portion of ROT revenue that is generated by grocery sales. The state still passes through a 1% ROT collected on non-grocery items. This means that the elimination of the grocery tax has a fairly small revenue impact relative to all ROT that is passed through to local governments.

¹ A detailed description of Illinois sales taxes can be found at <https://perma.cc/X3J8-MG4D>.

² The other states with grocery taxes are Arkansas (0.125%), Missouri (1.23%), Virginia (2.5%), Utah (3.0%), Alabama (4.0%), Hawaii (4.0%), Tennessee (4.0%), Oklahoma (4.5%), South Dakota (4.5%), Idaho (6.1%), Kansas (6.5%) and Mississippi (7.0%). Hawaii, Oklahoma, Idaho, and Kansas have a state tax credit to partly offset the cost of the tax for low-income households (Figueroa & Legendre, 2020).

³ For more details on how the state ROT is distributed, see <https://perma.cc/6QG6-7QMG>.

⁴ Items such as alcoholic beverages, soft drinks, and prepared food for immediate consumption would continue to be taxed at the 6.25% rate (see <https://perma.cc/Y7MH-L2F7>).

⁵ Further details on the SFY 2023 suspension are available at <https://perma.cc/U8JV-B8AT>.

The state estimated a revenue reduction of \$360 million due to the elimination of the grocery tax in SFY 2023 (Gourdie, 2024), and local governments were reimbursed for their losses.⁶

The state grocery tax went back into effect on July 1, 2023. In his 2025 budget, Gov. Pritzker seeks to permanently eliminate the tax on July 1, 2024, without offering local governments any

In announcing his proposal, Governor Pritzker argued that

“It’s one more regressive tax we just don’t need. If it reduces inflation for families from 4% to 3%, even if it only puts a few hundred bucks back in families’ pockets, it’s the right thing to do (Inklebarger, 2024).”

compensating revenue stream.

This brief argues that the implications of eliminating the grocery tax are not so clear-cut. I consider the extent to which eliminating the

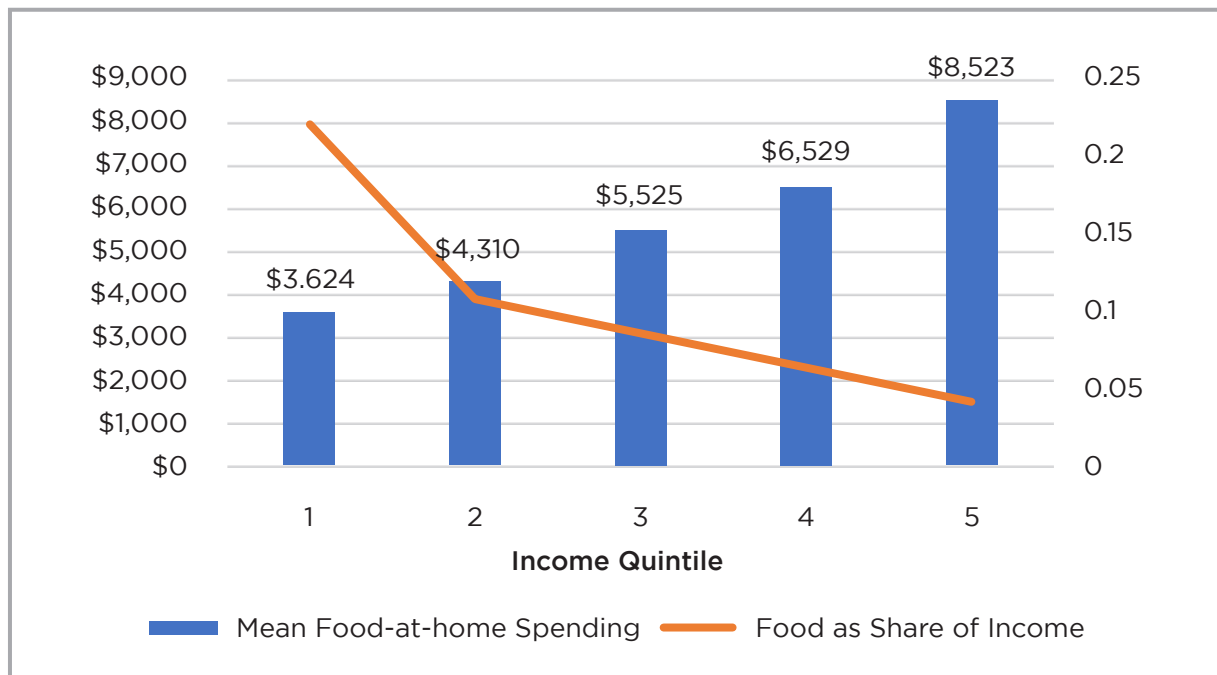
grocery tax would reduce household expenses, reduce tax regressivity, and encourage healthy diets. That analysis is followed by a discussion of the impact on municipal revenue and possible responses.

OVERVIEW OF FISCAL BALANCE

Because the state grocery tax is just 1%, a family would have to spend at least \$30,000 on FAH grocery items to obtain the “few hundred bucks” in savings mentioned by the Governor in the course of one year. **Figure 1** shows that average annual expenditures on FAH for 2022 (the latest available year) in the U.S. ranged from \$3,624 for the lowest-income households to \$8,523 for the highest-income households.⁷ It would take a low-income family over 8 years to accumulate several hundred dollars in tax savings from the elimination of the grocery tax. The state grocery tax liability of higher-income households would go down the most due to their higher FAH spending, but even the highest quintile households would need more than 3 years to accrue several hundred dollars in savings.

Figure 1. Food at Home Expenditures and Food at Home Expenditures as a Share of Household Income

Notes: Data from Bureau of Labor Statistics Table 1101 available at <https://www.bls.gov/cex/tables/calendar-year/mean-item-share-average-standard-error/cu-income-quintiles-before-taxes-2022.pdf>.



⁶ It is notable that in FY 2023, SNAP benefits were still enhanced due to COVID. Because SNAP purchases are not subject to tax, the revenue losses from foregoing the tax at that time were lower than they would be now that COVID provisions have expired.

⁷ Arraying households from lowest to highest income, the first quintile selects the 20% of households with the lowest income, the second quintile the next 20% of households by income, and so on. The blue bars correspond to the axis on the left, while the line corresponds to the axis on the right.

IS THE GROCERY TAX REGRESSIVE?

A tax is regressive when the amount paid is higher relative to income for lower than higher income families. **Figure 1** shows that the share of FAH expenditures in income are declining as income rises. Families in the lowest 20% of the income distribution spent 22.2% of their income on FAH in 2022. This share is cut in half at the second quintile (to 11.0%) and is below 5% of after-tax income for the wealthiest families.

Table 1: Mean Income and Food Expenditures by Income Quintile, 2022

Income Quintile Lower Limit	Mean Income	FAH Expenditures ⁸	FAH expenditures as a Share of Income
\$0	\$14,191	\$3,624	0.22
\$25,807	\$37,441	\$4,310	0.11
\$50,092	\$65,659	\$5,525	0.09
\$83,696	\$108,730	\$6,529	0.07
\$140,363	\$244,025	\$8,523	0.04

Note: Data from Bureau of Labor Statistics Table 1101 available at <https://www.bls.gov/cex/tables/calendar-year/mean-item-share-average-standard-error/cu-income-quintiles-before-taxes-2022.pdf>.

Viewed in isolation, the spending patterns shown in **Figure 1** and **Table 1** suggest that Illinois' grocery tax is inherently regressive. But the important issue is not whether FAH expenditures are regressive but whether grocery tax payments are. The major means-tested federal nutrition program, the Supplemental Nutrition Assistance Program (SNAP), supports low income households' FAH purchases. Because SNAP-funded purchases are not subject to tax, SNAP is a key determinant of who bears the grocery tax. As a means-tested program, SNAP benefits are distributed disproportionately to lower income households, relieving many of them of the grocery tax burden. Therefore, to assess regressivity of the grocery tax, we must consider how much of FAH is financed by SNAP.

Table 2 presents details of the calculations to determine after-SNAP regressivity of the grocery tax. Information on the distribution of SNAP benefits (the amount of FAH not subject to grocery tax) by income quintile is available for the entire U.S. for 2014 and is shown in column

2 of **Table 2**.⁹ Column 3 repeats average FAH spending from Table 1 for convenience. The SNAP benefit shares to each quintile in column 2 are multiplied by total SNAP spending in Illinois for 2022 and divided by one-quarter of the number of households in Illinois to arrive at average SNAP-funded FAH purchases by quintile (column 4). Average taxable FAH spending is equal to average FAH spending less average SNAP-funded FAH purchases (column 5). Applying the grocery tax rate of 1% to taxable FAH spending yields the average amount of grocery tax paid in a year (column 6). The final column presents the average grocery tax divided by average income in each quintile.

Accounting for SNAP payments reduces the incidence of the grocery tax on the bottom quintile to 0.01%. The incidences are higher for the other quintiles, so the tax is not regressive with respect to the bottom of the income distribution (lowest quintile). However, the tax is regressive from the point of view of quintiles 2 and 3, because the income share declines from

⁸ *Consumer Expenditures in 2022*. BLS Report 1107. Shane Meyers, Geoffrey D. Paulin, & Kristen Thiel. December 2023. <https://perma.cc/3DFF-Q6WJ>.

⁹ This information from the Congressional Budget Office is reported in Reeves & Pulliam (2018). I assume that the U.S. and Illinois distributions of SNAP benefits over quintiles are similar, and that these distributions have not changed much in the past decade.

quintiles 2 and 3 through quintile 5. Therefore, accounting for SNAP considerably reduces, but does not eliminate, grocery tax regressivity.^{10,11}

Table 2: Incidence of the Grocery Tax After SNAP Benefits

Quintile of Income	Share of SNAP Payments	Average FAH Expenditures	Average FAH Purchased with SNAP	Taxable FAH Spending	Average Grocery Tax	Tax as Share of Income
1	63.2	\$3,624	\$3,459.92	\$164.08	\$1.64	0.01%
2	24.6	\$4,310	\$1,346.74	\$2,963.26	\$29.63	0.08%
3	7.4	\$5,525	\$405.12	\$5,119.88	\$51.20	0.08%
4	1.1	\$6,529	\$60.22	\$6,468.78	\$64.69	0.06%
5	0	\$8,523	\$ -	\$8,523.00	\$85.23	0.04%

Notes: Data from Bureau of Labor Statistics Table 1101 available at <https://www.bls.gov/cex/tables/calendar-year/mean-item-share-average-standard-error/cu-income-quintiles-before-taxes-2022.pdf>. The distribution of SNAP benefits is from the Congressional Budget Office as reported in Reeves and Pulliam (2018).

WOULD ELIMINATING THE GROCERY TAX IMPROVE NUTRITION?

Foods subject to the 1% grocery tax are generally more nutritious than other items in grocery stores (like soft drinks and candy) subject to the 6.25% rate as well as FAFH. By lowering the relative cost of healthy foods, eliminating the grocery tax may tilt consumption away from restaurant and junk food.

A USDA study provides evidence on this point (Dong & Stewart, 2021). The findings confirm that, consistent with the exemption of SNAP purchases from taxation, grocery taxes do not seem to impact the balance between FAH and FAFH consumption of SNAP-receiving households. Households with similar but somewhat higher incomes than SNAP recipients were found to increase their FAH spending very modestly when grocery taxes were lower. These findings reinforce the conclusion that benefits of eliminating the grocery tax are concentrated on households that are low, but not lowest, income.

IMPLICATIONS OF REMOVING THE GROCERY TAX FOR MUNICIPAL BUDGETS

“If [municipalities] want to impose a grocery tax on their local residents, they should be able to go do that,” [Governor Pritzker] said. “I don’t think it’s the right thing to do, I wouldn’t do it locally. Having said that, I understand the need for the dollar, and if they feel like they need them they should think about imposing that tax on their own (Vinicky, 2024).”

In FY 2022, the state collected \$14.7B in total from the ROT applied to all taxable products (Mendoza, 2022). Of this amount, \$2.35B (16%), passed through to municipal governments. As noted, the state reported that the grocery tax suspension of 2022 reduced state payments to municipalities by \$360 million (Gourdie, 2024).¹²

¹⁰ The regressivity analysis relies on quintile averages. Within each quintile, there is a range of grocery tax payments, so not every household pays the same average grocery tax. For example, there are individual households in the first quintile who do not receive SNAP, and so pay a higher-than-quintile-average grocery tax.

¹¹ Illinois has extremely high SNAP participation eligible households. Between 95% and 100% of eligible individuals participated in SNAP in Illinois in 2018, including 92% of eligible workers (see <https://perma.cc/3DFF-Q6WJ>). This implies that the incidence of the grocery tax could not be changed much through further efforts to recruit households to SNAP.

¹² The base of the state grocery tax would be larger in SFY 2025 under the grocery tax because SNAP enhancements expired in March 2023. Therefore the loss from suspending the tax in SFY 2025 is likely higher than \$360 million.

For municipalities, passing their own grocery tax is not a light lift. For one, politics may be a hindrance. Will the typical taxpayer understand that the 1% restoration of the grocery tax by a municipality is not a “new” tax? Many municipalities already impose sales taxes; an existing municipality grocery sales tax could be perceived as high to begin with, and taxpayers may frame an additional 1% tax increment as excessive in that context, even though it simply replaces the lost state tax.

The goal of ending the state grocery tax on July 1, 2024 does not appear to leave municipalities time to pass a “replacement” local sales tax until some of the next fiscal year has passed. Home-rule municipalities can levy a new sales tax rate as an ordinance, but this had to be accomplished by April 1, 2024 if a local grocery tax was to take effect on July 1, 2024. Non-home rule municipalities would need to mount a voter referendum by May 1, 2024 for a July 1, 2024 start (Illinois Municipal League, 2021). An ordinance or referendum result by October 1, 2024 would put the new municipal sales tax into effect mid-fiscal year. That means that if the state did repeal the grocery tax by July 1, 2024, even local governments moving expeditiously to institute a local grocery tax would lose half of SFY 2025’s potential revenue. Exactly how this plays out will depend on when (and whether) the state passes a law to repeal the grocery tax.

If the state chooses to eliminate the grocery tax without providing any compensating funds, and if municipalities are reluctant to impose an additional 1% grocery tax locally, they will need to turn to other sources of revenue or reduce expenditures. One possibility is to further raise the sales taxes on regular retail items to make up for the elimination of groceries from the sales tax base. However, because lower-income households buy other retail goods that cannot be purchased with SNAP benefits, and expenditures on these goods are comparatively high, this option is more regressive than the grocery tax. Property taxes—municipal governments’ other major option for raising revenue—are widely regarded as regressive (Institute on Taxation and Economic Policy, 2024). The state argues that by increasing pass-throughs from state income taxes to municipalities, it has already begun to ameliorate

the impact of the grocery tax elimination. Since the Illinois income tax is modestly progressive, this may be a good solution. However, the SFY 2025 budget does not include an increase in state allocations of the income tax to municipalities to make up for the loss of state grocery tax revenue.

CONCLUSION

Grocery taxes are controversial. While not as regressive as is often portrayed because SNAP receipt exempts most of the FAH purchases of the lowest-income households from the tax, the grocery tax is regressive from the point of view of households in the lower-middle and middle of the income distribution. There is also some evidence that lower-income households not on SNAP shift their food consumption a little from FAFH into FAH when grocery taxes fall. Overall, this suggests that there are some benefits to eliminating the grocery tax for low and middle income households. However, given realistic levels of FAH expenditures, Illinois’ low grocery tax rate, and very small effects of taxing groceries on food consumption, the impact of Illinois’ grocery tax on any group of households is likely to be quite small.

While the savings to an individual household of lifting the grocery tax is very modest, the loss of tax revenue to municipalities is consequential, and the timetable caused by eliminating the tax on July 1, 2024 may lead to delays in implementing a local replacement. If municipalities do not cut spending, state increases in the amount of income tax that is passed on to municipalities may make up for lost revenue without increasing reliance on regressive taxes.

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Publisher's Note

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Photographs

Mast - Chicago cityscape - Elena Sivitskaia, stock.adobe.com, Illinois State Capitol Dome - Frame from video at <https://www.youtube.com/watch?v=F2wPy7DfXfQ>, Capitol Dome at Dusk - Frame from Adobe Stock video file 187821651, by VIA Films

Estimated* Annual Financial Impact of the Proposed Elimination of the 1% Grocery Tax on Illinois' Municipalities

(As of 9:00 a.m. 5/31/2024)

Municipality	Population	Estimated Annual Loss
Algonquin	29,700	\$2 million
Alsip	19,063	\$670,000
Arlington Heights	77,676	\$1.3 million
Aurora	180,542	\$4.5 million
Bannockburn	1,013	\$555,506
Barrington	10,722	\$612,600
Batavia	26,098	\$1.1 million
Bedford Park	602	\$900,000
Bensenville	18,813	\$500,000
Benton	6,709	\$30,764
Bloomington	78,680	\$2 million
Bolingbrook	74,022	\$1.75 million
Bourbonnais	18,164	\$735,000
Bradley	15,419	\$800,000
Buffalo Grove	43,212	\$1.5 - 1.9 million
Burr Ridge	11,192	\$200,000
Cary	17,826	\$400,000
Champaign	88,302	\$2,703,704
Charleston	17,286	\$350,000
Chatham	14,437	\$300,000
Chicago	2,746,388	\$60 - 80 million
Clinton	7,004	\$250,000
Coal City	5,705	\$80,000
Coffeen	647	\$44,000
Collinsville	24,366	\$1.2 - 1.5 million
Countryside	6,420	\$700,000
Crest Hill	20,459	\$100,000
Crete	8,465	\$300,000
Creve Coeur	4,934	\$89,713
Crystal Lake	40,269	\$1.3 million
Darien	22,011	\$372,127

1

*Estimates provided by each municipality. To submit an estimate, please email IMLLegislation@iml.org.

Estimated* Annual Financial Impact of the Proposed Elimination of the 1% Grocery Tax on Illinois' Municipalities

(As of 9:00 a.m. 5/31/2024)

Municipality	Population	Estimated Annual Loss
Decatur	70,522	\$2 million
Deerfield	19,196	\$500,000
DeKalb	40,290	\$750,000
Des Plaines	60,675	\$1,413,149
East Moline	21,374	\$579,702
Effingham	12,252	\$600,000
Elburn	6,175	\$118,838
Elgin	114,797	\$1.1 million
Flossmoor	9,704	\$200,000
Fox Lake	10,978	\$250,000
Freeport	23,973	\$800,000
Geneva	21,393	\$600,000
Genoa	5,298	\$100,000
Glen Carbon	13,842	\$1 million
Glencoe	8,849	\$200,000
Hanover Park	37,470	\$493,477
Hawthorn Woods	9,062	\$65,000
Herrin	12,352	\$350,000
Hickory Hills	14,505	\$440,000
Highland Park	30,176	\$1 million
Homer Glen	24,543	\$700,000
Homewood	19,463	\$650,000
Huntley	27,740	\$424,827
Joliet	150,362	\$3 million
Justice	12,600	\$65,000
Kankakee	24,052	\$1,059,000
La Grange Park	13,475	\$230,000
Lake Forest	19,367	\$408,913
Lake Zurich	19,759	\$1.76 million
Lexington	2,090	\$15,600
Libertyville	20,579	\$750,000 - \$800,000

2

*Estimates provided by each municipality. To submit an estimate, please email IMLLegislation@iml.org.

Estimated* Annual Financial Impact of the Proposed Elimination of the 1% Grocery Tax on Illinois' Municipalities

(As of 9:00 a.m. 5/31/2024)

Municipality	Population	Estimated Annual Loss
Lily Lake	1,032	\$748
Lisle	24,223	\$245,000
Lockport	26,094	\$1 million
Lombard	44,476	\$500k - \$1.5 million
Machesney Park	22,950	\$250,000
Macomb	15,051	\$300,000
Mahomet	9,434	\$350,000
Marion	16,855	\$1.68 million
Mattoon	16,870	\$475,000
Midlothian	14,325	\$126,000
Milan	5,106	\$570,000
Mokena	19,887	\$850,000
Montgomery	20,262	\$800,000
Morris	14,613	\$1.5 million
Mount Carmel	7,015	\$147,000
Mount Vernon	14,600	\$1,217,141
Mundelein	31,560	\$500,000
Naperville	149,540	\$3.5 million
Niles	30,912	\$2.3 million
Normal	52,736	\$2.6 million
North Aurora	18,261	\$700,000
North Riverside	7,426	\$850,000
Northbrook	35,222	\$1.8 million
Northlake	12,840	\$550,000
Oak Lawn	58,362	\$2.2 million
O'Fallon	32,289	\$1.2 million
Olney	8,701	\$600,000
Oregon	3,604	\$43,000
Orland Hills	6,893	\$392,000
Orland Park	58,703	\$2.5 million
Oswego	34,585	\$1 million

3

*Estimates provided by each municipality. To submit an estimate, please email IMLLegislation@iml.org.

Estimated* Annual Financial Impact of the Proposed Elimination of the 1% Grocery Tax on Illinois' Municipalities

(As of 9:00 a.m. 5/31/2024)

Municipality	Population	Estimated Annual Loss
Palatine	67,908	\$1.25 million
Palos Heights	12,068	\$350,000 - \$400,000
Palos Park	4,899	\$211,000
Park Forest	21,687	\$100,631
Peoria	113,150	\$4 million
Peotone	4,150	\$160,000
Plano	11,847	\$540,000
Princeville	1,636	\$231,759
Prospect Heights	16,058	\$600,000
Quincy	39,463	\$920,000
Red Bud	3,804	\$52,000
River Forest	11,717	\$1,170,768
River Grove	10,612	\$190,000 - \$200,000
Rock Island	36,636	\$1 million
Rockford	148,655	\$7 - 8 million
Rolling Meadows	24,200	\$500,000
Romeoville	39,863	\$900,000
Schaumburg	78,723	\$3.1 million
Sesser	1,888	\$30,000
Shiloh	14,098	\$450,000
Shorewood	18,186	\$500,000
Skokie	67,824	\$1.5 million
South Chicago Heights	4,026	\$400,200
South Elgin	23,865	\$212,286
South Holland	21,465	\$526,000
Sparta	4,095	\$200,000
Spring Grove	5,487	\$410,000
Springfield	114,394	\$3.8 million
St. Charles	33,081	\$1.6 million
Sterling	14,764	\$500k - \$1 million
Sugar Grove	9,278	\$200,000

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*Estimates provided by each municipality. To submit an estimate, please email IMLLegislation@iml.org.

Estimated* Annual Financial Impact of the Proposed Elimination of the 1% Grocery Tax on Illinois' Municipalities

(As of 9:00 a.m. 5/31/2024)

Municipality	Population	Estimated Annual Loss
Sycamore	18,577	\$717,086
Tinley Park	55,971	\$1.8 million
Urbana	38,336	\$1 million
Vandalia	7,458	\$175,000
Vernon Hills	26,850	\$1.75 million
Washington	16,071	\$500,000
West City	656	\$311,174
Western Springs	13,629	\$580,000
Westmont	24,429	\$1 million
Wheaton	53,970	\$2.1 million
Wheeling	39,137	\$660,000
Wilmette	28,170	\$550,000
Wilmington	5,664	\$72,000
Winnebago	2,940	\$120,000
Winnetka	12,744	\$240,000
Woodridge	34,158	\$300,000
Woodstock	25,630	\$257,439
Yorkville	21,533	\$298,888

*Estimates provided by each municipality. To submit an estimate, please email IMLLegislation@iml.org.

Illinois Municipalities That Have Adopted Ordinances Implementing the Local Grocery Sales Tax

As of 5/15/2025 at 9:00 a.m.

Disclaimer: This list of municipalities that have adopted a local grocery sales tax ordinance is based on information confirmed by the Illinois Department of Revenue (IDOR). It is not an official IDOR document and may be incomplete. Some municipalities are listed more than once due to their jurisdiction overlapping multiple counties. The Illinois Municipal League has compiled and posted this information as a resource and will update the list periodically as new information becomes available.

	Location Code	Municipality	County
1	014-0002-9	Albers	Clinton
2	045-0052-0	Algonquin	Kane
3	056-0003-0	Algonquin	McHenry
4	091-0003-2	Anna	Union
5	006-0033-4	Annawan	Bureau
6	037-0004-6	Annawan	Henry
7	021-0002-9	Arcola	Douglas
8	011-0002-5	Assumption	Christian
9	065-0002-1	Athens	Menard
10	049-0042-1	Bannockburn	Lake
11	075-0002-5	Barry	Pike
12	022-0070-8	Batavia	DuPage
13	045-0003-2	Batavia	Kane
14	016-0007-9	Berwyn	Cook
15	070-0004-9	Bethany	Moultrie
16	016-0008-7	Blue Island	Cook
17	016-0119-9	Bridgeview	Cook
18	026-0005-6	Brownstown	Fayette
19	016-0154-7	Buffalo Grove	Cook
20	049-0043-1	Buffalo Grove	Lake
21	056-0044-8	Bull Valley	McHenry
22	059-0005-0	Bunker Hill	Macoupin
23	016-0163-6	Burbank	Cook
24	045-0005-9	Burlington	Kane
25	039-0003-7	Campbell Hill	Jackson
26	032-0011-6	Carbon Hill	Grundy
27	039-0004-5	Carbondale	Jackson
28	100-0059-3	Carbondale	Williamson
29	059-0001-8	Carlinville	Macoupin
30	014-0001-0	Carlyle	Clinton
31	022-0053-8	Carol Stream	DuPage
32	031-0001-4	Carrollton	Greene
33	074-0004-7	Cerro Gordo	Piatt
34	015-0001-5	Charleston	Coles
35	053-0007-1	Chatsworth	Livingston
36	038-0005-9	Chebanse	Iroquois
37	046-0008-8	Chebanse	Kankakee

	Location Code	Municipality	County
38	016-0011-7	Chicago Heights	Cook
39	072-0004-8	Chillicothe	Peoria
40	016-0013-3	Cicero	Cook
41	038-0006-7	Cissna Park	Iroquois
42	022-0006-6	Clarendon Hills	DuPage
43	013-0003-2	Clay City	Clay
44	020-0001-6	Clinton	DeWitt
45	037-0026-7	Coal Valley	Henry
46	081-0006-3	Coal Valley	Rock Island
47	091-0005-9	Cobden	Union
48	037-0007-0	Colona	Henry
49	057-0007-8	Colfax	McLean
50	068-0004-1	Coffeen	Montgomery
51	079-0003-1	Coulterville	Randolph
52	016-0118-0	Crestwood	Cook
53	057-0011-6	Danvers	McLean
54	092-0001-0	Danville	Vermilion
55	071-0070-8	Davis Junction	Ogle
56	058-0001-3	Decatur	Macon
57	090-0004-6	Deer Creek	Tazewell
58	102-0005-3	Deer Creek	Woodford
59	016-0172-5	Deer Park	Cook
60	049-0075-8	Deer Park	Lake
61	006-0007-5	Depue	Bureau
62	032-0013-2	Diamond	Grundy
63	099-0065-9	Diamond	Will
64	052-0001-6	Dixon	Lee
65	022-0008-2	Downers Grove	DuPage
66	016-0169-5	East Dundee	Cook
67	045-0046-6	East Dundee	Kane
68	090-0016-1	East Peoria	Tazewell
69	057-0048-5	El Paso	McLean
70	102-0006-1	El Paso	Woodford
71	045-0008-3	Elburn	Kane
72	043-0005-1	Elizabeth	Jo Daviess
73	016-0140-7	Elk Grove Village	Cook
74	022-0065-1	Elk Grove Village	DuPage
75	016-0019-2	Evergreen Park	Cook
76	096-0001-9	Fairfield	Wayne
77	020-0004-0	Farmer City	DeWitt
78	010-0008-1	Fisher	Champaign
79	016-0099-0	Forest View	Cook
80	053-0014-2	Forrest	Livingston
81	058-0007-2	Forsyth	Macon
82	037-0008-9	Galva	Henry
83	019-0008-0	Genoa	DeKalb
84	092-0013-4	Georgetown	Vermilion
85	038-0013-1	Gilman	Iroquois

	Location Code	Municipality	County
86	059-0009-3	Girard	Macoupin
87	022-0011-2	Glen Ellyn	DuPage
88	084-0043-1	Grandview	Sangamon
89	049-0008-1	Grayslake	Lake
90	018-0002-7	Greenup	Cumberland
91	065-0005-6	Greenview	Menard
92	049-0048-0	Hainesville	Lake
93	083-0001-1	Harrisburg	Saline
94	016-0124-5	Harwood Heights	Cook
95	049-0082-0	Hawthorn Woods	Lake
96	067-0005-5	Hecker	Monroe
97	082-0083-1	Hecker	St Clair
98	100-0012-7	Herrin	Williamson
99	057-0015-9	Heyworth	McLean
100	016-0030-3	Hickory Hills	Cook
101	060-0015-0	Highland	Madison
102	049-0012-1	Highwood	Lake
103	068-0001-7	Hillsboro	Montgomery
104	016-0152-0	Hoffman Estates	Cook
105	045-0055-5	Hoffman Estates	Kane
106	045-0053-9	Huntley	Kane
107	056-0012-1	Huntley	McHenry
108	084-0014-8	Illioopolis	Sangamon
109	041-0006-9	Ina	Jefferson
110	084-0044-1	Jerome	Sangamon
111	100-0014-3	Johnston City	Williamson
112	049-0080-4	Kildeer	Lake
113	050-0009-2	La Salle	La Salle
114	006-0010-5	Ladd	Bureau
115	049-0017-0	Lake Zurich	Lake
116	057-0018-3	Leroy	McLean
117	057-0019-1	Lexington	McLean
118	001-0012-9	Liberty	Adams
119	016-0038-9	Lyons	Cook
120	055-0001-1	Macomb	McDonough
121	010-0017-9	Mahomet	Champaign
122	056-0013-8	Marengo	McHenry
123	016-0107-5	Markham	Cook
124	084-0018-0	Mechanicsburg	Sangamon
125	016-0041-9	Melrose Park	Cook
126	050-0015-7	Mendota	La Salle
127	069-0009-7	Meredosia	Morgan
128	081-0013-6	Milan	Rock Island
129	032-0007-8	Minooka	Grundy
130	047-0023-6	Minooka	Kendall
131	099-0062-4	Minooka	Will
132	081-0014-4	Moline	Rock Island
133	098-0001-8	Morrison	Whiteside

	Location Code	Municipality	County
134	011-0009-2	Morrisonville	Christian
135	045-0016-4	Montgomery	Kane
136	047-0018-1	Montgomery	Kendall
137	016-0043-5	Morton Grove	Cook
138	008-0001-5	Mount Carroll	Carroll
139	005-0001-1	Mount Sterling	Brown
140	058-0011-0	Mount Zion	Macon
141	082-0015-7	New Athens	St Clair
142	080-0005-0	Noble	Richland
143	068-0012-2	Nokomis	Montgomery
144	057-0023-1	Normal	McLean
145	016-0120-2	Norridge	Cook
146	045-0018-0	North Aurora	Kane
147	016-0049-4	Oak Lawn	Cook
148	053-0018-5	Odell	Livingston
149	061-0008-2	Odin	Marion
150	010-0019-5	Ogden	Champaign
151	080-0001-8	Olney	Richland
152	016-0054-0	Palatine	Cook
153	049-0099-5	Palatine	Lake
154	049-0071-5	Park City	Lake
155	072-0050-1	Pekin	Peoria
156	090-0001-1	Pekin	Tazewell
157	065-0001-3	Petersburg	Menard
158	073-0001-8	Pinckneyville	Perry
159	045-0019-9	Pingree Grove	Kane
160	075-0001-7	Pittsfield	Pike
161	100-0015-1	Pittsburg	Williamson
162	053-0001-0	Pontiac	Livingston
163	006-0001-6	Princeton	Bureau
164	026-0012-9	Ramsey	Fayette
165	081-0016-0	Rapids City	Rock Island
166	068-0015-7	Raymond	Montgomery
167	079-0013-9	Red Bud	Randolph
168	016-0058-3	Richton Park	Cook
169	016-0075-3	River Forest	Cook
170	084-00229	Riverton	Sangamon
171	027-0011-5	Roberts	Ford
172	098-0013-1	Rock Falls	Whiteside
173	081-0001-2	Rock Island	Rock Island
174	028-0014-4	Royalton	Franklin
175	054-0017-1	San Jose	Logan
176	063-0009-1	San Jose	Mason
177	061-0010-4	Sandoval	Marion
178	016-0116-4	Schaumburg	Cook
179	022-0066-1	Schaumburg	DuPage
180	032-0027-2	Seneca	Grundy
181	050-0022-1	Seneca	La Salle

	Location Code	Municipality	County
182	028-0015-2	Sesser	Franklin
183	019-0014-5	Shabbona	DeKalb
184	050-0024-6	Sheridan	La Salle
185	084-0024-5	Sherman	Sangamon
186	082-0027-0	Shiloh	St Clair
187	082-0018-1	Smithton	St Clair
188	016-0160-1	South Barrington	Cook
189	045-0023-7	South Elgin	Kane
190	084-0046-6	Southern View	Sangamon
191	056-0018-9	Spring Grove	McHenry
192	006-0021-0	Spring Valley	Bureau
193	043-0012-2	Stockton	Jo Daviess
194	045-0024-5	Sugar Grove	Kane
195	010-0030-6	Thomasboro	Champaign
196	092-0030-4	Tilton	Vermilion
197	090-0014-3	Tremont	Tazewell
198	014-0016-9	Trenton	Clinton
199	093-5000-7	Wabash County	Wabash
200	028-0021-7	West City	Franklin
201	028-0018-7	West Frankfort	Franklin
202	022-0025-2	Westmont	DuPage
203	022-0001-5	Wheaton	DuPage
204	016-0070-2	Wheeling	Cook
205	049-0090-1	Wheeling	Lake
206	048-0021-4	Williamsfield	Knox
207	084-0026-1	Williamsville	Sangamon
208	099-0021-7	Wilmington	Will
209	068-0020-3	Witt	Montgomery
210	056-0022-7	Wonder Lake	McHenry
211	069-0016-1	Woodson	Morgan
212	047-0001-5	Yorkville	Kendall

Village of Roscoe

Bills Submitted for Approval on June 3, 2025

Pooled Expenditures:

Checking account balance before expenditures		\$	484,281.33
Pooled Money Market			24,747.80
Illinois Funds Balance			7,935,000.30
Total pooled cash and equivalents			<u>8,444,029.43</u>

Expenditures per list 124,596.55

Additional invoices

-
124,596.55

Total expenditures 124,596.55

Payroll expense:

Gross Wages	5/17/2025	104,589.53	
Payroll tax and IMRF	5/17/2025	8,724.55	113,314.08

Total General Fund Expenditures	237,910.63
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Pooled checking account balance after expenditures \$ 8,206,118.80

Motor Fuel Tax Expenditures

Motor Fuel account balance before expenditures	\$	3,619.09
Motor Fuel Money Market		10,392.01
Illinois Funds Balance		1,800,912.48
Total Motor Fuel cash and equivalents		<u>1,814,923.58</u>

Expenditures:

Vendor	Date	Invoice	Description	Amount
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Total Motor Fuel Fund Expenditures	-
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Motor Fuel cash and equivalent balance after expenditures 1,814,923.58

Total expenditures for all funds:	237,910.63
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Report Criteria:

Detail report.

Invoices with totals above \$0.00 included.

Paid and unpaid invoices included.

Invoice Detail.GL account (2 Characters) = {<>} "50"

Vendor	Vendor Name	Invoice Number	Description	GL Account and Title	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
AGHL LAW									
2472	AGHL LAW	39194	APR ADMINISTRATIVE HEARINGS	01-013-5231 Legal Services - Vill Pros	05/16/2025	500.00	.00		
Total AGHL LAW:						500.00	.00		
AMAZON CAPITAL SERVICES									
311	AMAZON CAPITAL SERVICES	1JQL-DGDM-L	SIGNS FOR PARKS - NO GREASE DO	01-050-6200 Park Signs Install & Replac	05/15/2025	248.55	.00		
311	AMAZON CAPITAL SERVICES	1QQQ-VLYP-3	OFFICE SUPPLIES	01-010-6020 Office Supplies	05/29/2025	104.54	.00		
Total AMAZON CAPITAL SERVICES:						353.09	.00		
CHASE									
1230	CHASE	0000002764	INTEREST 12/15/2024-06/15/25	80-010-8020 Interest	06/01/2025	2,815.63	.00		
1230	CHASE	0000002765	INTEREST 12/15/2024-06/15/25	80-010-8020 Interest	05/17/2025	6,073.75	.00		
Total CHASE:						8,889.38	.00		
CITY OF ROCKFORD									
1333	CITY OF ROCKFORD	75004109	WATER SAMPLE TESTING - RIVERSID	01-050-5121 Maintenance & Repairs - B	05/05/2025	42.00	.00		
1333	CITY OF ROCKFORD	75004109	WATER SAMPLE TESTING - SWANSO	01-050-5121 Maintenance & Repairs - B	05/05/2025	42.00	.00		
Total CITY OF ROCKFORD:						84.00	.00		
CIVICPLUS LLC									
1343	CIVICPLUS LLC	334725	MUNICODE	01-012-5952 IT - Software/SAAS	06/01/2025	1,254.75	.00		
Total CIVICPLUS LLC:						1,254.75	.00		
COMMONWEALTH EDISON									
1411	COMMONWEALTH EDISON	051225 1222	4/10/25-5/12/25 BIKE PATH LIGHTS	01-030-5411 Electricity - Street Lights	05/12/2025	40.03	.00		
1411	COMMONWEALTH EDISON	051325 3000	4/8/25-5/8/25 6545 WINDFLOWER	01-050-6010 Building Utilities (Gas&Ele	05/13/2025	104.20	.00		
1411	COMMONWEALTH EDISON	051425 2000	4/11/25-5/12/25 5802 HARRISON - LELA	01-050-6010 Building Utilities (Gas&Ele	05/14/2025	39.28	.00		
1411	COMMONWEALTH EDISON	051425 32000	4/10/25-5/12/25 5785 BROAD ST	01-050-6010 Building Utilities (Gas&Ele	05/14/2025	180.93	.00		
1411	COMMONWEALTH EDISON	051625 2000	4/10/25-5/12/25 LITE R/25	01-030-5411 Electricity - Street Lights	05/16/2025	14.20	.00		

Vendor	Vendor Name	Invoice Number	Description	GL Account and Title	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
1411	COMMONWEALTH EDISON	052025 1222	4/10/25-5/12/25 N 2ND ST SIGN	01-030-5411 Electricity - Street Lights	05/20/2025	65.35	.00		
1411	COMMONWEALTH EDISON	052125 3000	4/21/25-5/21/25 STREET LIGHTS	01-030-5411 Electricity - Street Lights	05/21/2025	4,460.73	.00		
Total COMMONWEALTH EDISON:						4,904.72	.00		
DEARBORN LIFE INSURANCE COMPANY									
1721	DEARBORN LIFE INSURANCE C	051325	DISABILITY INS - ADMIN	01-010-4330 Disablity Insurance	05/13/2025	109.25	.00		
1721	DEARBORN LIFE INSURANCE C	051325	DISABILITY INS - HR	01-017-4330 Disablity Insurance	05/13/2025	50.58	.00		
1721	DEARBORN LIFE INSURANCE C	051325	DISABILITY INS - PW	01-030-4330 Disablity Insurance	05/13/2025	346.14	.00		
1721	DEARBORN LIFE INSURANCE C	051325	DISABILITY INS - PD	01-040-4330 Disablity Insurance	05/13/2025	1,055.55	.00		
1721	DEARBORN LIFE INSURANCE C	051325	DISABILITY INS - PK	01-050-4330 Disablity Insurance	05/13/2025	42.64	.00		
Total DEARBORN LIFE INSURANCE COMPANY:						1,604.16	.00		
DELTA DENTAL OF ILLINOIS-RISK									
1791	DELTA DENTAL OF ILLINOIS-RIS	060125	DENTAL - ADMIN	01-010-4310 Health Insurance	06/01/2025	65.00	.00		
1791	DELTA DENTAL OF ILLINOIS-RIS	060125	VISION INS - ADMIN	01-010-4310 Health Insurance	06/01/2025	11.10	.00		
1791	DELTA DENTAL OF ILLINOIS-RIS	060125	DENTAL - HR	01-017-4310 Health Insurance	06/01/2025	67.32	.00		
1791	DELTA DENTAL OF ILLINOIS-RIS	060125	VISION INS - HR	01-017-4310 Health Insurance	06/01/2025	10.83	.00		
1791	DELTA DENTAL OF ILLINOIS-RIS	060125	DENTAL - PW	01-030-4310 Health Insurance	06/01/2025	381.02	.00		
1791	DELTA DENTAL OF ILLINOIS-RIS	060125	VISION INS - PW	01-030-4310 Health Insurance	06/01/2025	60.36	.00		
1791	DELTA DENTAL OF ILLINOIS-RIS	060125	DENTAL - PD	01-040-4310 Health Insurance	06/01/2025	1,772.92	.00		
1791	DELTA DENTAL OF ILLINOIS-RIS	060125	VISION INS - PD	01-040-4310 Health Insurance	06/01/2025	244.29	.00		
1791	DELTA DENTAL OF ILLINOIS-RIS	060125	DENTAL - PK	01-050-4310 Health Insurance	06/01/2025	118.70	.00		
1791	DELTA DENTAL OF ILLINOIS-RIS	060125	VISION INS - PK	01-050-4310 Health Insurance	06/01/2025	16.23	.00		
Total DELTA DENTAL OF ILLINOIS-RISK:						2,747.77	.00		
DR. STILLWATER COMPANY									
1951	DR. STILLWATER COMPANY	44327PU	WATER SVC - VH	01-010-6020 Office Supplies	05/21/2025	50.00	.00		
1951	DR. STILLWATER COMPANY	44327PU	WATER SVC	01-040-6020 Office Supplies	05/21/2025	56.50	.00		
Total DR. STILLWATER COMPANY:						106.50	.00		
Enterprise Fleet Management									
10016	Enterprise Fleet Management	FBN5329514	MONTHLY LEASE CHARGES - TRUCK	01-030-6070 Vehicle Leases (Fleet)	05/03/2025	18,092.65	.00		
Total Enterprise Fleet Management:						18,092.65	.00		

Vendor	Vendor Name	Invoice Number	Description	GL Account and Title	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
FRSA-PAYMENTS									
5881	FRSA-PAYMENTS	051525	3/7/25-4/4/25 10631 MAIN ST	01-010-6010 Building Utilities (Gas& Ele	05/15/2025	12.30	.00		
5881	FRSA-PAYMENTS	051525	3/7/25-4/4/25 10595 MAIN ST	01-040-6010 Building Utilities (Gas& Ele	05/15/2025	12.31	.00		
5881	FRSA-PAYMENTS	051525 9902N	3/7/25-4/4/25 5402 SWANSON RD	01-030-6010 Building Utilities (Gas&Ele	05/15/2025	30.03	.00		
Total FRSA-PAYMENTS:						54.64	.00		
ILLINOIS PUBLIC RISK FUND									
3121	ILLINOIS PUBLIC RISK FUND	96702	2025 MONTHLY INSTALLMENT W/C IN	01-015-5812 Workers Compensation Ins	05/19/2025	8,629.00	.00		
Total ILLINOIS PUBLIC RISK FUND:						8,629.00	.00		
IPBC - HEALTH BENEFITS									
3231	IPBC - HEALTH BENEFITS	060125	VOL LIFE	01-000-2211 Life Insurance-Additional V	06/01/2025	435.05	.00		
3231	IPBC - HEALTH BENEFITS	060125	DEP LIFE	01-000-2212 Life Insurance-Dependent	06/01/2025	54.19	.00		
3231	IPBC - HEALTH BENEFITS	060125	VOL INDEMNITY INS	01-000-2215 Indemnity - Vol	06/01/2025	64.18	.00		
3231	IPBC - HEALTH BENEFITS	060125	HEALTH INS - ADMIN	01-010-4310 Health Insurance	06/01/2025	2,171.67	.00		
3231	IPBC - HEALTH BENEFITS	060125	LIFE INS - ADMIN	01-010-4320 Life Insurance	06/01/2025	10.50	.00		
3231	IPBC - HEALTH BENEFITS	060125	HEALTH INS - HR	01-017-4310 Health Insurance	06/01/2025	1,477.28	.00		
3231	IPBC - HEALTH BENEFITS	060125	LIFE INS - HR	01-017-4310 Health Insurance	06/01/2025	3.50	.00		
3231	IPBC - HEALTH BENEFITS	060125	HEALTH INS - PW	01-030-4310 Health Insurance	06/01/2025	7,659.58	.00		
3231	IPBC - HEALTH BENEFITS	060125	LIFE INS - PW	01-030-4320 Life Insurance	06/01/2025	24.91	.00		
3231	IPBC - HEALTH BENEFITS	060125	HEALTH INS - PD	01-040-4310 Health Insurance	06/01/2025	32,151.51	.00		
3231	IPBC - HEALTH BENEFITS	060125	LIFE INS - PD	01-040-4320 Life Insurance	06/01/2025	70.00	.00		
3231	IPBC - HEALTH BENEFITS	060125	HEALTH INS - PK	01-050-4310 Health Insurance	06/01/2025	1,500.22	.00		
3231	IPBC - HEALTH BENEFITS	060125	LIFE INS - PK	01-050-4320 Life Insurance	06/01/2025	3.50	.00		
Total IPBC - HEALTH BENEFITS:						45,626.09	.00		
Lewis Brisbois Bisgaard & Smith LLP									
3920	Lewis Brisbois Bisgaard & Smith L	4414554	PAYTON VS VOR - ASBESTOS CLAIM	01-010-5231 Legal Services - General L	05/27/2025	159.00	.00		
Total Lewis Brisbois Bisgaard & Smith LLP:						159.00	.00		
Mark D. Olson, CPA, Ltd									
4291	Mark D. Olson, CPA, Ltd	1733	TREASURER SVCS	01-014-5233 Treasurer Services - Gener	05/29/2025	5,250.00	.00		
4291	Mark D. Olson, CPA, Ltd	1733	ROSCOE POLICE PENSION ACCOUNT	01-014-5234 Treasurer Services - Pensi	05/29/2025	525.00	.00		
Total Mark D. Olson, CPA, Ltd:						5,775.00	.00		

Vendor	Vendor Name	Invoice Number	Description	GL Account and Title	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
MENARD'S									
4411	MENARD'S	48533	MATERIALS FOR PORTER PARK DUG	01-050-5121 Maintenance & Repairs - B	05/12/2025	1,018.47	.00		
4411	MENARD'S	48534	CLEAR WOOD PROTECTOR - MULTIP	01-030-6040 Operating Supplies	05/12/2025	84.00	.00		
4411	MENARD'S	48650	CONCRETE MIX, WOOD PROTECTOR,	01-050-5121 Maintenance & Repairs - B	05/14/2025	134.71	.00		
4411	MENARD'S	48677	CLEAR WOOD PROTECTOR - PARKS	01-050-5121 Maintenance & Repairs - B	05/14/2025	168.00	.00		
4411	MENARD'S	48724	QC PUSH HYDRNT & BALL VALVE - RI	01-050-5121 Maintenance & Repairs - B	05/15/2025	55.97	.00		
4411	MENARD'S	48760	HOSE CLAMP, EPOXY & RESCUE TAP	01-050-5121 Maintenance & Repairs - B	05/15/2025	19.46	.00		
Total MENARD'S:						1,480.61	.00		
MINUTEMAN PRESS									
4612	MINUTEMAN PRESS	115681	BOARD NAMES ON WINDOWS - VH	01-010-5121 Maintenance & Repairs - B	05/22/2025	190.00	.00		
Total MINUTEMAN PRESS:						190.00	.00		
NICOR GAS									
4931	NICOR GAS	050825 2000	4/7/25-5/7/25 6545 WINDFLOWER	01-050-6010 Building Utilities (Gas&Ele	05/08/2025	91.35	.00		
4931	NICOR GAS	052225 2000 9	4/21/25-5/21/25 5402 SWANSON	01-030-6010 Building Utilities (Gas&Ele	05/22/2025	267.24	.00		
Total NICOR GAS:						358.59	.00		
OLSON ECOLOGICAL SOLUTIONS, LCC									
5196	OLSON ECOLOGICAL SOLUTIO	10892	BAT ASSESSMENT FOR BRIDGE	01-019-5246 Eng & Design Svs - Specia	05/20/2025	1,575.00	.00		
Total OLSON ECOLOGICAL SOLUTIONS, LCC:						1,575.00	.00		
PITNEY BOWES BANK INC									
5428	PITNEY BOWES BANK INC	051425	POSTAGE/SUPPLIES	01-010-5310 Postage	05/14/2025	247.93	.00		
Total PITNEY BOWES BANK INC:						247.93	.00		
PORT-A-JOHN									
5471	PORT-A-JOHN	I3980	HANDICAP W/ HAND SANITIZER - RAL	01-050-5860 Equipment Rentals	05/27/2025	130.00	.00		
5471	PORT-A-JOHN	I3981	HANDICAP W/ HAND SANITIZER - POR	01-050-5860 Equipment Rentals	05/27/2025	130.00	.00		
5471	PORT-A-JOHN	I3982	HANDICAP W/ HAND SANITIZER - CHI	01-050-5860 Equipment Rentals	05/27/2025	130.00	.00		
Total PORT-A-JOHN:						390.00	.00		
RINGCENTRAL INC									
5780	RINGCENTRAL INC	CD_632481160	RING CENTRAL MONTHLY SERVICE -	01-010-5320 Telephone & Data	05/24/2025	174.70	.00		

Vendor	Vendor Name	Invoice Number	Description	GL Account and Title	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
5780	RINGCENTRAL INC	CD_632481160	RING CENTRAL MONTHLY SERVICE -	01-030-5320 Telephone & Data	05/24/2025	174.70	.00		
5780	RINGCENTRAL INC	CD_632481160	RING CENTRAL MONTHLY SERVICE -	01-040-5320 Telephone & Data	05/24/2025	174.69	.00		
Total RINGCENTRAL INC:						524.09	.00		
ROCK ENERGY COOPERATIVE									
5851	ROCK ENERGY COOPERATIVE	050725 4000	4/1/25-5/1/25 MCCURRY & WILLOWBR	01-030-5411 Electricity - Street Lights	05/07/2025	15.49	.00		
5851	ROCK ENERGY COOPERATIVE	050725 5000	4/1/25-5/1/25 MCCURRY & WILLOWBR	01-030-5411 Electricity - Street Lights	05/07/2025	13.35	.00		
5851	ROCK ENERGY COOPERATIVE	050725 8001	4/1/25-5/1/25 MCCURRY	01-030-5411 Electricity - Street Lights	05/07/2025	22.95	.00		
Total ROCK ENERGY COOPERATIVE:						51.79	.00		
ROCKFORD RIGGING, INC									
5971	ROCKFORD RIGGING, INC	0655668-IN	NYLONG WEB SLINGS - PARKS	01-050-5120 Maint & Repairs - Equipme	05/21/2025	17.90	.00		
Total ROCKFORD RIGGING, INC:						17.90	.00		
SHERWIN INDUSTRIES, INC.									
6461	SHERWIN INDUSTRIES, INC.	SS106851	FAST DRY TRAFFIC PAINT - WHITE &	01-030-5123 Maintenance & Repairs - S	05/16/2025	1,684.75	.00		
Total SHERWIN INDUSTRIES, INC.:						1,684.75	.00		
TOTAL PLUMBING & HEATING LTD.									
7252	TOTAL PLUMBING & HEATING L	159019	TIGHTEN BELT & REPLACE HVAC IND	01-040-5121 Maintenance & Repairs - B	04/24/2025	1,056.60	.00		
TOTAL PLUMBING & HEATING LTD.:						1,056.60	.00		
TREE CARE ENTERPRISES, INC.									
7301	TREE CARE ENTERPRISES, IN	57074	REMOVAL & CLEAN UP OF STORM DA	01-030-5160 Tree Maintenance/Remova	05/16/2025	6,825.00	.00		
Total TREE CARE ENTERPRISES, INC.:						6,825.00	.00		
U S CELLULAR									
7401	U S CELLULAR	0730586056	CELL PHONES - ADMIN	01-010-5320 Telephone & Data	05/16/2025	190.84	.00		
7401	U S CELLULAR	0730586056	CELL PHONES - PW	01-030-5320 Telephone & Data	05/16/2025	307.42	.00		
7401	U S CELLULAR	0730586056	CELL PHONES - PD	01-040-5320 Telephone & Data	05/16/2025	315.88	.00		
Total U S CELLULAR:						814.14	.00		

Vendor	Vendor Name	Invoice Number	Description	GL Account and Title	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
UNIFIRST CORPORATION									
7460	UNIFIRST CORPORATION	3390020576	MAT SERVICE - VH	01-010-5121 Maintenance & Repairs - B	05/19/2025	38.22	.00		
7460	UNIFIRST CORPORATION	3390020603	UNIFORMS & MATS - PW	01-030-4610 Uniforms	05/19/2025	132.27	.00		
7460	UNIFIRST CORPORATION	3390020603	UNIFORMS - PARKS	01-050-4610 Uniforms	05/19/2025	17.56	.00		
7460	UNIFIRST CORPORATION	3390020917	MAT SERVICE - VH	01-010-5121 Maintenance & Repairs - B	05/26/2025	38.22	.00		
Total UNIFIRST CORPORATION:						226.27	.00		
UNIFORM DEN EAST, INC									
7441	UNIFORM DEN EAST, INC	96754	Jordan - S/S Shirts x2	01-040-4612 Uniforms	05/21/2025	113.90	.00		
Total UNIFORM DEN EAST, INC:						113.90	.00		
VANDEWALLE & ASSOCIATES									
7483	VANDEWALLE & ASSOCIATES	2025034	Planning Services	01-016-5241 Planning Services - Zoning	05/16/2025	2,000.00	.00		
7483	VANDEWALLE & ASSOCIATES	202505035	T & M PLANNING	01-016-5241 Planning Services - Zoning	05/16/2025	3,662.50	.00		
7483	VANDEWALLE & ASSOCIATES	202505036	DRAFT #1 OVERLAY TEXT	01-016-5241 Planning Services - Zoning	05/16/2025	35.00	.00		
7483	VANDEWALLE & ASSOCIATES	202505036	DRAFT #2 OVERLAY TEXT	01-016-5241 Planning Services - Zoning	05/16/2025	220.00	.00		
Total VANDEWALLE & ASSOCIATES:						5,917.50	.00		
VERIZON WIRELESS									
7491	VERIZON WIRELESS	6113202844	HOT SPOTS PD	01-040-5320 Telephone & Data	05/10/2025	396.43	.00		
Total VERIZON WIRELESS:						396.43	.00		
WILLIAM CHARLES ELECTRIC, LLC									
7731	WILLIAM CHARLES ELECTRIC,	8256111-01	INSTALL 4 BATTERIES & UPS INVERT	01-030-5411 Electricity - Street Lights	05/12/2025	3,800.00	.00		
Total WILLIAM CHARLES ELECTRIC, LLC:						3,800.00	.00		
ZIEGLER'S ACE HARDWARE									
102	ZIEGLER'S ACE HARDWARE	052325 GC	GIFT CARDS FOR HOMETOWN PRIDE	01-010-6091 Special Events	05/23/2025	75.00	.00		
102	ZIEGLER'S ACE HARDWARE	6470-R	DRILL BIT & FASTENERS - LELAND PA	01-050-5121 Maintenance & Repairs - B	05/15/2025	9.24	.00		
102	ZIEGLER'S ACE HARDWARE	6485-R	LOCK BOXES - DISC GOLF	01-050-5121 Maintenance & Repairs - B	05/20/2025	11.97	.00		
102	ZIEGLER'S ACE HARDWARE	6486-R	FASTENERS - JACOBSEN	01-050-5120 Maint & Repairs - Equipme	05/20/2025	27.92	.00		
102	ZIEGLER'S ACE HARDWARE	6488-R	MOUNTING TAPE - VH	01-010-5121 Maintenance & Repairs - B	05/20/2025	8.59	.00		
102	ZIEGLER'S ACE HARDWARE	6488-R	SNAP KNIFE - PW	01-030-5121 Maintenance & Repairs - B	05/20/2025	5.99	.00		
102	ZIEGLER'S ACE HARDWARE	6488-R	ROLLER - PD	01-040-5121 Maintenance & Repairs - B	05/20/2025	6.59	.00		

Vendor	Vendor Name	Invoice Number	Description	GL Account and Title	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
Total ZIEGLER'S ACE HARDWARE:						145.30	.00		
Grand Totals:						124,596.55	.00		

Department Key

- 010 Administration
- 012 Village Clerk
- 015 Liability Insurance
- 030 Public Works
- 040 Police/Public Safety
- 050 Parks and Recreation

Dated: _____

Administrator: _____

Trustees: _____

These signatures approve all invoices in this report. Any invoices not approved are circled in Red.

Vendor	Vendor Name	Invoice Number	Description	GL Account and Title	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
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Report Criteria:

- Detail report.
- Invoices with totals above \$0.00 included.
- Paid and unpaid invoices included.
- Invoice Detail.GL account (2 Characters) = {<>} "50"

VILLAGE OF ROSCOE

AGENDA ITEM - STAFF REPORT



VILLAGE of
ROSCOE

Item # 8.

Agenda Item: 2025 Class D Patching Bid Specifications

Date: 06/03/2025

Meeting: Village Board of Trustees

Prepared by: Brandon Boggs

Department: Public Works/Engineering

Overview/Background Information

The Public Works Department is submitting the annual Class D Patching Program bid specifications for authorization by the Board to publicly bid the project. This program is intended to repair various types of pavement failures throughout the Village's limits as shown in the project drawings included in the draft bid package.

Key Issues

The Public Works Department is changing the way this project has been bid historically. Before this year, patching locations were not identified until after the bidding process was complete and unit pricing (broken down by various size/depth increments) was submitted by the awarded contractors. As a reminder, the Village did not receive any submitted bids for the 2024 project.

This year, Public Works has identified the patching locations prior to going out for bid to hopefully collect more competitive bids. Using the 2023 bid pricing submitted by contractors, Public Works has estimated that this year's patching locations/sizes will cost roughly \$100,000. Exact contract amounts will not be known until bids are submitted by contractors.

Following Board approval, staff will begin the public bidding process and will present a recommendation for contract award at the July 1st Board meeting.

Fiscal Note/Budget Impact

The Village Board has appropriated \$100,000 for the annual Class D Patching Program.

Prior Legislative Actions

N/A

Action Required/Recommendation

Staff recommends approval of the specifications/bid package at Village Board meeting on 06/03/2025.

Attachments

Bid Document Draft

REQUEST FOR BIDS
Village of Roscoe, Illinois
10631 Main St.,
P.O. Box 283
Roscoe, IL 61073

THE VILLAGE OF ROSCOE, ILLINOIS HEREBY SOLICITS BIDS FOR LABOR AND MATERIALS FOR THE 2025 CLASS “D” PATCHING PROGRAM.

Intent:

The intent of this Invitation to Bid is to solicit bid proposals from qualified contractors for the installation of Class “D” hot mix asphalt patching.

This bid is open to all contractors engaged in the services specified herein.

Bidders will be required to demonstrate their capability through references or by means acceptable to the Village of Roscoe (hereafter Village). The Village will evaluate all bidders based on the qualifications and criteria set forth in the Village’s Responsible Bidder Ordinance. A copy of the Responsible Bidder Ordinance is available at no cost to all Bidders and may be obtained from the Village Clerk. Bidders are expected to have read and comply with any additional bid requirements set forth in the Responsible Bidder Ordinance.

The Village reserves the right to reject any and all bids, or to accept the proposal(s) deemed most advantageous to the Village.

Bids will be received by the Village Engineer at Roscoe Village Hall at 10631 Main Street, Roscoe, IL 61073 until 10:00 a.m. (local time) on June 16, 2025. All bids will be publicly opened immediately thereafter. Written requests for the bid tabulation can be requested via email at vorengineer@villageofroscoe.com.

Preparation of Bid: The Bidder’s submittal shall include the completed:

- 1) Bid Sheet
- 2) Non-Collusion Affidavit of Prime Bidder
- 3) Statement of Bidder’s Qualifications
- 4) Certificate of Beneficial Interest
- 5) Schedule of Prices

Compliance with Laws: The Bidder shall at all times observe and conform to all laws, ordinances, and regulations of the Federal, State, and local governments, which may in any manner affect the preparation of bids or the performance of the contract. Bidder is expected to have familiarity with all state, local and federal statutes and ordinances pertaining to the industry in which they are involved.

References: Submittals shall include a list of at least 3 references of corporate firms or municipal agencies of a similar size and setup as the Village, who can attest to the Bidder's ability to fulfill this contract in a competent and expeditious manner. Include names, addresses, phone numbers, and the nature and size of past contracts.

Bonds and Insurance:

Successful bidder shall be required to provide all performance and completion bonds as required by State Statute and Village Ordinance. Bonds required shall include, but not are not limited to those required under the Public Construction Bond Act (30 ILCS 550/0.01 et. Seq.)

Contractors shall be required to maintain and furnish to the Village upon request, all workmen's compensation insurance and general liability coverage, which shall name the Village as an additional insured, and which shall include, but not be limited to:

A) Comprehensive general liability: \$2,000,000.00

Prevailing Wage: Not less than the Prevailing Wages as found by the Department of Labor or determined by the court on review shall be paid to laborers, workmen, and mechanics performing work under this contract. *Current standards are available on the Illinois Department of Labor web site at www.state.il.us/agency/idol/ or by calling the Village of Roscoe at 815-623-2829.* (Illinois Prevailing Wage Act - 820 ILCS 130/)

Termination of Contract: The Village reserves the right to terminate in whole or any part of this contract, upon written notice to the Bidder, in the event of default by the Bidder. Default is defined as failure of the Bidder to perform any of the provisions of this contract or failure to make sufficient progress so as to endanger performance of this contract in accordance with its terms. In the event of default and termination, the Village may procure, upon such terms and in such a manner as the Village may deem appropriate, supplies, or services similar to those terminated.

The Bidder shall be liable for any excess costs for such similar supplies or service unless evidence is submitted to the Village that, in the sole opinion of the Village, clearly proves that failure to perform the contract was due to causes beyond the control and without the fault or negligence of the Bidder.

General Notes: Bidders are advised that they must clearly indicate any and all deviations they intend to take from the detailed specification, as written in the bid document, at the time of bid submittal. All exceptions shall be listed on the *Detail Exception Sheet* included with the bid document. The contractor will be responsible for any work that is not acceptable to the Village, and will be responsible for the correction of the condition within 10 days of notification, at no additional cost to the Village.

Inspections: The Village shall have the right to inspect any materials, components, equipment, supplies, services, or completed work specified herein. Any of said items not complying with these specifications are subject to rejection at the option of the Village. Any items rejected shall be removed from the premises of the Village and/or replaced at the entire expense of the successful Bidder.

Change Orders: After the contract award, changes in or additions to the work and/or a change in the amount of money to be paid to the Bidder must be the result of an approved change order

ordered and approved by the designated Village Official(s) and approved by the Village and/or the Village Board.

Contractor Qualifications: Contractor shall hold all licenses, and certifications necessary to legally install all equipment, and do all work as requested in the bid specifications, in the State of Illinois, or shall, at contractor's expense, provide such qualified personnel to perform such installations.

DRAFT

GENERAL SPECIFICATIONS / SCOPE OF WORK

The "Standard Specifications for Road and Bridge Construction" prepared by the Department of Transportation of the State of Illinois and adopted by said Department on January 1, 2022, and the Supplemental Specifications and Recurring Special Provisions prepared by the Department of Transportation of the State of Illinois and adopted on January 1, 2022, by said Department to supplement the "Standard Specifications for Road and Bridge Construction", shall govern the bidding and construction of the proposed improvement. Where the term "Department" appears in the Specifications, the "Village of Roscoe" shall be substituted therefore, and where any term for an employee of the Department is used, the designated Village of Roscoe employee shall be substituted therefore. Herein after the terms "Owner", "Village" or "Engineer" shall mean the Village of Roscoe or its designated representative and the term "Contractor" shall mean the entity that proposes to perform the work herein described or its designated subcontractors.

The following General and Special Provisions supplement the said specifications and, in case of conflict with any part or parts of said specifications, these General and Special Provisions shall take precedence and shall govern:

GENERAL PROVISIONS

LOCATION AND DESCRIPTION OF WORK

The work included in this project generally consists of the construction of Class "D" Hot-Mix Asphalt pavement patching at various locations within the Village of Roscoe as shown on the Bid Drawings and Schedule of Prices. The contract work includes Hot-Mix Asphalt Surface Removal, Aggregate Base Preparation, Hot-Mix Asphalt Binder and Surface Replacement, Traffic Control, and other related work items. The Village has provided a description of required improvements at each location as shown in the Bid Drawings.

COMPLETION OF THE WORK

The Village will notify the contractor to proceed with the work after contracts have been signed by all parties. Once the Village has notified the contractor to proceed, the contractor will be required to complete all work before **September 31, 2025**. In addition to the requirement above, for patches requiring removal of existing pavement (by the contractor or by the Village), the contractor shall replace the pavement within twenty-four (24) hours of pavement removal. Liquidated damages for failure to complete the work on time as indicated above shall be assessed by the Village according to the requirements in Section 108.09 of the Standard Specifications. Should the contractor believe that completion of the work within the specified time is not possible due to weather or other causes beyond his control, a time extension may be requested on a case by case basis. The Contractor shall make such requests to the Village at the earliest opportunity, and the Village will determine if an extension of time will be granted.

CONSTRUCTION STAKING

The Village shall be responsible for marking the various work item pay limits with paint. Any deviation from painted areas will not be accepted for payment without written authorization from the Village.

CONSTRUCTION INSPECTION

The Contractor shall notify the Engineer or designated Village representative a minimum of 48 hours in advance of the start of construction or the continuation of construction following a pause in work. Any work performed without the notification and presence of a Village designated representative to inspect said construction will not be accepted for payment as directed by the Engineer.

CONTRACTOR QUALITY CONTROL

Prior to beginning work, the contractor shall submit to the Engineer the proposed sources of supply for all materials required to perform the work. It shall be the contractor's responsibility to ensure that all materials meet the specifications of Section 106 of the Standard Specifications. The contractor shall maintain a quality control system that will provide reasonable assurance that all Hot-Mix Asphalt placed for the project and related traffic control measures conform to the contract requirements and IDOT Standard Specifications, unless otherwise noted in the Special Provisions. The contractor is responsible for maintaining quality control regardless of the source of materials used. Although guidelines are established and certain requirements are specified, they are minimum and do not relieve the contractor from his responsibility for overall quality control. Any testing that the contractor deems necessary to control the process may be performed at the contractor's option. The contractor shall maintain records and submit reports of quality control (proportioning reports) that shall be acceptable by IDOT. The quality control program shall be considered a part of the contract and no additional compensation shall be made.

QUANTITIES

The locations, measured areas, and scope of the various patching locations are provided on the Schedule of Prices and Project Drawings. Contractor shall submit pricing to complete the full scope of work identified in the Schedule of Prices and Project Drawings for each patching location. The Contractor shall also submit the Total Price for completing all patches in accordance with the contract documents.

SPECIAL PROVISIONS

MOBILIZATION

Refer to Article 671.02 of the Standard Specifications and delete this paragraph in its entirety.
There will be no mobilization payments made on this Project.

TRAFFIC CONTROL

The Contractor will be required to furnish all traffic control devices necessary for the convenience and protection of vehicular and pedestrian traffic. This work shall consist of furnishing, installing and maintaining all signs, signals, temporary pavement markings, other required traffic control markings, barricades, warning lights, flaggers, and other devices which are to be used to regulate, warn or guide traffic during construction of this improvement. All work shall be in conformance with the current edition of the Illinois Department of Transportation's *Manual on Uniform Traffic Control Devices for Street and Highways*. Any work performed shall have traffic control as required in Section 700 of the Standard Specifications, and as per the appropriate IDOT highway standards: 701501-06, 701502-09, 701601-09, 701602-10, 701606-10, 701611-01, 701701-10, 701801-06, and 701901-08. The Contractor will be required to furnish the necessary flaggers as specified in the IDOT standards or as required by the Engineer on a continuous basis whenever construction operations are in progress.

The Contractor will be responsible for the maintenance of all traffic control devices for the duration of the project. The Contractor shall provide the Village with the name, address and telephone number of the person responsible for maintaining the traffic control devices who will be available to the Village on an immediate basis 24 hours a day. All advance warning signs and traffic control devices shall be removed or covered by the Contractor when such signs and devices are not in effect, or at the direction of the Engineer.

All Traffic Control work shall be considered incidental to the contract and no additional compensation shall be made.

SAWCUTTING

All patches shall be sawcut or milled to the limits marked by the Village representative or Engineer to provide a clean and neat edge free of spalling material. If the contractor believes that the condition of the existing roadway limits the ability to provide neat and clean edges via sawcutting, the contractor shall notify the Village representative prior to any work taking place and consideration shall be given following an inspection by the Village representative. All saw cutting work shall be considered incidental to the contract and no additional compensation shall be made.

CONSTRUCTION SEAMS

All paving seams (joints) shall be raked out and rolled according to Section 406 of the Standard Specifications and as directed by the Engineer. No overlapping seams will be allowed. Any seams that fail within the first year after construction will be crack sealed at the Contractor's own expense.

BITUMINOUS MATERIALS (TACK COAT)

This work shall conform to Section 403 of the Standard Specifications. Asphalt RC-70 shall be used. For application on existing or new Bituminous or PCC Base Courses, the Tack Coat shall be applied at 0.025-.05 lb/sf. The bituminous materials (Tack Coat) shall be considered incidental to the project and no additional compensation shall be made.

AGGREGATE BASE REPAIR

When areas of needed base repair are identified by the Contractor and/or Village, the Contractor shall furnish all labor, equipment, and materials necessary to remove the entire cross-section of the existing base, and furnish, place, prepare, grade and compact the exposed sub-grade and new aggregate base. Furnished base material shall be CA-6. The minimum base thickness of aggregate base for this work shall be 8", the maximum 12". In the event of discovery of unsuitable subgrade, the Village shall take additional measures, which may include additional services from the CONTRACTOR to be negotiated at that time. All work shall be constructed in accordance with Sections 301 and 351 of the Standard Specifications. AGGREGATE BASE REPAIR shall not be completed without the approval of the Village following an inspection of the identified locations completed by Village personnel. This work will be paid for through Time & Materials (T&M) when deemed necessary by the Village and/or Contractor.

HOT-MIX ASPHALT SURFACE COURSE REMOVAL

This work shall be done in accordance to Section 440 of the Standard Specifications. Where directed by the Engineer, the existing bituminous pavement shall be removed to a sufficient depth as necessary to provide an adequate surface for proper patch placement as directed by the Engineer and as described in the Project Drawings and Schedule of Prices. Removal areas will be marked in the field by the Engineer or designated Village representative. No additional compensation will be allowed for removal outside of the areas marked for removal. The contractor shall remove the cuttings immediately behind the grinding machine. The removed material shall be disposed of by the contractor off site. The Village may request that the grindings be stockpiled at a particular location for future use by the Village. All loose or disintegrated pavements below the required removal depth shall be removed by a method approved by the Engineer. Before the contractor places a tack coat on the street surface, the street shall be swept with a power sweeper and or a power broom. Flushing into the Village's storm sewer system as a means of clean-up will not be allowed. When required according to the scope provided in the Schedule of Prices, costs for HMA SURFACE COURSE REMOVAL shall be included in the total price per patching location.

CLASS D PATCHES (3")**CLASS D PATCHES (4")**

This work shall be constructed in accordance with Section 442 of the Standard Specifications. At locations specified by the Village, the contractor shall furnish all labor, equipment, and materials necessary to saw cut, remove and dispose of the existing pavement, prepare, grade and compact the existing aggregate base, apply bituminous materials (prime coat), replace the Hot-Mix Asphalt pavement and compact, and all other work necessary to complete the Class D Patches. Surface Course shall be mixture composition IL-9.5 or IL-12.5, Mix D, N50. Four (4) inch patches will be required to include 2.25" of IL-19.0 Binder Course and 1.75" of HMA Surface Course unless otherwise specified by the Village. Recycled materials will be allowed and must conform to all IDOT specifications. Mix designs and materials inspection reports must be submitted to the Village for approval prior to the Notice to Proceed of contract. In areas where the pavement removal depth exceeds the specified 2-inch or 3-inch depth, leveling binder shall be used to fill these voids. This work will be measured in place and paid for by location as listed in the Schedule of Prices.

HOT-MIX ASPHALT SURFACE COURSE (3")

This work shall be constructed in accordance with Section 406 of the Standard Specifications. At required, the contractor shall furnish all labor, equipment, and materials necessary to apply bituminous materials (tack coat) and construct the Hot-Mix Asphalt Surface Course. The Surface Course shall be mixture composition IL 9.5 or IL 12.5, Mix D, N50. Recycled materials will be allowed and must conform to all IDOT specifications. Mix designs and materials inspection reports must be submitted to the Village for approval prior to the Notice to Proceed of contract. In areas where the surface removal depth exceeds the specified 3-inch depth, leveling binder shall be used to fill these voids. This work will be measured in place and paid for by location as listed in the Schedule of Prices

EQUAL EMPLOYMENT OPPORTUNITY CLAUSE

EQUAL EMPLOYMENT OPPORTUNITY CLAUSE required by the Illinois Fair Employment Practices Commission as a material term of all public contracts.

During the performance of this contract, the contractor agrees as follows:

1. That it will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, or ancestry; and further, that it will examine all job classifications to determine if minority persons or women are underutilized and will take appropriate affirmative action to rectify any such under utilization.

2. That, if it hires additional employees in order to perform this contract, or any portion hereof, it will determine the availability (in accordance with the Commission's Rules and Regulations for Public Contracts) of minorities and women in the area(s) from which it may reasonably recruit and it will hire for each job classification for which employees are hired in such a way that minorities and women are not underutilized.

3. That, in all solicitations or advertisements for employees placed by it or on its behalf, it will state that all applicants will be afforded equal opportunity without discrimination because of race, color, religion, sex, national origin, or ancestry.

4. That it will send to each labor organization or representative of workers with which it has or is bound by a collective bargaining or other agreement or understanding, a notice advising such labor organization or representative of the contractor's obligations under the Illinois Fair Employment Practices Act and the Commission's Rules and Regulations for Public Contracts. If any such labor organization or representative fails or refuses to cooperate with the contractor in its efforts to comply with such Act and Rules and Regulations the contractor will promptly so notify the Illinois Fair Employment Practices Commission and the contracting agency and will recruit employees from other sources when necessary to fulfill its obligations there under.

5. That it will submit reports as required by the Illinois Fair Employment Practices Commission's Rules and Regulations for Public Contracts, furnish all relevant information as may from time to time be requested by the Commission or the contracting agency, and in all respects comply with the Illinois Fair Employment Practices Act and the Commission's Rules and Regulations for Public Contracts.

6. That it will permit access to all relevant books, records, accounts, and work sites by personnel of the contracting agency and the Illinois Fair Employment Practices Commission for purposes of investigation to ascertain compliance with the Illinois Fair Employment Practices Act and the Commission's Rules and Regulations for Public Contracts.

7. That it will include verbatim or by reference the provisions of paragraphs 1 through 7 of this clause in every performance subcontract as defined in Section 2.10 (b) of the Commission's Rules and Regulations for Public Contracts so that such provision will be binding upon every such subcontractor; and that it will also include the provisions of

paragraphs 1,5, 6, and 7 in every supply subcontract as defined in Section 2.10(a) of the Commission's Rules and Regulations for Public Contracts so that such provisions will be binding upon every such subcontractor. In the same manner as with other provisions of this contract, the contractor will be liable for compliance with applicable provisions of this clause by all its subcontractors; and further it will promptly notify the contracting agency and the Illinois Fair Employment Practices Commission in the event any subcontractor fails or refuses to comply therewith. In addition, no contractor will utilize any subcontractor declared by the Commission to be non-responsible and therefore ineligible for contracts or subcontracts with the State of Illinois or any of its political subdivisions or municipal corporations.

The Village of Roscoe does not discriminate on the basis of handicapped status in admission or access to, or treatment or employment in, its programs and activities.

LABOR STANDARDS AND PREVAILING WAGE REQUIREMENTS

Compliance with State and Federal Law

Contractor warrants that it will comply with all federal, state and local laws, ordinances statutes, rules and regulations including, but not limited to the following statutes set forth below. Costs or associated expenses for any changes to this contract due to compliance with this subsection shall be the responsibility of the Contractor.

Prevailing Wage Act:

The contractor acknowledges that it has reviewed the Illinois Prevailing Wage Act, has reviewed and agrees to pay the applicable prevailing wage rates, as they currently exist, or may be amended, and which are in effect during project duration, and will strictly comply with the Illinois Prevailing Wage Act and related requirements, including subcontractor requirements.

Contractor agrees that not less than the prevailing rate of wages as determined by the Village of Roscoe or the Illinois Department of Labor shall be paid to all laborers, workers and mechanics performing work under this contract. All contractor's bonds and subcontractor's bonds shall include a provision as will guarantee the faithful performance of such prevailing wage clause as provided by this bid specification or contract.

The Contractor shall be responsible for keeping, collecting and submitting copies to the Village, all records and documentation, including, but not limited to, the certified payroll contemplated under the Act, which are required, or may be required, under the Illinois Prevailing Wage Act (820 ILCS 130/0.01, *et seq.*), including that documentation which is required from subcontractors and sub-subcontractors. The Contractor further agrees to cooperate with the Village in responding to any request by the Illinois Department of Labor, or other authorized agency or governmental or quasi-governmental unit of the State of Illinois in providing documentation of compliance with the Illinois Prevailing Wage Act.

Contractor Further Certifies:

1. Neither the undersigned nor any firm, partnership, or association in which they have a substantial interest is designated as an ineligible contractor by the Department of Labor pursuant to 820 ILCS130/11a.
2. The undersigned shall comply with the provisions of 820 ILCS 130/11a, *et seq.*
3. All employees shall be paid pursuant to the general prevailing rate as determined by the Illinois Department of Labor.
4. Contractor agrees to obtain and forward to any subcontractor within ten (10) days after their execution of any subcontract including those executed by their subcontractors and any lower tier subcontractors, a Subcontractor's Certification Concerning Labor Standards and Prevailing Wage Requirements executed by the subcontractors.

Current information on *Prevailing Wage Rates* can be found on the *Illinois Department of Labor's* website. (<https://labor.illinois.gov/laws-rules/conmed/prevailing-wage-rates.html>)

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						Overtime										
Trade Title	Rg	Type	C	Base	Foreman	M-F	Sa	Su	Hol	H/W	Pension	Vac	Trng	Other Ins	Add OT 1.5x owed	Add OT 2.0x owed
ASBESTOS ABT-GEN	All	BLD		47.94	48.94	1.5	1.5	2.0	2.0	9.55	22.76	0.00	0.80	0.00	3.00	6.00
ASBESTOS ABT-MEC	All	BLD		40.68	44.75	1.5	1.5	2.0	2.0	12.60	22.42	0.00	0.58		0.00	0.00
BOILERMAKER	All	BLD		55.76	60.77	2.0	2.0	2.0	2.0	6.97	26.44	0.00	3.34	1.95	0.00	38.26
BRICK MASON	All	BLD		47.50	50.25	1.5	1.5	2.0	2.0	14.45	18.75	0.00	1.32	0.00	0.00	0.00
CARPENTER	All	BLD		45.00	49.95	1.5	1.5	2.0	2.0	13.21	22.00	0.00	0.82	0.00	0.00	0.00
CARPENTER	All	HWY		50.00	51.75	1.5	1.5	2.0	2.0	12.90	21.00	0.00	0.82	0.00	0.00	0.00
CEMENT MASON	All	ALL		42.60	45.35	1.5	1.5	2.0	2.0	13.65	23.08	0.00	0.80	0.00	0.00	0.00
CERAMIC TILE FINISHER	All	BLD		39.83		1.5	1.5	2.0	2.0	12.20	12.72	0.00	1.16		0.00	0.00
COMMUNICATION TECHNICIAN	All	BLD		48.00	52.80	1.5	1.5	2.0	2.0	17.79	18.63	0.00	0.96		0.00	0.00
ELECTRIC PWR EQMT OP	All	ALL		50.82	69.34	1.5	1.5	2.0	2.0	7.25	14.22	0.00	1.52	1.52	8.63	17.26
ELECTRIC PWR GRNDMAN	All	ALL		39.04	69.34	1.5	1.5	2.0	2.0	7.25	10.93	0.00	1.17	1.17	6.63	13.27
ELECTRIC PWR LINEMAN	All	ALL		61.09	69.34	1.5	1.5	2.0	2.0	7.25	17.10	0.00	1.83	1.83	10.38	20.76
ELECTRIC PWR TRK DRV	All	ALL		40.46	69.34	1.5	1.5	2.0	2.0	7.25	11.33	0.00	1.21	1.21	6.87	13.75
ELECTRICIAN	All	BLD		58.00	63.80	1.5	1.5	2.0	2.0	17.79	23.53	0.00	1.16		0.00	0.00
ELEVATOR CONSTRUCTOR	All	BLD		62.51	70.32	2.0	2.0	2.0	2.0	16.17	20.96	5.00	0.75		0.00	0.00
FENCE ERECTOR	All	ALL		42.45	47.54	1.5	1.5	2.0	2.0	13.21	28.62	0.00	1.80	0.00	0.00	0.00
GLAZIER	All	BLD		46.73	48.73	1.5	1.5	1.5	2.0	15.15	10.85	0.00	1.25	0.00	0.00	0.00
HEAT/FROST INSULATOR	All	BLD		40.68	44.75	1.5	1.5	2.0	2.0	12.60	22.42	0.00	0.58		0.00	0.00
IRON WORKER	All	ALL		46.59	52.18	2.0	2.0	2.0	2.0	13.21	33.79	0.00	1.80	0.00	0.00	0.00
LABORER	All	BLD		41.34	42.34	1.5	1.5	2.0	2.0	9.55	22.76	0.00	0.80	0.00	3.00	6.00
LABORER	All	HWY		44.59	45.34	1.5	1.5	2.0	2.0	9.55	25.76	0.00	0.80	0.00	4.50	9.00
LABORER, SKILLED	All	HWY		47.94	48.69	1.5	1.5	2.0	2.0	9.55	25.76	0.00	0.80	0.00	4.50	9.00
LATHER	All	BLD		45.00	49.95	1.5	1.5	2.0	2.0	13.21	22.00	0.00	0.82	0.00	0.00	0.00
MACHINIST	All	BLD		58.39	62.39	1.5	1.5	2.0	2.0	9.93	8.95	1.85	1.47		0.00	0.00
MARBLE FINISHER	All	BLD		39.83		1.5	1.5	2.0	2.0	12.20	12.72	0.00	1.16		0.00	0.00
MARBLE MASON	All	BLD		43.48	45.98	1.5	1.5	2.0	2.0	12.20	14.06	0.00	1.21		0.00	0.00

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MATERIAL TESTER I	All	ALL		47.94	48.69	1.5	1.5	2.0	2.0	9.55	25.76	0.00	0.80	0.00	4.50	9.00
MATERIALS TESTER II	All	ALL		47.94	48.69	1.5	1.5	2.0	2.0	9.55	25.76	0.00	0.80	0.00	4.50	9.00
MILLWRIGHT	All	BLD		50.00	55.00	1.5	1.5	2.0	2.0	12.20	18.41	0.00	0.82	0.00	0.00	0.00
OPERATING ENGINEER	All	BLD	1	52.55	56.55	2.0	2.0	2.0	2.0	23.95	19.70	3.00	2.85	0.00	0.00	0.00
OPERATING ENGINEER	All	BLD	2	51.85	56.55	2.0	2.0	2.0	2.0	23.95	19.70	3.00	2.85	0.00	0.00	0.00
OPERATING ENGINEER	All	BLD	3	49.40	56.55	2.0	2.0	2.0	2.0	23.95	19.70	3.00	2.85	0.00	0.00	0.00
OPERATING ENGINEER	All	BLD	4	47.40	56.55	2.0	2.0	2.0	2.0	23.95	19.70	3.00	2.85	0.00	0.00	0.00
OPERATING ENGINEER	All	BLD	5	56.30	56.55	2.0	2.0	2.0	2.0	23.95	19.70	3.00	2.85	0.00	0.00	0.00
OPERATING ENGINEER	All	BLD	6	55.55	56.55	2.0	2.0	2.0	2.0	23.95	19.70	3.00	2.85	0.00	0.00	0.00
OPERATING ENGINEER	All	BLD	7	52.55	56.55	2.0	2.0	2.0	2.0	23.95	19.70	3.00	2.85	0.00	0.00	0.00
OPERATING ENGINEER	All	HWY	1	52.40	56.40	1.5	1.5	2.0	2.0	23.95	19.70	3.00	2.85	0.00	0.00	0.00
OPERATING ENGINEER	All	HWY	2	51.85	56.40	1.5	1.5	2.0	2.0	23.95	19.70	3.00	2.85	0.00	0.00	0.00
OPERATING ENGINEER	All	HWY	3	50.55	56.40	1.5	1.5	2.0	2.0	23.95	19.70	3.00	2.85	0.00	0.00	0.00
OPERATING ENGINEER	All	HWY	4	49.10	56.40	1.5	1.5	2.0	2.0	23.95	19.70	3.00	2.85	0.00	0.00	0.00
OPERATING ENGINEER	All	HWY	5	47.65	56.40	1.5	1.5	2.0	2.0	23.95	19.70	3.00	2.85	0.00	0.00	0.00
OPERATING ENGINEER	All	HWY	6	55.40	56.40	1.5	1.5	2.0	2.0	23.95	19.70	3.00	2.85	0.00	0.00	0.00
OPERATING ENGINEER	All	HWY	7	53.40	56.40	1.5	1.5	2.0	2.0	23.95	19.70	3.00	2.85	0.00	0.00	0.00
PAINTER	All	ALL		45.15	47.15	1.5	1.5	1.5	2.0	14.85	13.16	0.00	1.40	0.00	0.00	0.00
PILEDRIIVER	All	BLD		46.00	51.06	1.5	1.5	2.0	2.0	13.21	22.00	0.00	0.82	0.00	0.00	0.00
PILEDRIIVER	All	HWY		51.00	52.75	1.5	1.5	2.0	2.0	12.90	21.00	0.00	0.82	0.00	0.00	0.00
PIPEFITTER	All	BLD		54.40	58.21	1.5	1.5	2.0	2.0	13.47	14.20	0.00	2.35	0.00	0.00	0.00
PLASTERER	All	BLD		39.47	43.42	1.5	1.5	2.0	2.0	13.50	24.50	0.00	0.80	0.00	0.00	0.00
PLUMBER	All	BLD		54.40	58.21	1.5	1.5	2.0	2.0	13.47	14.20	0.00	2.35	0.00	0.00	0.00
ROOFER	All	BLD		50.25	55.25	1.5	1.5	2.0	2.0	11.98	17.34	0.00	1.11	0.00	0.00	0.00
SHEETMETAL WORKER	All	BLD		52.14	61.41	1.5	1.5	2.0	2.0	10.70	23.56	0.00	1.42	1.80	17.75	35.51
SPRINKLER FITTER	All	BLD		47.09	50.09	1.5	1.5	2.0	2.0	11.45	14.92	0.00	0.52		0.00	0.00
STONE MASON	All	BLD		47.50	50.25	1.5	1.5	2.0	2.0	14.45	18.75	0.00	1.32	0.00	0.00	0.00
TERRAZZO FINISHER	All	BLD		39.83		1.5	1.5	2.0	2.0	12.20	12.72	0.00	1.16		0.00	0.00
TERRAZZO MASON	All	BLD		43.48	45.98	1.5	1.5	2.0	2.0	12.20	14.06	0.00	1.21		0.00	0.00
TILE LAYER	All	BLD		45.00	49.95	1.5	1.5	2.0	2.0	13.21	22.00	0.00	0.82	0.00	0.00	0.00

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TILE MASON	All	BLD		43.48	45.98	1.5	1.5	2.0	2.0	12.20	14.06	0.00	1.21		0.00	0.00
TRUCK DRIVER	All	ALL	1	45.47		1.5	1.5	2.0	2.0	12.20	13.30	0.00	0.20	0.00	0.00	0.00
TRUCK DRIVER	All	ALL	2	45.62		1.5	1.5	2.0	2.0	12.20	13.30	0.00	0.20	0.00	0.00	0.00
TRUCK DRIVER	All	ALL	3	45.82		1.5	1.5	2.0	2.0	12.20	13.30	0.00	0.20	0.00	0.00	0.00
TRUCK DRIVER	All	ALL	4	45.93		1.5	1.5	2.0	2.0	12.20	13.30	0.00	0.20	0.00	0.00	0.00
TUCKPOINTER	All	BLD		47.50	50.25	1.5	1.5	2.0	2.0	14.45	18.75	0.00	1.32	0.00	0.00	0.00

Legend

Rg Region

Type Trade Type - All,Highway,Building,Floating,Oil & Chip,Rivers

C Class

Base Base Wage Rate

OT M-F Unless otherwise noted, OT pay is required for any hour greater than 8 worked each day, Mon through Fri. The number listed is the multiple of the base wage.

OT Sa Overtime pay required for every hour worked on Saturdays

OT Su Overtime pay required for every hour worked on Sundays

OT Hol Overtime pay required for every hour worked on Holidays

H/W Health/Welfare benefit

Vac Vacation

Trng Training

Other Ins Employer hourly cost for any other type(s) of insurance provided for benefit of worker.

Explanations WINNEBAGO COUNTY

The following list is considered as those days for which holiday rates of wages for work performed apply: New Years Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, Christmas Day and Veterans Day in some classifications/counties. Generally, any of these holidays which fall on a Sunday is celebrated on the following Monday. This then makes work performed on that Monday payable at the appropriate overtime rate for holiday pay. Common practice in a given local may alter certain days of celebration. If in doubt, please check with IDOL.

EXPLANATION OF CLASSES

ASBESTOS - GENERAL - removal of asbestos material/mold and hazardous materials from any place in a building, including mechanical systems where those mechanical systems are to be removed. This includes the removal of asbestos materials/mold and hazardous materials from ductwork or pipes in a building when the building is to be demolished at the time or at some close future date. ASBESTOS - MECHANICAL - removal of asbestos material from mechanical systems, such as pipes, ducts, and boilers, where the mechanical systems are to remain.

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CERAMIC TILE FINISHER, MARBLE FINISHER, TERRAZZO FINISHER

Assisting, helping or supporting the tile, marble and terrazzo mechanic by performing their historic and traditional work assignments required to complete the proper installation of the work covered by said crafts. The term "Ceramic" is used for naming the classification only and is in no way a limitation of the product handled. Ceramic takes into consideration most hard tiles.

COMMUNICATIONS TECHNICIAN

Installing, manufacturing, assembling and maintaining sound and intercom, protection alarm (security), fire alarm, master antenna television, closed circuit television, low voltage control for computers and/or door monitoring, school communications systems, telephones and servicing of nurse and emergency calls, and the installation and maintenance of transmit and receive antennas, transmitters, receivers, and associated apparatus which operates in conjunction with above systems. All work associated with these system installations will be included EXCEPT the installation of protective metallic conduit in new construction projects (excluding less than ten-foot, runs strictly for protection of cable) and 120 volt AC (or higher) power wiring and associated hardware.

LABORER, SKILLED - HIGHWAY

Individuals engaged in the following types of work, irrespective of the site of the work: asbestos abatement worker, handling of any materials with any foreign matter harmful to skin or clothing, track laborer, cement handlers, chloride handlers, the unloading and loading with steel workers and re-bars, concrete workers wet, tunnel helpers in free air, batch dumpers, mason tenders, kettle and tar men, tank cleaners, plastic installers, scaffold workers, motorized buggies or motorized unit used for wet concrete or handling of building materials, laborers with de-watering systems, sewer workers plus depth, rod and chainmen with technical engineers, rod and chainmen with land surveyors, rod and chainmen with surveyors, vibrator operators, cement silica, clay, fly ash, lime and plasters, handlers (bulk or bag), cofferdam workers plus depth, on concrete paving, placing, cutting and tying of reinforcing, deck hand, dredge hand, and shore laborers, bankmen on floating plant, grade checker, power tools, front end man on chip spreaders, cession workers plus depth, gunnite nozzle men, lead man on sewer work, welders, cutters, burners and torchmen, chainsaw operators, jackhammer and drill operators, layout man and/or drainage tile layer, steel form setter - street and highway, air tamping hammermen, signal man on crane, concrete saw operator, screedman on asphalt pavers, laborers tending masons with hot material or where foreign materials are used, mortar mixer operators, multiple concrete duct - leadsman, lumen, asphalt raker, curb asphalt machine operator, ready mix scalemen (permanent, portable or temporary plant), laborers handling masterplate or similar materials, laser beam operator, con-crete burning machine operator, coring machine operator, plaster ten-der, underpinning and shoring of buildings, pump men, manhole and catch basin, dirt and stone tamper, hose men on concrete pumps, haz-ardous waste worker, lead base paint abatement worker, lining of pipe, refusing machine, assisting on direct boring machine, the work of lay-ing watermain, fire hydrants, all mechanical joints to watermain work, sewer worker, and tapping water service and forced lift station mechanical worker.

MATERIAL TESTER I: Hand coring and drilling for testing of materials; field inspection of uncured concrete and asphalt.

MATERIAL TESTER II: Field inspection of welds, structural steel, fireproofing, masonry, soil, facade, reinforcing steel, formwork, cured concrete, and concrete and asphalt batch plants; adjusting proportions of bituminous mixtures.

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OPERATING ENGINEERS - BUILDING

Class 1. Asphalt Plant; Asphalt Spreader; Autograde; Backhoes with Caisson Attachment; Batch Plant; Benoto (requires Two Engineers); Boiler and Throttle Valve; Caisson Rigs; Central Redi-Mix Plant; Combination Back Hoe Front End-loader Machine; Compressor and Throttle Valve; Concrete Breaker (Truck Mounted); Concrete Conveyor; Concrete Paver (over 27E cu. ft.); Concrete Paver (27 cu. ft. and under); Concrete Placer; Concrete Pump (Truck Mounted); Concrete Conveyor (Truck Mounted); Concrete Tower; Cranes, All; GCI and similar types (required two operators only); Cranes, Hammerhead; Creter Crane; Crusher, Stone, etc.; Derricks, All; Derricks, Traveling; Formless Curb and Gutter Machine; Grader, Elevating; Grouting Machines; Highlift Shovels or Front Endloader 2-1/4 yd. and over; Hoists, Elevators, outside type rack and pinion and similar machines; Hoists, one, two and three Drum; Hoists, Two Tugger One Floor; Hydraulic Backhoes; Hydraulic Boom Trucks; Hydro Vac (and similar equipment - excluding hose work and any sewer work); Locomotives, All; Lubrication Technician; Manipulators; Motor Patrol; Pile Drivers and Skid Rig; Post Hole Digger; Pre-Stress Machine; Pump Cretes Dual Ram; Pump Cretes: Squeeze Cretes - Screw Type Pumps, Gypsum Bulker and Pump; Raised and Blind Hole Drill; Rock Drill (self-propelled); Rock Drill - Truck Mounted; Roto Mill Grinder; Scoops - Tractor Drawn; Slipform Paver; Scrapers Prime Movers; Straddle Buggies; Tie Back Machine; Tractor with Boom and Side Boom; Trenching Machines.

Class 2. Bobcat (over 3/4 cu. yd.); Boilers; Brick Forklift; Broom, All Power Propelled; Bulldozers; Concrete Mixer (Two Bag and Over); Conveyor, Portable; Forklift Trucks; Highlift Shovels or Front Endloaders under 2-1/4 yd.; Hoists, Automatic; Hoists, Sewer Dragging Machine; Hoists, Tugger Single Drum; Laser Screed; Rollers, All; Steam Generators; Tractors, All; Tractor Drawn Vibratory Roller; Winch Trucks with "A" Frame.

Class 3. Air Compressor; Asphalt Spreader; Combination - Small Equipment Operator; Generators; Heaters, Mechanical; Hoists, Inside Elevators - (Rheostat Manual Controlled); Hydraulic Power Units (Pile Driving, Extracting, or Drilling - with a seat); Lowboys; Pumps, Over 3" (1 to 3 not to exceed total of 300 ft.); Pumps, Well Points; Welding Machines (2 through 5); Winches, 4 Small Electric Drill Winches; Bobcat (up to and including 3/4 cu. yd.).

Class 4. Elevator push button with automatic doors; Hoists, Inside; Oilers; Brick Forklift.

Class 5. Assistant Craft Foreman

Class 6. Mechanics; Welders.

Class 7. Gradall

OPERATING ENGINEERS - HIGHWAY CONSTRUCTION

Class 1. Asphalt Plant; Asphalt Heater and Planer Combination; Asphalt Heater Scarfire; Asphalt Silo Tender; Asphalt Spreader; Autograde; ABG Paver; Backhoes with Caisson Attachment; Ballast Regulator; Belt Loader; Caisson Rigs; Car Dumper; Central Redi-Mix Plant; Backhoe w/shear attachments; Combination Backhoe Front Endloader Machine, (1 cu. yd. Backhoe Bucket or over or with attachments); Concrete Breaker (Truck Mounted); Concrete Conveyor; Concrete Paver over 27E cu. ft.; Concrete Placer; Concrete Tube Float; Cranes, all attachments; Cranes, Tower of all types; Creter Crane; Crusher, Stone, etc.; Derricks, All; Derrick Boats; Derricks, Traveling; Directional Boring Machine over 12"; Dredges; Formless Curb and Gutter Machine; Grader, Elevating;

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Grader, Motor Grader, Motor Patrol, Auto Patrol, Form Grader, Pull Grader, Subgrader; Guard Rail Post Driver Mounted; Hoists, One, Two and Three Drum; Hydraulic Backhoes; Hydro Vac, Self Propelled, Truck Mounted (excluding hose work and any sewer work); Lubrication Technician; Manipulators; Pile Drivers and Skid Rig; Pre-Stress Machine; Pump Cretes Dual Ram; Rock Drill - Crawler or Skid Rig; Rock Drill - Truck Mounted; Rock/Track Tamper; Roto Mill Grinder; Slip-Form Paver; Snow Melters; Soil Test Drill Rig (Truck Mounted); Straddle Buggies; GCI Crane; Hydraulic Telescoping Form (Tunnel); Tie Back Machine; Tractor Drawn Belt Loader; Tractor Drawn Belt Loader with attached pusher; Tractor with Boom; Tractaire with Attachments; Traffic Barrier Conveyor Machine; Raised or Blind Hole Drills; Trenching Machine (over 12"); Truck Mounted Concrete Pump with Boom; Truck Mounted Concrete Conveyor; Work Boat (no license required - 90 h.p. or above); Underground Boring and/or Mining Machines; Wheel Excavator; Widener (APSCO).

Class 2. Batch Plant; Bituminous Mixer; Boiler and Throttle Valve; Bulldozers; Car Loader Trailing Conveyors; Combination Backhoe Front Endloader Machine (less than 1 cu. yd. Backhoe Bucket or over or with attachments); Compressor and Throttle Valve; Compressor, Common Receiver (3); Concrete Breaker or Hydro Hammer; Concrete Grinding Machine; Concrete Mixer or Paver 7S Series to and including 27 cu. ft.; Concrete Spreader; Concrete Curing Machine, Burlap Machine, Belting Machine and Sealing Machine; Concrete Wheel Saw (large self-propelled - excluding walk-behinds and hand-held); Conveyor Muck Cars (Haglund or Similar Type); Drills, all; Finishing Machine - Concrete; Highlift Shovels or Front Endloader; Hoist - Sewer Dragging Machine; Hydraulic Boom Trucks (All Attachments); Hydro Blaster; All Locomotives, Dinky; Off-Road Hauling Units; Non-Self Loading Dump; Ejection Dump; Pump Cretes: Squeeze Cretes - Screw Type Pumps, Gypsum Bulker and Pump; Roller, Asphalt; Rotary Snow Plows; Rototiller, Seaman, etc., self-propelled; Scoops - Tractor Drawn; Self-Propelled Compactor; Spreader - Chip - Stone, etc.; Scraper; Scraper - Prime Mover in Tandem (Regardless of Size); Tank Car Heater; Tractors, Push, Pulling Sheeps Foot, Disc, Compactor, etc.; Tug Boats.

Class 3. Boilers; Brooms, All Power Propelled; Cement Supply Tender; Compressor, Common Receiver (2); Concrete Mixer (Two Bag and Over); Conveyor, Portable; Farm-Type Tractors Used for Mowing, Seeding, etc.; Fireman on Boilers; Forklift Trucks; Grouting Machine; Hoists, Automatic; Hoists, All Elevators; Hoists, Tugger Single Drum; Jeep Diggers; Low Boys; Pipe Jacking Machines; Post-Hole Digger; Power Saw, Concrete Power Driven; Pug Mills; Rollers, other than asphalt; Seed and Straw Blower; Steam Generators; Stump Machine; Winch Trucks with "A" Frame; Work Boats; Tamper - Form - Motor Driven.

Class 4. Air Compressor - Small and Large; Asphalt Spreader, Backend Man; Bobcat (Skid Steer) all; Brick Forklift; Combination - Small Equipment Operator; Directional Boring Machine up to 12"; Generators; Heaters, Mechanical; Hydraulic Power Unit (Pile Driving, Extracting, or Drilling); Hydro-Blaster; Light Plants, All (1 through 5); Pumps, over 3" (1 to 3 not to exceed a total of 300 ft.); Pumps, Well Points; Tractaire; Trencher 12" and under; Welding Machines (2 through 5); Winches, 4 Small Electric Drill Winches.

Class 5. Oilers and Directional Boring Machine Locator.

Class 6. Field Mechanics and Field Welders

Class 7. Gradall and machines of like nature.

TRUCK DRIVER - BUILDING, HEAVY AND HIGHWAY CONSTRUCTION Class 1. Two or three Axle Trucks. A-frame Truck when used for transportation purposes; Air Compressors and Welding Machines, including those pulled by cars, pick-up trucks and

Winnebago County Prevailing Wage Rates posted on 4/15/2025

Item # 8.

tractors; Ambulances; Batch Gate Lockers; Batch Hopperman; Car and Truck Washers; Carry-alls; Fork Lifts and Hoisters; Helpers; Mechanics Helpers and Greasers; Oil Distributors 2-man operation; Pavement Breakers; Pole Trailer, up to 40 feet; Power Mower Tractors; Self-propelled Chip Spreader; Skipman; Slurry Trucks, 2-man operation; Slurry Truck Conveyor Operation, 2 or 3 man; TTeamsters Unskilled dumpman; and Truck Drivers hauling warning lights, barricades, and portable toilets on the job site.

Class 2. Four axle trucks; Dump Crets and Adgetors under 7 yards; Dumpsters, Track Trucks, Euclids, Hug Bottom Dump Turnapulls or Turnatrailers when pulling other than self-loading equipment or similar equipment under 16 cubic yards; Mixer Trucks under 7 yards; Ready-mix Plant Hopper Operator, and Winch Trucks, 2 Axles.

Class 3. Five axle trucks; Dump Crets and Adgetors 7 yards and over; Dumpsters, Track Trucks, Euclids, Hug Bottom Dump Turnatrailers or turnapulls when pulling other than self-loading equipment or similar equipment over 16 cubic yards; Explosives and/or Fission Material Trucks; Mixer Trucks 7 yards or over; Mobile Cranes while in transit; Oil Distributors, 1-man operation; Pole Trailer, over 40 feet; Pole and Expandable Trailers hauling material over 50 feet long; Slurry trucks, 1-man operation; Winch trucks, 3 axles or more; Mechanic--Truck Welder and Truck Painter.

Class 4. Six axle trucks; Dual-purpose vehicles, such as mounted crane trucks with hoist and accessories; Foreman; Master Mechanic; Self-loading equipment like P.B. and trucks with scoops on the front.

Other Classifications of Work:

For definitions of classifications not otherwise set out, the Department generally has on file such definitions which are available. If a task to be performed is not subject to one of the classifications of pay set out, the Department will upon being contacted state which neighboring county has such a classification and provide such rate, such rate being deemed to exist by reference in this document. If no neighboring county rate applies to the task, the Department shall undertake a special determination, such special determination being then deemed to have existed under this determination. If a project requires these, or any classification not listed, please contact IDOL at 217-782-1710 for wage rates or clarifications.

LANDSCAPING

Landscaping work falls under the existing classifications for laborer, operating engineer and truck driver. The work performed by landscape plantsman and landscape laborer is covered by the existing classification of laborer. The work performed by landscape operators (regardless of equipment used or its size) is covered by the classifications of operating engineer. The work performed by landscape truck drivers (regardless of size of truck driven) is covered by the classifications of truck driver.

NON-COLLUSION AFFIDAVIT OF PRIME BIDDER

State of _____)

County of _____) ss.
_____)

_____, being first duly sworn, deposes and says that:

- (1) He/She is _____ of _____, the Bidder that has submitted the attached Bid;
- (2) He/She is fully informed respecting the preparation and contents of the attached Bid and of all pertinent circumstances respecting such Bid;
- (3) Such Bid is genuine and is not a collusive or sham Bid;
- (4) Neither the said Bidder nor any of its officers, partners, owners, agents, representatives, employees, or parties in interest, including this affiant, has in any way colluded, conspired, connived or agreed, directly or indirectly with any other Bidder, firm or person to submit a collusive or sham Bid in connection with the Contract for which the attached Bid has been submitted or to refrain from bidding in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Bidder, firm or person to fix the price or prices in the attached Bid or of any other bidder, or to fix any overhead, profit, cost element of the Bid price or the Bid price of any other Bidder, or to secure through any collusion, conspiracy, connivance or unlawful agreement any advantage against the Village of Roscoe, IL or any person interested in the proposed Contract; and
- (5) The price or prices quoted in the attached Bid are fair and proper and are not tainted by any collusion, conspiracy, connivance, or unlawful agreement on the part of the Bidder or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

(Signed) _____

(Name and Title)Subscribed and sworn to before me
this _____ day of _____, 20_______
(Notary Public)

My commission expires _____.

STATEMENT OF BIDDER'S QUALIFICATIONS

All bidders must fully disclose the following information in a clear and comprehensive manner. This statement must be signed and notarized. If necessary, questions may be answered on separate attached sheets. The bidder may submit any additional information he desires:

1. Name of bidder.
2. Permanent main office address.
3. Date organized.
4. If a corporation, where incorporated.
5. How many years have you been engaged in the construction business under your present firm or trade name.
6. Itemize contracts currently in hand by client, term, and amounts.
7. General character of work performed by your company:
8. Have you ever failed to complete any work awarded to you.
9. Have you ever defaulted on a contract? Yes _____ No _____
10. Provide a complete listing of any past (last ten years) or pending litigation against the company and/or any of its principals involving the actual or alleged failure to meet contractual obligations to provide landscaping services.
11. Experience in work similar in importance to contract being offered by the Village of Roscoe.

12. Background and experience of the members of your organization, including principal owners and officers.
13. The undersigned hereby authorizes and requests any person, firm, or corporation to furnish any other information requested by the Village of Roscoe, IL in the verification the recitals comprising this statement of Bidder's Qualifications.

Dated at _____ this _____ day of _____, 20____.

By: _____

Its: _____

State of _____)

County of _____) ss.

_____)

_____ being duly sworn deposes and says that he is _____ of _____ and that the answers to the foregoing questions and all statements contained therein are true and correct.

Subscribed and sworn before me this _____ day of _____, 20____.

My commission expires on _____.

CERTIFICATE OF BENEFICIAL INTEREST

The following individuals have a beneficial interest of more than 7.5% in the bidding enterprise:

Name:
Address:
Position/Title:

Name:
Address:
Position/Title:

Name:
Address:
Position/Title:

Name:
Address:
Position/Title:

Name:
Address:
Position/Title:

Name:
Address:
Position/Title:

If a Corporation, the following individuals are the Officers and Directors:

Name:
Address:
Position/Title:

Name:
Address:
Position/Title:

Name:
Address:
Position/Title:

Name:
Address:
Position/Title:

Name:
Address:
Position/Title:

Name:
Address:
Position/Title:

State of _____)
County of _____) ss.
_____)

_____ being duly sworn deposes and says that he is _____ of _____ and that the answers to the foregoing questions and all statements contained therein are true and correct.

Subscribed and sworn before me this _____ day of _____, 20____.

My commission expires on _____.

BID SHEET

The undersigned, having examined the specifications and all conditions affecting the specified project, including full and detailed examination of the current facility, the site itself, and the conditions located therein, offer to furnish all services, labor, and incidentals specified for the price below (including all attachments to the bid document).

The contractor certifies that they have visited the sites of the proposed work, before bidding, to thoroughly familiarize them self with all existing conditions under which the work is to be done and acquaint them self with any conditions which may affect the work. Failure to take this precaution will not relieve the contractor from any obligations to comply strictly and fully with the terms of the contract and no allowance will be made for the failure of the contractor to correctly estimate his time, material and bid price.

The undersigned Bidder certifies that they are not barred from bidding on this contract as a result of a conviction for the violation of state laws prohibiting bid rigging or bid rotating, (720ILCS 5/33E-1, et seq.) and is not delinquent in any taxes to the Illinois Department of Revenue. (65 ILCS 5/11-42.1-1)

It is understood that the Village reserves the right to reject any and all bids and to waive any irregularities when, in its opinion, the best interest of the Village will be served by such action.

No bid will be accepted from or contract awarded to any person, firm, or corporation that is in arrears or is in default to the Village upon any debt or contract, or that is a defaulter, as surety or otherwise, upon any obligation to the Village, or had failed to perform faithfully any previous contract with the Village.

INDEMNIFICATION: The Bidder hereby agrees to protect, defend, indemnify, and save harmless the Village against loss, damage, or expense from any suit, claim, demand, judgment, cause of action, or shortage initiated by any person whatsoever, arising or alleged to have arisen out of work described herein, except that in no instance shall the Bidder be held responsible for any liability, claim, demand, or cause of action attributable solely to the negligence of the Village.

Bidding Company Name: _____

I (We) propose to complete the following project as more fully described in the specifications for the following:

BID AMOUNT

[SEE ATTACHED PROPOSED SCHEDULE OF PRICES]

EXCEPTIONS: Any exceptions must be clearly noted below. Failure to do so may be reason for rejection of the bid. It is not our intention to prohibit any potential Bidder from bidding by virtue of the specifications, but to describe the material and services actually required. The Village reserves the right to accept or reject any or all exceptions.

Bidders exceptions are (if none, please state as such):

Number of Bid Packet Addendums Received: _____

I the undersigned certify that I have examined and carefully prepared this from the above specifications and have checked the same in detail before submitting this proposal, that I have only incorporated the specified requirements in my bid, that I have completed submitted all required data, and that I have full authority to make such statements and submit this proposal on bidders behalf and that said statements are true and correct.

Dated this _____ day of _____, 20_____.

Signature_____

Title_____

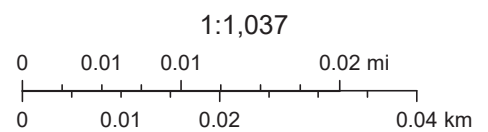
Schedule of Prices

Item # 8.

<u>Location</u>	<u>Scope</u>	<u>SIZE (LxW)</u>			<u>SF</u>	<u>SY</u>	<u>" THICK</u>	<u>TOTAL PRICE</u>
6305 Greystone	Class D Patch (3")	158.5	x	11.5	1822.75	202.53	3	
6369 Greystone	Class D Patch (3")	142	x	11.5	1633.00	181.44	3	
6427 Greystone	Class D Patch (3")	93.5	x	11.5	1075.25	119.47	3	
Meadowbrook & Cherrywood Intersection	Class D Patch (4")	See Project Drawings			2118.00	235.33	4	
Love Road	3" HMA Surface Cse Removal, 3" HMA Surface Cse	410	x	11.0	4510.00	501.11	3	
6123 Silver Hawk	Class D Patch (3")	15	x	22.0	330.00	36.67	3	
Kelmor & 3rd Intersection	Class D Patch (3")	15	x	39.0	585.00	65.00	3	
Woodchuck Trail	Class D Patch (3")	25.25	x	23.0	580.75	64.53	3	
Equine Drive Cul-De-Sac	Class D Patch (3")	See Project Drawings			1115.00	123.89	3	
						Bidder's Total Proposal		



5/14/2025

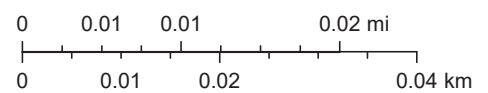


WinGIS



5/14/2025

1:1,037



Scope:

- Class D Patch, 3"

Measured Area:

- 1,075.25 SF

- 119.47 SY

Dimensions:

- 93.5' x 11.5'



5/14/2025

1:1,037

0 0.01 0.01 0.02 mi
0 0.01 0.02 0.04 km

Meadowbrook & Cherrywood Intersection

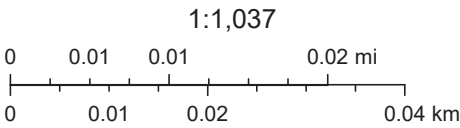
Item # 8.



Scope:
- Class D Patch, 4"

Measured Area:
- 2,118.00 SF
- 235.33 SY

5/14/2025



WinGIS

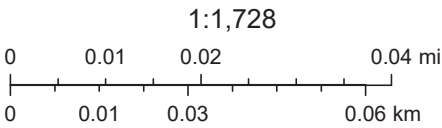


Scope:
- HMA Surface Removal, 3"
- HMA Surface Cse, 3"

Measured Area:
- 4510.00 SF
- 501.11 SY

Dimensions:
- 410' x 11'

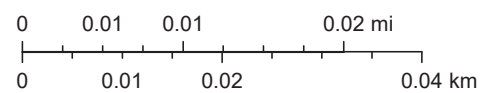
5/14/2025





5/14/2025

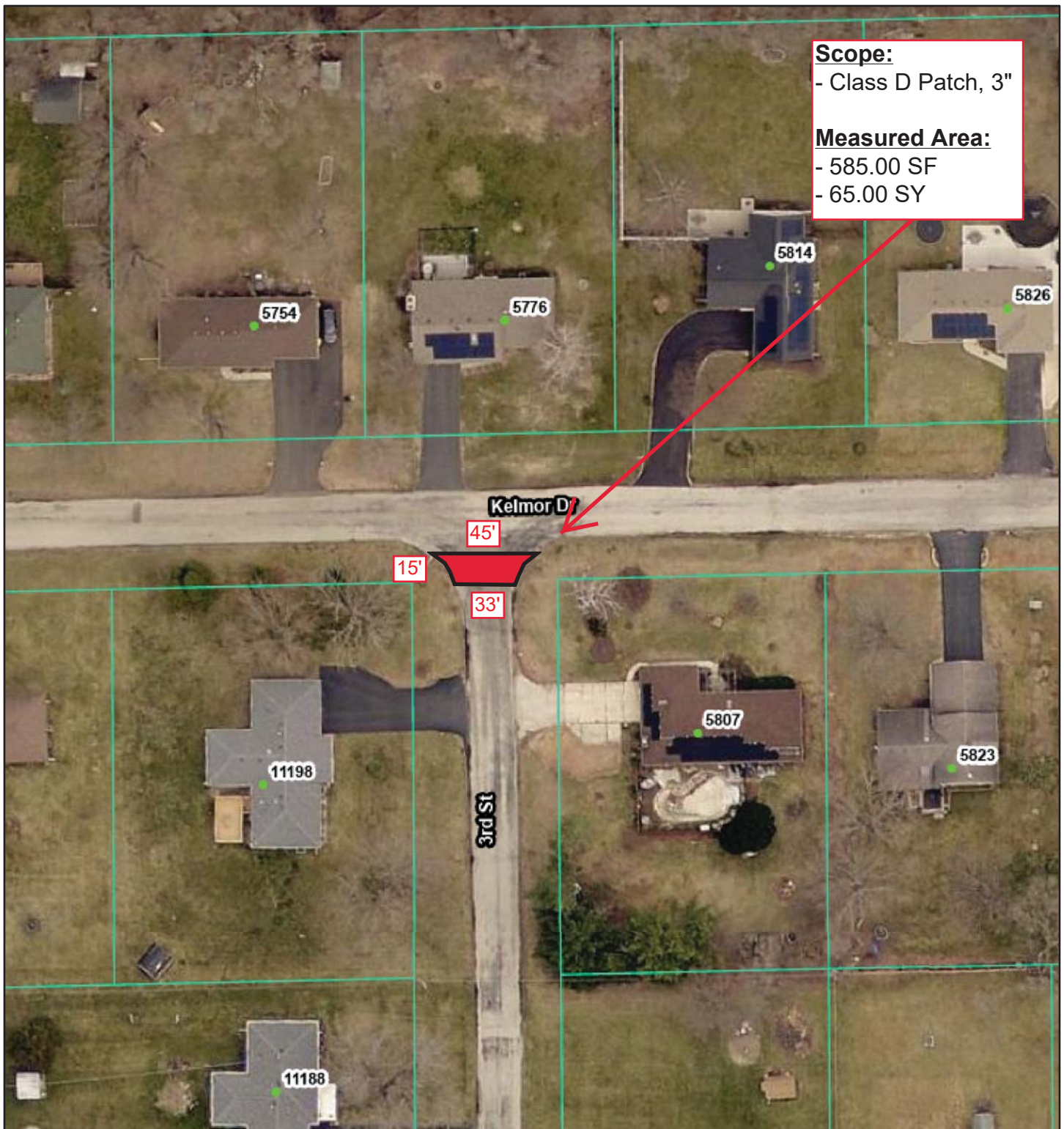
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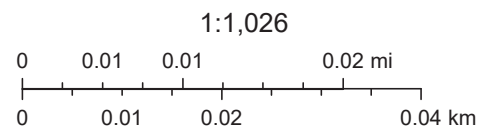
WinGIS

Kelmor & 3rd Intersection

Item # 8.



5/14/2025



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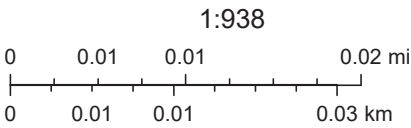


Scope:
- Class D Patch, 3"

Measured Area:
- 580.75 SF
- 64.53 SY

Dimensions:
- 25.25' x 23'

5/14/2025



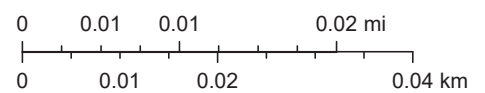
Equine Drive Cul-De-Sac

Item # 8.



5/14/2025

1:1,048



WinGIS



Greystone



Greystone



Greystone



Greystone



Greystone



Greystone



Meadowbrook & Cherrywood



Meadowbrook & Cherrywood



Silver Hawk



Samsung Galaxy A14 5G

Kelmore & 3rd



Equine Drive



Equine Drive



Love Road



Love Road

**VILLAGE OF ROSCOE, ILLINOIS
RESOLUTION NO. 2025-R26**

Item # 8.

APPROVAL OF BID SPECIFICATIONS AND BID LETTING FOR RESIDENTIAL ROAD REPAIR/MAINTENANCE IMPROVEMENT PROGRAM (2025)

WHEREAS, the Village of Roscoe wishes to protect the health, welfare and safety of its residents by providing well-maintained roads; and

WHEREAS, in order to obtain the best prices for road repair, the Village wishes to approve, and let for bid, specifications for the completion of roadway improvements known as the **Residential Road Repair/Maintenance Improvement Program**; and

WHEREAS, the Village President and Board of Trustees find that it is in the best interest of the Village to approve the bid specifications for the described roadway improvement work, and to authorize the Village Engineer to open such bids; and

NOW THEREFORE BE IT RESOLVED by the Board of Trustees of the Village of Roscoe, that:

Section 1. The Village President and Board of Trustees of the Village of Roscoe hereby approve the following specifications for the **Residential Road Repair/Maintenance Improvement Program**, which are attached hereto as Exhibit “A” and incorporated herein by reference.

[See Attached Exhibit “A”]

Section 2. That the Village Engineer is hereby authorized to provide for the letting, receipt and opening of such bids, and is authorized to open such bids on behalf of the Village of Roscoe.

2025-R26				
1 st Read:				
PASSED BY ROLL CALL VOTE ON:				
NAME	AYE	NAY	ABSTAIN	ABSENT
Trustee William Babcock				
Trustee John Broda				
Trustee Dayne Mead				
Trustee Justin Plock				
Trustee Michael Sima				
Trustee Michael Wright				
President Carol A. Gustafson				

APPROVED JUNE 04, 2025:

ATTEST:

VILLAGE PRESIDENT

VILLAGE CLERK

VILLAGE OF ROSCOE

AGENDA ITEM - STAFF REPORT



Item # 9.

Agenda Item: Approval of Resolution Amending Section 5-1 of the Village Code to Modify Park Hours for Chicory Ridge Park

Date: May 30, 2025

Meeting: Village Board – June 3, 2025

Prepared by: Josef Kurlinkus

Department: Administration

Overview/Background Information

Section 5-1 of the Village of Roscoe Code of Ordinances currently establishes park operating hours for all Village parks as 6:30 AM to 10:30 AM. including Chicory Ridge Park.

In response to resident feedback and observed use patterns, the Village Board requested that staff draft an ordinance amending the park hours for *Chicory Ridge Park only* to “Sunrise to Sunset.” This change is intended to better align access to the park with natural daylight hours while remaining compatible with the recreational uses at that location.

All other Village parks will remain open from 6:30 AM to 10:30 AM, as currently specified in the Village Code.

Upon approval, staff will:

- Install updated signage at Chicory Ridge Park indicating the new park hours
- Announce the change through the Village website and social media platforms to notify the public.

Prior Legislative Actions

At the May 20, 2025 Committee of the Whole meeting, the Village Board recommended approval of this change.

Action Required/Recommendation

Staff recommends approval of the attached ordinance amending Section 5-1 of the Village Code to establish Sunrise to Sunset operating hours exclusively for Chicory Ridge Park.

Attachments

- Ordinance 2025-09 Amending Section 5-1 of the Village Code (Chicory Ridge Park Hours)

**VILLAGE OF ROSCOE, ILLINOIS
ORDINANCE NO. 2025-09**

AN ORDINANCE AMENDING SECTION §5-1 OF THE VILLAGE OF ROSCOE CODE OF ORDINANCES TO AMEND PARK HOURS FOR CHICORY RIDGE PARK

WHEREAS, the Village of Roscoe, Illinois (the “Village”) is a duly organized and validly existing municipal corporation created in accordance with the Constitution of the State of Illinois and the laws of the State of Illinois; and

WHEREAS, the Village of Roscoe owns and maintains Chicory Ridge Park as a public recreational facility for the benefit of its residents and visitors; and

WHEREAS, Section §5-1 of the Village of Roscoe Code of Ordinances currently establishes specific operating hours for all Village parks - including hours for Chicory Ridge Park - as 6:30 AM to 10:30 AM”; and

WHEREAS, the Village Board of Trustees finds it to be in the best interest of the public health, safety, and welfare to align the operating hours of Chicory Ridge Park with natural daylight conditions by establishing its hours of operation as the time between “Sunrise to Sunset”; and

WHEREAS, the Village Board desires to amend Section 5-1 of the Village of Roscoe Code of Ordinances to reflect this change; and

NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF ROSCOE, WINNEBAGO COUNTY, ILLINOIS, AS FOLLOWS:

Section 1: That Section §5-1 of the Village of Roscoe Code of Ordinances is hereby amended to read in its entirety as follows:

“Sec. 5-1. – Park hours.

- a) *Generally.* Except as otherwise established in this code, or by other lawful order, Parks owned and operated by the Village of Roscoe shall be generally open to the public between the hours of 6:00 a.m. and 10:30 p.m. on every day of the week.
- b) *Chicory Ridge Park.* Chicory Ridge Park shall be generally open to the public between the hours of Sunrise to Sunset, as defined and calculated for any given day by the U.S. Naval Observatory, and conventionally referred to the times when the upper edge of the disk of the Sun is on the horizon.”

Section 2: That Section §1-3 – Definitions of the Village of Roscoe Code of Ordinances is hereby amended to *add* the following definition:

Sunrise and sunset. The times when the upper edge of the disk of the Sun is on the horizon. For computational purposes, sunrise or sunset is defined to occur when the geometric zenith distance of center of the Sun is 90.8333 degrees. That is, the center of the Sun is geometrically 50 arcminutes below a horizontal plane. For an observer at sea level with a level, unobstructed horizon, under average atmospheric conditions, the upper limb of the Sun will then appear to be tangent to the horizon. The 50-arcminute geometric depression of the Sun's center used for the computations is obtained by adding the average apparent radius of the Sun (16 arcminutes) to the average amount of atmospheric refraction at the horizon (34 arcminutes).

Section 3. All Ordinances or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed to the extent of such conflict.

Section 4. This Ordinance shall be in full force and effect from and after its passage and approval as provided by law.

2025-R26				
1st Read:				
PASSED BY ROLL CALL VOTE ON:				
NAME	AYE	NAY	ABSTAIN	ABSENT
Trustee William Babcock				
Trustee John Broda				
Trustee Dayne Mead				
Trustee Justin Plock				
Trustee Michael Sima				
Trustee Michael Wright				
President Carol A. Gustafson				

APPROVED JUNE 04, 2025:

ATTEST:

VILLAGE PRESIDENT

VILLAGE CLERK

Sec. 5-1. - Park hours.

The parks shall be open between the hours of 6:00 a.m. and 10:30 p.m. on every day of the week.

(Prior Code, § 10-13; Code 2007, § 92.20; Ord. No. 1991-6, 9-19-1991)

Sec. 5-2. - Restricted areas and buildings.

No person shall enter upon any portion of the parks where persons are prohibited as indicated by sign or notice. No person shall enter or attempt to enter any building or area in the parks when it is closed to the public or scheduled for a specific group or activity, unless invited by same.

(Prior Code, § 10-8; Code 2007, § 92.21; Ord. No. 1991-6, 9-19-1991)

Sec. 5-3. - Fires restricted.

No person shall light or make use of any fire in the park system except at those places as may be established for those purposes and then only under rules as may be prescribed therefor. Every fire shall be continuously under the care and direction of a competent person from the time it is kindled until it is completely extinguished.

(Prior Code, § 10-3; Code 2007, § 92.22; Ord. No. 1991-6, 9-19-1991)

Sec. 5-4. - Property damage, trespassing and disorderly behavior.

- (a) *Injury to trees, shrubs, structures, and properties.* No person shall cut, break, or in any way injure or deface any tree, shrub, plant, flower, turf, or any of the buildings or other structures and properties, or dig into the soil or into any road, park, parkway, or playground within the parks without permission of the director to do so.
- (b) *Animals, vehicles.* No person shall ride, drive, or lead any animal, except dogs, over or through any park or playground in the district, or haul, drag, or ride any vehicle therein, except in the roads or areas provided for those purposes.
- (c) *Disorderly conduct.* No person shall create any disturbance or commit disorderly conduct in public parks or playgrounds.
- (d) *Fights.* No person within the limits of the parks or playgrounds shall engage in, instigate, cause or procure any prize fight, dogfight, cockfight, or any public or private fighting.
- (e)

Trespass in posted areas. No person shall trespass, stand, walk, ride, or write upon any place laid out appropriated for shrubbery or grass, when there shall have been placed thereon a sign forbidding same.

(Prior Code, § 10-9; Code 2007, § 92.01; Ord. No. 1991-6, 9-19-1991)

Sec. 5-5. - Consumption and possession of intoxicating liquors; intoxicated persons.

No person shall consume or possess any intoxicating liquor within any park. No intoxicated person shall enter or remain in any park. This section shall not apply to wine intended for use and used by any church or religious organization for sacramental purposes.

(Prior Code, § 10-5; Code 2007, § 92.05; Ord. No. 1991-6, 9-19-1991; Ord. No. 1993-17, 6-2-1994; Ord. No. 2019-09, § 2, 7-16-2019)

Sec. 5-6. - Obscene language and violent, obscene conduct etc., prohibited.

No person shall use vile, abusive, profane, indecent, or obscene language or engage in any vile, abusive, violent, indecent, or obscene conduct within any park calculated to or which might reasonably result in a breach of the peace or interfere with the peaceable enjoyment of park facilities by others.

(Prior Code, § 10-4; Code 2007, § 92.04; Ord. No. 1991-6, 9-19-1991)

Sec. 5-7. - Narcotic drugs.

(a) No person within or entering any park shall use, consume, smoke, or be under the influence of heroin, marijuana, or any other drug or narcotic designed to induce excitement, exhilaration, hallucination, drowsiness, or any other abnormal or unusual conduct or behavior upon the part of the recipient or user thereof.

(b) This section shall not apply to any drug taken or used pursuant to doctor's prescription, nor to any nonprescription drug designed to reduce or cure human illness, pain, or suffering.

(Prior Code, § 10-6; Code 2007, § 92.06; Ord. No. 1991-6, 9-19-1991)

Sec. 5-8. - Littering.

No person shall deposit or leave any garbage, refuse, or other material of any kind on the park system grounds or waters. Paper, glass, cans, garbage, and other refuse of every kind resulting from picnics or other proper use of the park system shall be deposited in receptacles provided for that purpose, and no person shall litter or suffer or cause the park system to be littered in any way.

(Prior Code, § 10-7; Code 2007, § 92.07; Ord. No. 1991-6, 9-19-1991)

Sec. 5-9. - Motorized vehicles to keep to roadways, parking lots.

No person shall drive any automobile, truck, motorcycle, or other motorized vehicle within any of the parks of the village except upon the parking lots and roadways provided for driving or parking the same, except village employees in the performance of their duties.

(Prior Code, § 10-10; Code 2007, § 92.26; Ord. No. 1991-6, 9-19-1991)

Sec. 5-10. - Speed of vehicles.

No person shall drive any vehicle within the park system at a speed greater than 15 miles per hour, or greater than is reasonable and proper with regard to traffic conditions and the use of the roadway, or at a speed that endangers the safety of any person or property.

(Prior Code, § 10-11; Code 2007, § 92.27; Ord. No. 1991-6, 9-19-1991)

Secs. 5-11—5-38. - Reserved.

VILLAGE OF ROSCOE

AGENDA ITEM - STAFF REPORT



VILLAGE OF
ROSCOE

Item # 10.

Agenda Item: Consideration and approval of a text amendment to Article XIII of Chapter 155 of the Village Code of Ordinances regarding Planned Unit Developments (PUDs).

Date: May 16, 2025 / rev. May 30, 2025

Meeting: Village Board – 6/3/2025

Prepared by: Josef Kurlinkus / Evan Hoier

Department: Planning and Community Development

Overview/Background Information

The Village currently administers Planned Unit Developments through a one-step approval process that requires developers to submit complete site plans, engineering, and architectural drawings prior to review by the Zoning Board of Appeals and Village Board. This requirement has posed challenges for developers pursuing concept-level review prior to incurring design costs.

To address this issue and to align with best practices in PUD administration, Village staff is proposing a series of amendments that would establish a two-step approval process, consisting of a General Development Plan (GDP) followed by a Precise Implementation Plan (PIP). This bifurcated approach allows for more flexibility and negotiation at the conceptual stage while still maintaining rigorous review at the implementation stage.

These changes were reviewed and discussed at the April and May meetings of the Zoning Board of Appeals, where they received favorable feedback from the ZBA, Village staff, and local developers.

Key Issues

Key modifications included in the draft ordinance (attached in redline format) are as follows:

- Division of the PUD approval process into GDP and PIP stages.
- Inclusion of traffic impact assessments, utility location review, and stormwater reports at the GDP stage.
- Addition of an infill development option to the minimum lot size standard.
- Consistent use of the term “Planned Unit Development” throughout the code.

Action Required/Recommendation

Staff recommends approval of the proposed text amendment to Article XIII of Chapter 155 of the Village Code of Ordinances as presented in the redlined ordinance included in this meeting’s packet.

Attachments

Staff Report to ZBA – May 14, 2025

Redlined version of Article XIII, Chapter 155 – Planned Unit Developments (PUDs)

Zoning Board of Appeals Meeting of May 14th, 2025**Application No. ZBA 2025-012**

Applicant: N/A

Location: N/A

Requested Action: Discussion and recommendation for approval of a text amendment

Existing Use: N/A

Proposed Use: N/A

Existing Zoning: N/A

Adjacent Zoning: N/A

Description: This item relates to text amendments to Article XIII of Chapter 155 of the Village Code of Ordinances relating to Planned Unit Developments (PUDs). These amendments to the code were discussed at a concept level for feedback at the April meeting of the Zoning Board of Appeals. As discussed, this ordinance amendment will effectively divide the PUD process into two separate approvals, the General Development Plan (GDP) and the Precise Implementation Plan (PIP). This division will help Village staff, property owners, developers, and builders create a more streamlined process that will ease burdens to development. To review, the GDP sets the initial zoning and land use approvals for the site, while the PIP approves the more detail-oriented aspects of the development like landscaping, engineering, etc.

The ZBA reacted favorably to the proposed changes within the article. Based on feedback from the ZBA, Village staff, the Village's engineering consultant, and area developers, the following changes have been added to the proposed text amendment:

1. A traffic impact assessment, location of utilities, and stormwater management report can now be requested of the developer at the GDP stage of the PUD process.
2. The second stage in the process was changed from Specific Implementation Plan (SIP) to Precise Implementation Plan (PIP) to better reflect what these approvals are called in the area.
3. The minimum lot size standard was given a third option to allow for infill development, which is a standard use for PUDs in zoning administration. The current lot sizes permitted by the ordinance only reflect new large development of something like a new subdivision.
4. Changing the terms "planned development" in the current iteration of the code to "planned unit development" for consistency.

As noted in the April ZBA memo related to this proposed amendment, the Village currently uses a one-step approval approach to PUD which requires builders, developers, and property owners to have all necessary drawings, documentation, and other information to even have the ZBA and Village Board consider their project. Under this revised process, the applicant would be able to come forward with a concept site plan that the Village will be able to consider and approve before needing to complete the more detailed plans. This will help streamline the PUD approval process and provide some flexibility that is commonplace in other municipalities. Separating this process into two parts may also give the Village more justification to negotiate on certain aspects of the development such as design, landscaping, engineering concerns, and the overall layout of the site since issues could be identified before an applicant is so far ahead in the design process.

Recommendation: Staff recommends **approval** of the proposed amendment to Article XIII of Chapter 155 of the Village Code of Ordinances as shown in the redline document in this meeting's packet.

**VILLAGE OF ROSCOE
ORDINANCE NO. 2025-08**

AN ORDINANCE AMENDING ARTICLE XIII OF THE VILLAGE OF ROSCOE CODE OF ORDINANCES PERTAINING THE APPROVAL OF TO PLANNED UNIT DEVELOPMENTS.

WHEREAS, Article XIII of the Village of Roscoe’s Code of Ordinances establishes regulations, standards, and criteria for the approval and use of Planned Unit Developments as an alternate zoning procedure under which land can be developed or redeveloped with innovation, imagination, and creative architectural design; and

WHEREAS, the President and Village Board wishes to amend such regulations, standards, and criteria so as to provide more useability and flexibility for developments under such section; and

WHEREAS, on May 14, 2025, the Village of Roscoe Zoning Board of Appeals held the requisite hearing pursuant to notice regarding the proposed text amendment; and

WHEREAS, on May 14, 2025, the Zoning Board of Appeals voted to approve and recommend the proposed text amendment; and

WHEREAS, the Village of Roscoe is authorized and empowered by statute to adopt and enforce the provisions of this ordinance; and

NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF ROSCOE, WINNEBAGO COUNTY, ILLINOIS AS FOLLOWS:

Section 1. The foregoing recitals are incorporated herein as findings of the Village of Roscoe Board of Trustees.

Section 2. Article XIII of the Village of Roscoe Code of Ordinances is hereby amended, to reflect the amendments set forth herein:

**SEE EXHIBIT “A”
ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE**

Section 3. Any portion of any other ordinance in conflict with this ordinance is hereby expressly repealed to the extent of the conflict.

Section 4. All other portions of the Code of Ordinances of the Village of Roscoe shall remain in full force and effect.

Section 5. This Ordinance shall be in full force and effect from and after its passage, approval, and publication in pamphlet form as provided by law.

2025-R08				
1 st Read:				
PASSED BY ROLL CALL VOTE ON:				
NAME	AYE	NAY	ABSTAIN	ABSENT
Trustee William Babcock				
Trustee John Broda				
Trustee Dayne Mead				
Trustee Justin Plock				
Trustee Michael Sima				
Trustee Michael Wright				
President Carol A. Gustafson				

APPROVED JUNE 04, 2025:

ATTEST:

VILLAGE PRESIDENT

VILLAGE CLERK

**EXHIBIT “A”
(Ordinance 2025-08)**

ARTICLE XIII. - PLANNED UNIT DEVELOPMENTS

ROSCOE PUD AMENDMENT

Section 15-719 Purpose and Intent

The purpose of the regulations, standards, and criteria contained in this article is to provide an alternate zoning procedure under which land can be developed or redeveloped with innovation, imagination, and creative architectural design when sufficiently justified under the provisions of this article. The objective of the planned unit development is to encourage a higher level of design and amenity than is possible to achieve under otherwise applicable zoning regulations. The end result can be a product which fulfills the objectives of the comprehensive plan and planning policies of the village while departing from the strict application of the use and bulk regulations as detailed in this chapter. The planned unit development is intended to permit and encourage such flexibility and to accomplish the following purposes:

- (1) To stimulate creative approaches to the commercial, residential, and mixed-use development of land.
- (2) To provide more efficient use of land.
- (3) To preserve natural features and provide open space areas and recreation areas in excess of that required under conventional zoning regulations.
- (4) To develop new approaches to the living environment through variety in type, design and layout of buildings, transportation systems, and public facilities.
- (5) To unify building and structures through design.
- (6) To promote long-term planning pursuant to the village comprehensive plan, which will allow harmonious and compatible land uses or combination of uses with surrounding areas.
- (7) To encourage development of portions of a site at either higher densities or with less restrictive lot provisions in exchange for preserving other portions of the site in open space or providing above normal site amenities

Section 15-720 General Provisions

(a) The following may be approved as a planned unit development in accordance with this chapter:

- (1) Any development with a minimum of five acres that is adjacent to undeveloped land.
- (2) Any development with a minimum of three acres that is adjacent to developed land.

(3) Any development characterized by infill with a minimum of half an acre, provided that:

- (i) The site is located within a built-out or transitional area surrounded by existing development on at least three sides of the site.
- (ii) Adequate infrastructure is already available at the site.

(iii) The proposed development complies with the general design standards provided in this chapter.

(4) Any development with a minimum lot size at the discretion of the Village Board, where:

(i) The development advances a specific goal identified in the Village's Comprehensive Plan or Economic Development Strategy.

(ii) The applicant provides a clear public benefit, such as significant job creation, sustainable infrastructure upgrades, or critical community services.

(b) Each planned unit development should be presented and judged on its own merits. It shall not be sufficient to base justification for approval of a planned unit development upon an already existing planned unit development except to the extent such planned unit development has been approved as part of a development master plan.

(c) The burden of providing evidence and persuasion that any planned unit development is necessary and desirable shall in every case rest with the applicant.

Section 15-721 Standards for review

Approval of development through the use of a planned unit development, including modifications to conventional zoning and subdivision regulations, is a privilege and will be considered by the village only in direct response to the accrual of tangible benefits from the planned unit development to the village or the neighborhood in which it would be located. These benefits shall be in the form of exceptional amenities, outstanding environmental, landscape, architectural or site design, or the conservation of special manmade or natural features of the site. In reviewing an application for a planned unit development, the zoning board of appeals and/or the village board, as the case may be, shall be required to make certain findings based on the following standards:

(1) *Required findings.* No application for a planned unit development shall be approved unless all the following findings are made about the proposal:

a. *Comprehensive plan.* The planned unit development shall conform with the general planning policies of the village as set forth in the comprehensive plan.

b. *Public welfare.* The planned unit development shall be so designed, located, and proposed to be operated and maintained that it will not impair an adequate supply of light and air to adjacent property and will not substantially increase the danger of fire or otherwise endanger the public health, safety, and welfare.

c. *Impact on other property.* The planned unit development shall not be injurious to the use or enjoyment of other property in the neighborhood for the purposes permitted in the district, shall not impede the normal and orderly development and improvement of surrounding properties for uses permitted in the zoning district, shall not be inconsistent with the community character of the neighborhood, shall not alter the essential character of the neighborhood and shall be consistent with the goals, objectives, and policies set forth in the comprehensive plan, and shall not substantially diminish or impair property values within the neighborhood, or be incompatible with other property in the immediate vicinity.

d. *Impact on public facilities and resources.* The planned unit development shall be so designed that adequate utilities, road access, drainage, and other necessary facilities will be provided to serve it. The planned unit development shall include such impact donations as may be reasonably determined by the village board. These required impact donations shall be calculated in reasonable proportion to impact of the planned unit development on public facilities and infrastructure.

e. *Archaeological, historical or cultural impact.* The planned unit development shall not substantially adversely impact a known archaeological, historical, or cultural resource located on or off the parcels proposed for development.

f. *Parking and traffic.* The planned unit development shall have or make adequate provision to provide necessary parking and ingress and egress to the proposed use in a manner that minimizes traffic congestion in the public streets and provides adequate access for emergency vehicles.

g. *Adequate buffering.* The planned unit development shall have adequate landscaping, public open space, and other buffering features to protect uses within the development and surrounding properties.

(2) *Modification standards.* In addition to the findings required above, the following standards shall be utilized in considering applications for modifications of the conventional zoning and subdivision regulations for a planned unit development. These standards shall not be regarded as inflexible but shall be used as a framework by the village to test the quality of the amenities, benefits to the community, and design and desirability of the proposal.

a. *Integrated design.* A planned unit development shall be laid out and developed as a unit in accordance with an integrated overall design. This design shall provide for safe, efficient, convenient, and harmonious grouping of structures, uses and facilities, and for appropriate relation of space inside and outside buildings to intended uses and structural features.

b. *Beneficial common open space.* Any common open space in the planned unit development shall be integrated into the overall design. Such spaces shall have a direct functional or visual relationship to the main buildings and not be of isolated or leftover character. The following would not be considered usable common open space:

1. Areas reserved for the exclusive use or benefit of an individual tenant or owner.
2. Dedicated streets, alleys, and other public rights-of-way.
3. Vehicular drives, parking, loading and storage area.
4. Irregular or unusable narrow strips of land less than 15 feet wide.
5. Land areas needed to provide required buffer yards as set forth in article XI of this chapter.

c. *Location of taller buildings.* Taller buildings shall be located within the planned unit development in such a way as to dissipate any material adverse impact on adjoining lower buildings within the development or on surrounding properties and shall not unreasonably invade the privacy of occupants of such lower buildings.

- d. *Functional and mechanical features.* Exposed storage areas, trash and garbage retainers, exposed machinery installations, service areas, truck loading areas, utility buildings and structures, and similar accessory areas and structures shall be accounted for in the design of the planned unit development and made as unobtrusive as possible. They shall be subject to such setbacks, special planting or other screening methods as shall reasonably be required to prevent their being incongruous with the existing or contemplated environment and the surrounding properties.
- e. *Visual and acoustical privacy.* The planned unit development shall provide reasonable visual, and acoustical privacy for each dwelling unit or tenant space. Fences, insulations, walks, barriers, and landscaping shall be used as appropriate for the protection and aesthetic enhancement of property and the privacy of its occupants, screening of objectionable view or uses, and reduction of noises.
- f. *Energy efficient design.* A planned unit development shall be designed with consideration given to various methods of site design and building location, architectural design of individual structures, and landscaping design capable of reducing energy consumption within the planned unit development.
- g. *Landscape conservation and visual enhancement.* The existing landscape and trees in a planned unit development shall be conserved and enhanced, as feasible, by minimizing tree and soil removal, and the conservation of special landscape features such as streams, ponds, groves, and landforms. The addition or use of larger trees, shrubs, flowers, fountains, ponds, special paving amenities will be encouraged to the extent of their appropriateness and usefulness to the planned unit development and the likelihood of their continued maintenance.
- h. *Drives, parking and circulation.* Principal vehicular access shall be from dedicated public streets, and access points shall be designed to encourage smooth traffic flow with controlled turning movements and minimum hazards to vehicular or pedestrian traffic. With respect to vehicular and pedestrian circulation, including walkways, interior drives and parking, special attention shall be given to location and limiting the number of access points to the public streets through the use of cross access connections, width of interior drives and access points, general interior circulation, separation of pedestrian and vehicular traffic, adequate provision for service by emergency vehicles, and arrangement of parking areas that are safe and convenient, and insofar as feasible, do not detract from the design of proposed buildings and structures and the neighboring properties.
- i. *Surface water drainage.* Special attention shall be given to proper site surface drainage so that removal of surface waters will not adversely impact neighboring properties or the public storm drainage system. Surface water in all paved areas shall be collected at intervals so that it will not obstruct the flow of vehicular or pedestrian traffic.

Section 15-722 Site development allowances

Notwithstanding any limitations on variances which can be approved as contained elsewhere in this chapter, site development allowances, i.e., deviations from the underlying zoning provisions set forth outside this article may be approved provided the applicant specifically identifies each such site development allowance and demonstrates how each such site development allowance would be compatible with surrounding development, is in furtherance of the stated objectives of this article, and is necessary for proper development of the site.

Section 15-723 Procedures

The following steps are provided to ensure the orderly review of every planned unit development application in a timely and equitable manner:

(1) Pre-filing review and transmittal of application.

a. Conference.

1. A prospective applicant, prior to submitting a formal application for a planned unit development, shall meet for a pre-filing conference with the zoning administrator and the development review team, assembled at the discretion of the zoning administrator. If in the opinion of the zoning administrator the village does not have the requisite expertise on staff to complete the review of any application for a planned unit development, the zoning administrator shall notify the applicant before acquiring the services of consultants and/or attorneys as may be necessary for the proper review and preparation of the report and/or opinion. The developer shall, within five calendar days, either formally withdraw its application or provide written acknowledgement that the developer is responsible for all fees incurred by the village for the review.

2. The purpose of the conferences is to help the applicant understand the comprehensive plan, zoning regulations, site development allowances, standards by which the application will be evaluated, and the application requirements.

3. After reviewing the planned unit development process, the applicant may request a waiver of any application requirement which in the applicant's judgment should not apply to the proposed planned unit development. Such request shall be made in writing prior to the submission of the formal application documents.

4. All requests for waiver shall be reviewed by the zoning administrator. A final determination regarding the waiver shall be given to the prospective applicant following the decision. Denied requests may be appealed to the village board.

5. The applicant, prior to submitting a formal application for a planned unit development, shall, at the discretion of the zoning administrator, be required to schedule a meeting to discuss the proposed planned unit development and its impact on adjoining properties and area residents. The applicant shall send a written notice of the meeting via mail to all taxpayers of record and residents for all property within 300 feet of the proposed planned unit development. Such notice shall be mailed by the village not less than 15 days prior to the date of the meeting. A written summary of comments made at the meeting shall be maintained and submitted by the applicant with the application.

b. Filing of application. Following the completion of the pre-filing conferences, the applicant shall file an application for a planned unit development in accordance with this section. The zoning administrator shall deliver copies of the application to other appropriate village departments for review and comment.

c. Deficiencies. The zoning administrator shall determine whether the application is complete. If the zoning administrator determines that the application is not complete, he

shall notify the applicant in writing of any deficiencies and shall take no further steps to process the application until the deficiencies are remedied.

d. *Application review.* The zoning administrator shall work with the development review team and the applicant to review and revise the application.

e. *Report on compliance.* A copy of the complete application and a written report incorporating the comments of village staff and other agencies regarding the compliance of the proposed planned unit development with the requirements and standards of this section shall be delivered to the zoning board of appeals prior to the public hearing.

f. *Determination not binding.* Neither the zoning administrator's determination that an application is complete nor any comment made by the zoning administrator or village staff at a pre-filing conference or as part of the review process shall be intended or construed as a formal or informal recommendation for the approval of a planned unit development for the proposed planned unit development, or component part thereof, nor shall be intended or construed as a binding decision of the village, the zoning board of appeals, or any staff member.

(2) *Zoning board of appeals review General Development Plan (GDP).*

a. Upon receiving the report from the zoning administrator, the zoning board of appeals shall hold at least one public hearing on the proposed planned unit development General Development Plan. Notice of the public hearing shall be provided and the public hearing shall be conducted in accordance with the provisions of this section, state law and rules of procedure adopted by the zoning board of appeals. The applicant shall provide the Zoning Administrator with a draft GDP plan submittal packet for a determination of completeness prior to placing the proposed GDP on the Zoning Board of Appeals agenda for GDP review. This submittal packet shall contain all of the following items, prior to its acceptance by the Zoning Administrator and placement of the item on a Zoning Board of Appeals agenda for GDP review:

1. A location map of the subject property and its vicinity in the Village of Roscoe, appropriately showing property lines and buildings and structures on the parcel;

2. A map of the subject property showing all lands for which the Planned unit development is proposed, and all other lands within 300 feet of the boundaries of the subject property, together with the names and addresses of the owners of all lands on said map as the same appear on the current records of the Register of Deeds of Winnebago County (as provided by the Village of Roscoe). Said map shall clearly indicate the current zoning of the subject property and its environs, and the jurisdiction(s) which maintains that control. Said map and all its parts and attachments shall be submitted in a form which is clearly reproducible with a photocopier, and shall be at a scale which is not less than one inch equals 800 feet. All lot dimensions of the subject property, a graphic scale, and a North arrow shall be provided;

3. A general written description of the proposed Planned unit development, including:

i. General project themes and images;

ii. The general mix of dwelling unit types and/or land uses;

iii. Approximate residential densities and nonresidential intensities as described by dwelling units per acre, floor area ratio, and impervious surface ratio.

iv. The general treatment of natural features;

v. The general relationship to nearby properties and public streets;

vi. The general relationship to any applicable comprehensive or area plans.

vii. A statement of rationale as to why Planned unit development zoning is proposed. This shall identify barriers that the applicant perceives in the form of requirements of standard zoning districts and opportunities for the highest and best use of the property the applicant suggests are available through the proposed PD zoning;

viii. A complete list of ordinance standards which will not be met by the proposed Planned unit development and the location(s) in which they apply and a complete list of standards which will be more than met by the proposed Planned unit development and the location(s) in which they apply shall be identified.

ix. A written description of potentially requested exemption from the requirements of the underlying zoning district, in the following order:

1. Land use exemptions;
2. Density and intensity exemptions;
3. Bulk exemptions;
4. Landscaping exemptions;
5. Parking and loading requirements exemptions;
6. Engineering exemptions.

x. A general development plan drawing at a minimum scale of one inch equals 100 feet of the proposed project showing at least the following information in sufficient detail to make an evaluation criteria for approval:

1. A conceptual plan drawing of the general land use layout and the general location of major public streets and/or private drives, utilities, and stormwater detention areas;
2. Location of recreational and open space areas and facilities and specifically describing those that are to be reserved or dedicated for public acquisition and use;
3. Statistical data on minimum lot sizes in the development, the approximate areas of large development lots and pads, density/intensity of various parts of the development, floor area ratio, impervious surface area ratio and landscape surface area ratio of various land uses, expected staging, and any other plans required by the Plan Commission or Common Council; and

4. Notations relating the written information provided in the previous standards to specific areas on the GDP drawing.

5. A traffic impact assessment and stormwater management report may be requested by staff if either is deemed needed to make an informed decision on the GDP.

b. Notice of the required public hearing shall be published not more than 30 nor less than 15 days before the scheduled hearing in a newspaper published in the village or if there is none, then in a newspaper of general circulation in the village and shall contain the following information:

1. The application case number;
2. The date and time of the public hearing;
3. The location of the public hearing; and
4. The general location of the property and its common street address, if applicable, and a short description of the proposed planned unit development and purpose of the public hearing.

c. Notice of the required public hearing shall also be provided by posting a sign or signs on the property no less than 15 days prior to the public hearing. Failure to post such signs and/or the removal or knocking down (by the village or others) of the sign after posting but before the public hearing shall not invalidate, impair, or otherwise impact any planned unit development subsequently granted following such public hearing.

d. Notice of the required public hearing shall also be provided by the village by U.S. mail to the taxpayers of record and owners of record of the property which is the subject of the application (if different than the applicant), and the taxpayers of record of all property within 300 feet of the subject property. Such notice shall contain the information as is required in this section and shall be mailed by the village not more than 30 nor less than 15 days prior to the date of the public hearing. The notice shall also include the name of the applicant for the planned unit development.

e. The zoning board of appeals shall review the application, the standards and requirements established by this section, the report of the zoning administrator, and any and all evidence and testimony received by the zoning board of appeals at the public hearing. Following the close of the public hearing and at a regular meeting, the zoning board of appeals shall present its findings addressing each of the standards set forth in this section and transmit such findings, together with a recommendation of approval, approval with conditions, or denial to the village board.

(3) ~~Review and action by the village board.~~Precise Implementation Plan (PIP).

a. After the effective date of the rezoning to PD/GDP, the applicant may file an application for a proposed precise implementation plan (PIP) with the Zoning Board of Appeals. This submittal packet shall contain all of the following items, prior to its acceptance by the Zoning Administrator and placement of the item on a Zoning Board of Appeals agenda for PD review.

1. A location map of the subject property and its vicinity.
2. A general written description of the proposed PIP, including:
 - a. Specific project themes and images;
 - b. The specific mix of dwelling unit types and/or land uses;
 - c. Specific residential densities and nonresidential intensities as described by dwelling units per acre, floor area ratio, and impervious surface area ratio;
 - d. The specific treatment of natural features;
 - e. The specific relationship to nearby properties and public streets;
 - f. A statement of rationale as to why PD zoning is proposed. This shall identify barriers that the applicant perceives in the form of requirements of standard zoning districts and opportunities for community betterment the applicant suggests are available through the proposed PD zoning;
 - g. A complete list of zoning standards which will not be met by the proposed PIP and the location(s) in which they apply and a complete list of zoning standards that will be more than met by the proposed PIP and the location(s) in which they apply shall be identified. Essentially, the purpose of this listing shall be to provide the Zoning Board of Appeals with information necessary to determine the relative merits of the project in regard to private benefit versus public benefit
3. Any more specific relevant information to the approval of the PIP, including:
 - a. The names and addresses of the owner of the subject property, the applicant, and all persons having an ownership or beneficial interest in the subject property and proposed planned unit development.
 - b. A statement from the owner of the subject property, if not the applicant, approving of the filing of the application by the particular applicant.
 - c. A survey of, and legal description and street address for the subject property.
 - d. A statement indicating compliance of the proposed planned unit development with the comprehensive plan and evidence of the proposed project's compliance in specific detail with each of the standards for review for planned unit developments.
 - e. A scaled site plan showing the existing contiguous land uses, natural topographic features, zoning districts, public thoroughfares, transportation, and utilities.
 - f. A scaled site plan of the proposed planned unit development showing lot area, the required yards and setbacks, contour lines, common space, and the location, floor area ratio, lot area coverage and heights of buildings and structures, number of parking spaces and loading areas.
 - g. Schematic drawings illustrating the design and character of the building elevations, building materials, types of construction, and floor plans of all proposed buildings and structures. The drawings shall also include a schedule showing the number, type, and floor area of all uses or combinations of uses, and the floor area of the entire development.
 - h. A professional traffic study acceptable to the village showing the proposed traffic circulation pattern within and in the vicinity of the area

- of the planned unit development, including the location and description of public improvements to be installed, and any streets and access easements, if determined necessary by the zoning administrator.
- i. A schedule of development showing the approximate date for beginning and completion of each stage of construction of the planned unit development.
 - j. A professional economic analysis acceptable to the village, if determined necessary by the zoning administrator, including the following:
 - i. The financial capability of the applicant to complete the proposed planned unit development;
 - ii. Evidence of the project's economic viability; and
 - iii. An analysis summarizing the economic impact the proposed planned unit development will have upon the village.
 - k. Copies of all environmental impact studies as required by law.
 - l. An analysis setting forth the anticipated demand on all village services, if deemed necessary by Village staff.
 - m. A plan showing off-site utility improvements required to service the planned unit development, and a report showing the cost allocations and funding sources for those improvements, if deemed necessary by Village staff.
 - n. A site drainage plan for the commercial planned unit development.
4. A Specific Implementation Plan drawing of the proposed project showing at least the following information in sufficient detail to make an evaluation against criteria for approval:
- a. A PIP site plan conforming to any and all the requirements of Section 15-775, *Design Review*. If the proposed Planned unit development is a group development, a proposed tentative plat shall be provided in addition to the required site plan;
 - b. Location of recreational/open space areas and facilities, specifically describing those that are to be reserved or dedicated for public acquisition and use;
 - c. Statistical data on minimum lot sizes in the development, the precise areas of all development lots and pads, density/intensity of various parts of the development, floor area ratio, impervious surface area ratio and landscape surface area ratio of various land uses, expected staging, and any other plans required by the Zoning Board of Appeals, and;
 - d. Notations relating the written information provided above to specific areas on the PIP drawing.
5. A landscaping plan for the subject property, specifying the location, species, and installed size of all trees and shrubs. This plan shall also include a chart which provides a cumulative total for each species, type, and required location (foundation, parking lot, transition area) of all trees and shrubs.
6. A series of building elevations for the entire exterior of all buildings in the Planned unit development, including detailed notes as to the materials and colors proposed.

7. A general signage plan for the project, including all project identification signs, concepts for public fixtures and signs (such as street light fixtures and/or light poles or street sign faces and/or poles), and group development signage themes which are proposed to vary from City standards or common practices.
8. A general outline of the intended organizational structure for a property owners association, if any; deed restrictions and provisions for private provision of common services, if any;
9. A written description which demonstrates the full consistency of the proposed PIP with the approved GDP.
10. Any variations between the requirements of the applicable PD/GDP zoning district and the proposed PIP development; and,
11. The Precise Implementation Plan (PIP) submission may include site plan and design information, allowing the Zoning Board of Appeals to combine Design Review and review of the PIP.
12. The Specific Implementation Plan (PIP) may include final plat drawings and information, allowing the Zoning Board of Appeals to combine Final Plat review and review of the PIP.
13. The Zoning Board of Appeals or Village Board may specify other plans, documents or schedules that must be submitted prior to consideration or approval of the PIP, as such may be relevant to review.
14. The process for review and approval of the PD shall be identical to that for Special Use Permits in Section 15-780. The approval of a PD/PIP shall formally establish the PD overlay zoning district and any such land uses and site plans included in the approved PIPs.
- ~~1-15.~~ The Village may require the applicant to provide surety, with the approval of Village staff, to ensure the development of public and private improvements.

Sec. 15-724. Application requirements.

- (a) An application for a planned unit development may only be filed by one who has an ownership interest, or the agents thereof; or any contract purchaser or anyone holding an option to purchase the parcel of land on which the use or combination of uses is to be located.
- (b) Applications for a planned unit development shall be filed with the zoning administrator in such form and accompanied by such information, with sufficient copies, as shall be established from time to time by the village. Every application shall contain, at a minimum, the following information, and related data and any other plans or studies necessary to determine the potential impact of the development as determined by the village:
 - (1) The names and addresses of the owner of the subject property, the applicant, and all persons having an ownership or beneficial interest in the subject property and proposed planned unit development.
 - (2) A statement from the owner of the subject property, if not the applicant, approving of the filing of the application by the particular applicant.

(3) A survey of, and legal description and street address for the subject property.

(4) A statement indicating compliance of the proposed planned unit development with the comprehensive plan and evidence of the proposed project's compliance in specific detail with each of the standards for review for planned unit developments.

(5) A scaled site plan showing the existing contiguous land uses, natural topographic features, zoning districts, public thoroughfares, transportation, and utilities.

(6) A scaled site plan of the proposed planned unit development showing lot area, the required yards and setbacks, contour lines, common space, and the location, floor area ratio, lot area coverage and heights of buildings and structures, number of parking spaces and loading areas.

(7) Schematic drawings illustrating the design and character of the building elevations, building materials, types of construction, and floor plans of all proposed buildings and structures. The drawings shall also include a schedule showing the number, type, and floor area of all uses or combinations of uses, and the floor area of the entire development.

(8) A landscaping plan showing the location, size, character and composition of vegetation and other material.

(9) The substance of covenants, easements, and other restrictions existing and any to be imposed on the use of land, including common open space, and buildings or structures.

(10) A schedule of development showing the approximate date for beginning and completion of each stage of construction of the planned unit development.

(11) A professional traffic study acceptable to the village showing the proposed traffic circulation pattern within and in the vicinity of the area of the planned unit development, including the location and description of public improvements to be installed, and any streets and access easements, if determined necessary by the zoning administrator.

(12) A professional economic analysis acceptable to the village, if determined necessary by the zoning administrator, including the following:

a. The financial capability of the applicant to complete the proposed planned unit development;

b. Evidence of the project's economic viability; and

c. An analysis summarizing the economic impact the proposed planned unit development will have upon the village.

(13) Copies of all environmental impact studies as required by law.

(14) An analysis setting forth the anticipated demand on all village services.

- (15) A plan showing off-site utility improvements required to service the planned unit development, and a report showing the cost allocations and funding sources for those improvements.
- (16) A site drainage plan for the commercial planned unit development.
- (17) A written summary of residents' comments, pertaining to the proposed application, from any meeting held pursuant to section 15-723(1)a.5.
- (18) Every application must be accompanied by a fee in such amount as established in this Code.

(Ord. of 3-2-2021, § 155.13.6)

Sec. 15-725. Effect of approval or denial.

- (a) Approval of the planned unit development by the village board authorizes the applicant to proceed with any necessary applications for building permits, certificates of occupancy, and other permits which the village may require for the proposed planned unit development. The village's zoning administrator shall review applications for these permits for compliance with the terms of the planned unit development granted by the village board. No permit shall be issued for development which does not comply with the terms of the planned unit development.
- (b) The village board shall direct the zoning administrator to revise the official zoning map to reflect the existence and boundaries of each planned unit development.
- (c) Subject to subsection (g) of this section, an approval of a planned unit development by the village board shall be null and void if the recipient does not file an application for a building permit relative to the proposed planned unit development within twelve months after the date of adoption of the ordinance approving the planned unit development.
- (d) Subject to subsection (g) of this section, an approval of a planned unit development by the village board shall be subject to revocation if construction has not commenced within two years and does not comply with the construction schedule filed with the petition or exceeds four years.
- (e) Subject to subsection (g) of this section, an approval of a planned unit development with a phasing plan shall be null and void if construction has not commenced or is not completed in accordance with the terms of that phasing plan.
- (f) An extension of the time requirements stated in subsections (c) through (e) of this section may be granted by the village board for good cause shown by the applicant, provided a written request is filed with the village at least four weeks prior to the respective deadline.
- (g) No application for a planned unit development which was previously denied by the village board shall be considered by the zoning board of appeals or the village board if it is resubmitted in substantially the same form and/or content within one year of the date of such prior denial. In this regard:

- (1) The zoning administrator shall review the application for a planned unit development and determine if the application is or is not substantially the same. An applicant has the right to request a hearing before the village board to appeal the determination of the zoning administrator that the application is substantially the same, provided a petition for appeal is filed in writing with the zoning administrator within ten days of the zoning administrator's determination.
- (2) The village board shall affirm or reverse the determination of the zoning administrator, regarding whether the new application is in substantially the same form after receipt of a petition for appeal.
- (3) If it is determined that the new application is not substantially in the same form, then the applicant shall be entitled to continue with the application process in accordance with the provisions of this chapter.

(Ord. of 3-2-2021, § 155.13.7)

Sec. 15-726. Amendments and alterations to approved planned unit developments.

(a) Except as provided in subsection (b) of this section, any modifications to an approved planned unit development or any addition to or expansion of an existing planned unit development shall require separate review and approval under the provisions of sections 15-723 and 15-724.

(b) A minor change is any change in the site plan or design details of an approved planned unit development which is consistent with the standards and conditions applying to the planned unit development and which does not alter the concept or intent of the planned unit development. A minor change shall not increase the planned unit development's density, increase the height of buildings, reduce open space, modify the proportion of housing types, change or add new parking areas, alter alignment of roads, utilities or drainage, amend final development agreements, provisions or covenants, or provide any other change inconsistent with any standard or condition imposed by the village board in approving the planned unit development. The minor change may be approved by the zoning administrator without obtaining separate approval by the village board. The zoning administrator, after reviewing the request for a minor change made by the applicant, may refer the minor change to the zoning board of appeals for review and approval, not including a public hearing. In addition, the village board may, after reviewing the request for a major change made by the applicant, direct the zoning administrator to process the request as a minor change.

(c) A major change is any change in the site plan or design details of an approved planned unit development which is not a minor change as detailed in subsection (b) of this section.

VILLAGE OF ROSCOE

AGENDA ITEM - STAFF REPORT



VILLAGE OF
ROSCOE

Item # 11.

Agenda Item: authorizing the execution of an Agreement and payment in the amount of \$5,000 for the Settlement of James M. Payton v. Village of Roscoe, et al., Cause No. 23-L-013106 (Cook County).

Date: May 30, 2025

Meeting: Village Board – June 03, 2025

Prepared by: Josef Kurlinkus

Department: Admin

Overview/Background Information

This item relates to the Village's ancillary involvement in the matter of Payton v. A.O. Smith corporation et al. 2023L13106. The Village is among approximately 100 parties (including 30 municipalities) named in the above captioned personal injury lawsuit between the plaintiff his former employer. The Village was named because the plaintiff alleged that some time in the past (though when is not specified in the complaint) the Plaintiff's former employer was hired to do work by the Village, and the Plaintiff alleges he was exposed to asbestos as part of this work.

The Village's attorney in this matter is Attorney Michael McGinley of Lashly & Baer P.C. who has negotiated and recommended that the Village enter into an agreement to resolve this matter, and including payment in the amount of \$5000 to resolve this case.

Action Required/Recommendation

Staff and the Village's legal counsel recommend approval of the settlement agreement, as the Village's legal fees in defending this case will far outweigh the amount of the proposed settlement.

Attachments

Resolution 2025-R27

**VILLAGE OF ROSCOE, ILLINOIS
RESOLUTION NO. 2025-R27**

Item # 11.

A RESOLUTION OF THE VILLAGE OF ROSCOE, ILLINOIS APPROVING AND AUTHORIZING THE EXECUTION OF A SETTLEMENT AGREEMENT WITH THE ESTATE OF JAMES M. PAYTON

WHEREAS, the Village of Roscoe, Illinois (“Village”) has a currently pending a case in the Circuit Court of Cook County, Illinois titled *Andrea D. McCollough, as Independent Executor of the Estate of James M. Payton, Deceased v. Village of Roscoe, et al.*, docketed as. Cause No. 23-L-013106; and

WHEREAS, the Village has determined it is in the best interest of the Village and its citizens to enter into a settlement agreement with the Plaintiffs with regards to the claims set forth in such complaint; and

WHEREAS, the Village and the Plaintiffs have reached an accord as to the terms and conditions of said settlement agreement and have memorialized the same in the settlement agreement attached hereto as Exhibit “A” and incorporated herein; and

NOW THEREFORE, BE IT RESOLVED by the Village President and Village Board of Trustees of the Village of Roscoe, Illinois as follows:

- 1) The above recitals are incorporated herein and made a part hereof.
- 2) The Village hereby accepts and approves the settlement agreement with *Andrea D. McCollough, as Independent Executor of the Estate of James M. Payton, Deceased*, a copy of which settlement agreement is attached hereto as Exhibit “A”, and incorporated herein by reference.
- 3) The Village President and the Village Clerk are hereby authorized to execute and attest the agreement and any other documents necessary to effectuate the same.

2025-R27				
1 st Read:				
PASSED BY ROLL CALL VOTE ON:				
NAME	AYE	NAY	ABSTAIN	ABSENT
Trustee William Babcock				
Trustee John Broda				
Trustee Dayne Mead				
Trustee Justin Plock				
Trustee Michael Sima				
Trustee Michael Wright				
President Carol A. Gustafson				

APPROVED JUNE 04, 2025:

ATTEST:

VILLAGE PRESIDENT

VILLAGE CLERK

Exhibit “A”
(Resolution 2025-R27)

SETTLEMENT AGREEMENT

FULL DISEASE RELEASE

FOR AND IN CONSIDERATION of the sum of FIVE THOUSAND DOLLARS AND NO CENTS (\$5,000.00), the undersigned, Andrea D. McCollough (Social Security No. xxx-xx-xxxx), as Independent Executor of the Estate of James M. Payton (Social Security No. xxx-xx-xxxx), Deceased, for herself and her heirs, administrators, executors, personal representatives, and assigns (said parties hereinafter collectively referred to as "Releasor"), does hereby release and forever discharge Village of Roscoe, Illinois, its present and former elected and appointed officials, politicians, citizens, directors, officers, agents, servants, lawyers, and employees, and any and all other persons, firms, partnerships, associations or corporations who are or may be in any manner whatsoever liable for its acts, or for the acts of any of them (said parties hereinafter collectively referred to as "Releasee"), of and from any and all claims, causes or rights of action, demands and damages of every kind and nature whatsoever, including, without limitation, all present and future claims that Releasor may now or hereafter have as a result of James M. Payton's mesothelioma, as well as any and all other asbestos-related diseases or any pulmonary disease allegedly caused by exposure to, associated with, or related to Releasee, including injuries, death, cancers, and/or malignancies, now or arising hereafter, including, but not limited to, loss of consortium, companionship, service and support, the value of the life of James M. Payton, any medical expenses incurred, any funeral expenses incurred, any pain and suffering of James M. Payton, and any and all other damages recoverable, these claims arising out of or being in any way related to the possible exposure of James M. Payton to asbestos, asbestos-containing products, or any other products present on Releasee's property, or maintained, mined, manufactured, sold, processed, supplied, distributed by Releasee, or associated with Releasee's premises, products, or materials in any way, which may have caused injuries or damages to James M. Payton.

Releasor further represents and warrants that Releasor agrees to indemnify and hold harmless Releasee from any and all claims made by any Releasor arising out of the undersigned's breach of obligations with respect to the settlement herein made.

It is understood and agreed that the payment and receipt of the aforesaid consideration is not to be construed as admission of any liability whatsoever by Releasee and Releasee expressly denies any such liability to Releasor. It is agreed between the parties hereto that if James M. Payton was exposed to any asbestos, asbestos-containing products, or any other products maintained, mined, manufactured, sold, processed, supplied, or distributed by Releasee, or present in any way on Releasee's premises, such exposure, if any, was minimal; that it is extremely doubtful that there was any such exposure or that such exposure, if any, caused or contributed to causing, any injuries or damages to James M. Payton, it being further understood and agreed that the aforesaid consideration is paid for and on behalf of the Releasee, not by way of damages, but solely for the purchase of peace from the Releasor, and to secure the full, complete and final discharge of the Releasee, from any and all claims, demands, actions, or causes of action that Releasor may now or hereafter have against Releasee, arising out of or in any way related to the possible exposure of James M. Payton to asbestos, asbestos-containing products, or any other products maintained, mined, manufactured, sold, processed, supplied or distributed by the Releasee; and the Releasor hereby agrees that such claims, demands, actions or causes of action are wholly and forever satisfied and extinguished, as a release only as to Releasee whether the full extent of James M. Payton's exposure to any asbestos, asbestos-containing products, or any other

products mined, manufactured, sold, processed, supplied, or distributed by Releasee, or present on Releasee's premises in any way, if any, or the extent of the harm or damages, if any, caused thereby is now fully known or not.

The parties further agree that this agreement shall not be admissible in any suit or proceeding whatsoever as evidence or admission of any liability.

Releasor further agrees to be responsible for the required reimbursement of all outstanding medical, hospital, ambulance and/or drug bills or other related expenses arising out of James M. Payton's condition allegedly resulting from asbestos exposure, and shall indemnify and hold harmless Releasee, up to the amount of this settlement, for any such sums adjudicated to be a lien upon this settlement.

It is the specific intent and purpose of Releasor to execute this Release only as to Releasee; and it is understood and agreed by the parties hereto that this Release is not intended to nor does it release any other person, firm, corporation, or any other entity or party who or which may be responsible in whole or in part for any injuries, diseases, illnesses, or other damages sustained by Releasor as a result of the alleged exposure of James M. Payton to asbestos or any asbestos-containing product mined, manufactured, sold, processed, supplied and/or distributed by any other such person, firm, corporation or other party or entity who the Releasor believes manufactured and/or distributed asbestos and/or asbestos-related products. It is the specific intent of this agreement and it does hereby reserve unto Releasor all claims, actions, and causes of action, whether past, present, or in the future, including, but not limited to, those claims now pending in the Circuit Court of Cook County, Illinois, styled *Andrea D. McCollough, as Independent Executor of the Estate of James M. Payton, Deceased v. Village of Roscoe, et al.*, Cause No. 23-L-013106, against all other persons, firms, corporations, parties, or other entities, other than Releasee herein.

Notwithstanding anything to the contrary herein, it is expressly agreed that any claim or cause of action which Andrea D. McCollough may have for any loss, injuries or damage which she may suffer solely as a result of her own personal exposure to asbestos or asbestos-containing products is reserved and unaffected by this Release.

Releasor does further agree that for the aforesaid consideration Releasee will be dismissed with prejudice from the action now pending in the Circuit Court of Cook County, Illinois, but with the understanding also that Releasor reserves the right to proceed against all other defendants named therein.

Releasor does hereby acknowledge that all obligations to satisfy any claims and/or liens, present or past, for subrogation of Workers' Compensation benefits arising under any state or federal law or statute are that of Releasor, not Releasee. Releasor does further represent and warrant to Releasee that whether there is now or ever was pending any claim or lien, present or past, for such benefits, including past payments to medical or disability benefits providers, Workers' Compensation, or if any such claims shall hereafter be filed and be successful, and the amounts ordered to be paid are found to be a lien against the consideration paid herein, then any employer or its insurance carrier paying or ordered to pay such compensation benefits to Releasor shall first be given credit for the consideration paid to Releasor under this agreement less

reasonable cost of collection, and shall make no payment of any compensation benefits to Releasor until the consideration paid to the undersigned under this agreement is exhausted. It is further agreed, in the alternative, should this agreement be found invalid or should any such employer or compensation carrier making such compensation benefit payments refuse to abide by this agreement, and file or demand payment by Releasee, then, and in that event, and as an alternative to the above agreement, the Releasor agrees to indemnify and hold harmless Releasee to the full amount of the consideration paid to the Releasor under this agreement arising out of such claim for subrogation or indemnity by such employer and/or such employers' insurance carrier.

Under every circumstance, Releasor's agreement to indemnify and hold harmless is limited to the sum of the settlement received by Releasor.

It is further understood and agreed that the terms of this settlement shall be held strictly confidential and shall not be disclosed to any person other than members of the immediate family of Releasor and/or employees of the attorneys representing Releasor, without the prior written consent of the Releasee, or its duly authorized representatives. Settling plaintiff is permitted, however, to make confidential disclosures of this settlement, as may be required, to her accountant, attorney, guardian, or to a government taxing authority. The Releasee agrees that any such written consent shall not be unreasonably withheld, consistent with the general purposes of this confidentiality agreement. Releasor and Releasor's attorneys agree that as a condition of settlement the underlying facts of this claim, the discovery, the terms of this settlement, and the amount of this settlement shall be and remain confidential and that they will not publicize those items to the general public, other current or prospective clients of Releasor's attorneys, or to any other person or entity including, but not limited to, the media, bar services, or jury/settlement reporting services, except as required by law. Releasee and Releasor acknowledge that no portion of the settlement amount described herein represents consideration for the mutual promise to maintain strict confidentiality of all the terms of this agreement. Rather, Releasee and Releasor expressly have agreed that each other's reciprocal confidentiality is the sole consideration given in exchange for that of the other.

Andrea D. McCollough represents and warrants that she is of legal age, with no mental disability of any kind, and is fully and completely competent to execute this Release on her own behalf and in the capacities shown. It is understood and agreed that this instrument contains the entire agreement between the parties, and the Releasor in executing the same agrees that no promise, inducement, or agreement not expressed herein has been made to the Releasor and that in executing the same she is relying upon her own judgment as to the full extent and nature and the duration of any injuries, illnesses, and damages of Releasor. Releasor declares that the terms of this agreement have been read, voluntarily accepted and agreed to and approved by Releasor's attorney of record.

WITNESS HER SIGNATURE, this the ____ day of _____, 2025.

Andrea D. McCollough , Releasor

EXECUTED AND APPROVED BY ME:

Attorney for Releasor

STATE OF _____

COUNTY OF _____

Personally appeared before me, the undersigned authority in and for the jurisdiction aforesaid, Andrea D. McCollough, who acknowledged to me that she is the Releasor and acknowledged that she signed and delivered the above and foregoing instrument on the day and year therein mentioned, and on behalf of herself individually, and for the purposes and considerations therein stated, after having first duly read and completely understood same or having had it explained to her by her attorney.

GIVEN UNDER MY HAND AND SEAL, this the _____ day of _____,
2025.

NOTARY PUBLIC

My Commission Expires: _____

SETTLEMENT AGREEMENT AND RELEASE MEDICARE ADDENDUM

EXPOSURE ON OR AFTER 12/5/1980 SPECIFICALLY OR GENERALLY CLAIMED/ALLEGED, EVIDENCED OR SPECIFICALLY RELEASED

In further consideration for the Settlement Agreement and Release (“Release”) to which this Medicare Addendum is attached and incorporated therein, Defendant Village of Roscoe, Illinois, its present and former elected and appointed officials, politicians, citizens, directors, officers, agents, servants, lawyers, and employees, and any and all other persons, firms, partnerships, associations or corporations who are or may be in any manner whatsoever liable for its acts, or for the acts of any of them (hereafter “RELEASEES”) rely on the following representations and warranties made by Andrea D. McCollough (Social Security No. xxx-xx-xxxx), as Independent Executor of the Estate of James M. Payton (Social Security No. xxx-xx-xxxx), Deceased, for herself and her heirs, administrators, executors, personal representatives, and assigns (“RELEASOR”) and RELEASOR’S Counsel.

I. Representations and Warranties

RELEASOR, RELEASOR’S Counsel and RELEASEES agree that all representations and warranties made herein shall survive settlement.

A. Medicare Secondary Payer.

RELEASOR and RELEASOR’S Counsel acknowledge and agree that the parties hereto have taken reasonable steps from the beginning of this action to comply with the requirements of 42 U.S.C. §1395y and the related rules and regulations (hereinafter collectively “MSP”).

B. MSP applicability.

1. RELEASOR and RELEASOR’S Counsel represent and warrant that decedent James M. Payton was Medicare eligible;
2. RELEASOR represents and warrants that James M. Payton was exposed to asbestos-containing products used, manufactured, sold or supplied by RELEASEES, or was otherwise exposed to asbestos on equipment or at sites or properties for which RELEASEES may be legally responsible on or after 12/5/1980. James M. Payton’s pleadings, discovery, and/or deposition testimony claimed exposure, whether generally or specifically, to RELEASEES asbestos-containing products, operations, or premises, on or after 12/5/1980. RELEASOR’S Counsel attests that the above facts are established by the evidence in this case.
3. RELEASOR and RELEASOR’S Counsel are aware of Medicare’s potential interest in this settlement to the extent Medicare has made any conditional payments for medical services or items received by James M. Payton pursuant to MSP, and related to the injury or illness giving rise to this settlement, and arising

from or related to the matters forming the basis of the claims against RELEASEES by RELEASOR;

4. RELEASOR and RELEASOR'S Counsel represent and warrant that they have provided the information to RELEASEES necessary to comply with the reporting of this settlement to Medicare;
5. Andrea D. McCollough, who does not claim exposure to asbestos for purposes of this settlement, hereby represents and warrants that she has no bodily or psychological personal injury and received no medical treatment related to the injury of and James M. Payton. More specifically, she did not seek any professional counseling, nor did she receive any medication as a result of psychological distress brought on by the illness of James M. Payton. She waives any and all past, present and future claims for any such injury. She is not waiving any claims that may exist from her personal exposure to asbestos. Andrea D. McCollough has provided the necessary information to RELEASEES so they may report this settlement to Medicare.

C. RELEASOR'S responsibility for reimbursement of Medicare claims.

1. RELEASOR and RELEASOR'S Counsel represent and warrant that they or their agent have notified Medicare of the claim giving rise to this settlement.
2. RELEASOR and RELEASOR'S Counsel represent and warrant that in exchange for payment of the Settlement Funds by RELEASEES to RELEASOR'S Counsel, they shall reimburse Medicare for any claims related to this settlement and/or arising from or related to the matters forming the basis of the claims asserted by RELEASOR.

RELEASOR and RELEASOR'S Counsel represent and warrant that it is their responsibility, and not RELEASEES' responsibility, to reimburse Medicare.

3. RELEASOR and RELEASOR'S Counsel represent and warrant that in exchange for payment of the Settlement Funds by RELEASEES, RELEASOR'S Counsel shall hold funds in an escrow account or client trust account, regardless of source of payment of settlement funds, equal to the total medical costs related to the injury at issue until a letter documenting the conditional payment amount, dated after notification of this settlement, is received from Medicare. Upon receipt of such documentation, funds in excess of the amount provided may be released. The funds remaining in trust ("Held Settlement Funds") will be not be distributed to RELEASOR or any other person or entity aside from Medicare until the Medicare claims, if any, arising from or related to this settlement have been satisfied, waived or otherwise resolved. Such resolution shall be demonstrated to RELEASEES prior to the release of Held Settlement Funds to RELEASORS by providing proof from Medicare of payment of claim, satisfaction, waiver or other resolution.

II. Indemnification

In addition to and without limiting any other language in the Release, RELEASOR agrees to indemnify and hold harmless RELEASEES from any and all Medicare claims that have been or may in the future be related to, arise out of, or are in connection with MSP, and are related to this settlement.

This indemnification obligation includes all damages and costs incurred by RELEASEES, including but not limited to attorneys' fees incurred by or on behalf of RELEASEES, fines and penalties, multipliers, costs, interest, expenses and judgments.

III. Reliance on Representations and Warranties

In agreeing to the Release and funding the settlement, RELEASEES are relying on the representations and warranties of RELEASOR and RELEASOR'S Counsel regarding James M. Payton's Medicare status and the actions RELEASOR and RELEASOR'S Counsel have represented they have taken and/or will take to satisfy any and all Medicare claims pertaining to the matters forming the basis of RELEASOR'S claims.

If the above representations are not correct and/or the above actions are not performed, it is acknowledged and agreed that RELEASOR and RELEASOR'S Counsel are in material breach of this Medicare Addendum and RELEASEES shall receive complete repayment of the Settlement Funds. In addition, RELEASOR shall indemnify RELEASEES for any damages, legal fees and costs or expenses for RELEASOR and RELEASOR'S Counsel's failure to adhere to the representations and warranties contained herein. Further, nothing contained within this Release shall be construed to limit the rights of RELEASEES to pursue all available remedies at law or in equity for breach of this Release.

Parties agree that this settlement is not full, final and enforceable and the Court shall retain jurisdiction of this case until necessary closing documents, including Medicare reporting information, have been received by RELEASEES.

Executed in _____ County, _____ this _____ day of 20__.

Andrea D. McCollough

RELEASOR'S COUNSEL

STATE OF _____, COUNTY OF _____, to wit:

On the ____ day of _____, 20__, before me personally appeared RELEASOR, to me known to be the person named in the foregoing Release, and who executed the foregoing Release and acknowledged to me that he/she has read the Release and understands the contents thereof and that he/she voluntarily executed the same.

NOTARY PUBLIC

(PRINT NAME OF NOTARY)

MY COMMISSION EXPIRES: _____