

**MINUTES OF THE OCTOBER 21, 2025  
SPECIAL MEETING/ 2026 BUDGET WORKSHOP OF THE BOARD OF TRUSTEES  
RICHARD T. FLICKINGER CENTER 6101 CAPULINAMORTON GROVE, ILLINOIS 60053**

Pursuant to proper notice in accordance with the Open Meetings Act, the special meeting was called to order at 6:00 p.m. by Mayor Janine Witko, who led the assemblage in the pledge of allegiance. Clerk Eileen Scanlon Harford called the roll. In attendance were:

<b>Elected Officials:</b>	Mayor Janine Witko, Clerk Eileen Scanlon Harford, Trustee Keith White, Trustee John Thill, Trustee Rita Minx, and Trustee Connie Travis
<b>Absent:</b>	Trustee Ashur Shiba, Trustee Saba Khan
<b>Village Staff:</b>	Village Administrator Charles L. Meyer, Finance Director Hanna Sullivan, Corporation Counsel Teresa Hoffman Liston, Assistant Village Administrator Zoe Heidorn, Public Works Director Mike Lukich, Village Engineer Chris Tomich, Police Chief Mike Weitzel, Fire Chief Dennis Kennedy, Community Development Administrator Brandon Nolin, Manager of Building and Inspectional Services Jim English, and IT Manager Boyle Wong
<b>Guests:</b>	2 Members of the Public

Mayor Witko turned the proceedings to Village Administrator Chuck Meyer to present the proposed 2026 Village Budget. Mr. Meyer thanked the assemblage and thanked department directors. He stated the budget would be presented tonight and tomorrow night, with Monday, October 27, held open in case a third night is needed.

He acknowledged the efforts of Finance Director Hanna Sullivan, Assistant Village Administrator Zoe Heidorn, and staff for proposing very reasonable budgets. He then presented a PowerPoint<sup>1</sup> overview of the budget which will include revenues, the general fund, enterprise funds, TIP funds, and then fiduciary funds followed by individual department budgets. Tomorrow night, the presentation will cover the Police Department, Emergency 911, Fire Department, and Public Works Department, which will include all the operating divisions, water, sewer and solid waste, and then motor fuel tax and capital projects.

Mr. Meyer noted the total proposed budget, which is the general fund and all operating funds, was projected to be \$78,140,000, which is a \$1,600,000, or a 2% decrease, from last year. The 2024 budget was also a decrease from the year before. Much of the decrease is due to less capital project spending. The general fund has gone up, but the overall budget has gone down the last two years. In 2025, the Village resurfaced four arterial streets and reconstructed the Metra Station. In 2026, the Village will begin construction on the new Police Station and Village Hall. Prior year budgets were considered "Management Budgets"; the 2026 Budget is classified as a "Planning Budget" as the Village meets its current needs and works towards future infrastructure goals. With the assistance of Hanna Sullivan, Zoe Heidorn, Mike Lukich, and Chris Tomich, the Village has prepared a five-year Capital Improvement Budget to plan for one-time large expenditures costing over \$25,000.

The Village's 2026 goals are similar to last year's goals: keep our bond rating high, invest in infrastructure and address personnel costs. Maintaining the Village's bond rating will save the Village money in the long run by allowing the Village to borrow at a lower interest rate for capital projects. Mr. Meyer further noted

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<sup>1</sup> The Power Point is attached to the Minutes as Exhibit A.

that the Village's focus in managing personnel costs is to address inflationary pressures, market impacts and recruitment needs, all to retain and attract quality staff.

Mr. Meyer stated that the budget proposes a 4.3% property tax increase, almost all of which will pay for pension funding increases. The Village plans to fund its pensions at 100% of the actuaries' recommendations.

The proposed general fund budget for this year is \$39,640,000, which is about a \$600,000 increase from 2025, or 1.51% increase. Pension contribution requirements have increased by \$408,000, or 5.24%, and health insurance costs have increased by \$325,000, or 9%. General fund revenues are projected to increase to \$39,640,000 which is \$591,000 more than 2025. The budget projects a modest increase in permit and license fees and fines. He noted that 2025 experienced a \$150,000 increase in fines due to the Crown Point case.

Mr. Meyer also explained that the Village's ARPA funding revenues had run out.

The largest percentage increase in the general fund is the 33% increase in the Media and Communication Budget, an increase of \$20,000 for the Village to further invest in branding and for street banners on Dempster and Waukegan.

Mr. Meyer then reviewed the budget calendar, including the meetings tonight and tomorrow. A first reading of the budget and tax levy ordinances will occur on November 12, and then second readings on November 25. There should be no need for a separate Truth in Taxation hearing as the levy increase will not be over 5%.

Mr. Meyer stated the 2026 Budget included a 4% increase in the water rate, as the City of Evanston was projecting a 4% increase in water charges for the next few years to upgrade the city's water infrastructure.

Mr. Meyer then began a review of budget books given to each elected official. On page 1, revenues included the property tax increase, which will be going to pensions due to significant increases for the police (\$150,000) and fire pension (\$300,000), and a modest (\$18,000) increase to the Village's own internally managed pension, the MERF, for employees who started before 2005. Otherwise, revenues are relatively stable. The largest change of note is to sales tax and local use tax revenues due to a change in law related to online sales. Online sales are now paid to the municipality in which the purchaser lives, representing a \$200,000 net gain for the Village. Ms. Sullivan and Chief Kennedy explained the Foreign Fire Insurance Tax is a 2% tax on insurance companies located outside of the state of Illinois. The fund is spent by a committee of firefighters to pay for clothing, furniture, equipment, and other department enhancements. The Personal Property Replacement Tax was put into place when they took away the municipalities' ability to tax personal property. It is paid from business tax returns, and the Village receives a percentage of it.

Mr. Meyer then reviewed the Community Development budget on page 68. He noted the Sawmill Station TIF was successful and stable. Sales and property tax revenue produced by the Sawmill Station development is able to pay the Village's debt service on the bonds for the shopping center, and the Village's requirements from the RDA. TIF funds are also being used to support the reconstruction efforts of Napleton Honda, and the Dempster Street corridor study. Negotiations with Joe Donut remain pending. A discussion then ensued about the negotiations, with Trustees noting that the developer is asking for more Village support after it reduced the size of its proposed buildings. The Lincoln Lehigh TIF (page 70) was reviewed. Mr. Meyer noted the Metro on Main townhome development was very successful, having

closed on 60 of its units out of a total of 89 units to-date. He said that in 2026, a redevelopment for 8500-8550 Lehigh is planned to be presented to the Board for approval of a 60-unit mixed-use development. The TIF is paying for improvements to the Metra Station, which is currently under construction. The Lehigh-Ferris TIF was closed last year but still has funds for final expenses and ongoing issues. Trustee Thill asked that staff provide a summary of the projects and revenue created by the Lehigh-Ferris TIF, which was very successful. Mr. Meyer agreed.

Mr. Meyer then reviewed page 14 of the budget book, which highlighted the Community Development Department's efforts in processing just under 700 permit applications, 35 ZBA cases, 13 Plan Commission cases, and 16 Appearance Commission cases over the last year. The Department managed the Village's TIF Districts, continued to engage property owners and businesses in redevelopment opportunities, and analyzed different areas of improvement for the Village. They also oversee the Dempster Street Corridor planning process, the Village's 500 Business Compliance Certificates, and business compliance with Village Code and zoning requirements.

Mr. Meyer then reviewed the Legislative Budget (page 3), which is the budget for elected officials' salaries and expenses, as well as expenses for Board and Commission activities. This budget is flat.

Mr. Meyer then asked the Board to review the mission and vision statement and provide comments.

Regarding the Media and Communications Budget, which is responsible for outbound communications including the e-newsletter, marketing materials, street banners, and marketing for Morton Grove Days, sustainability initiatives and other branding. The budget was increased to purchase new street banners.

The Administrative Budget includes funds for the new Human Resources Generalist position, which has been an excellent addition for all Village departments to coordinate training, manage performance evaluations, and perform a variety of day-to-day HR operations. The Generalist's office was constructed by Public Works staff with the assistance of a contractor, which was very cost-efficient.

The Administrative Department oversaw Village Code updates, the implementation of any policies that the Village Board has, ongoing construction projects such as the new Village Hall and Police Department, and the Metra Station. It also revamped the municipal code codification process to have that be more automated. The Legal Department (page 11) provides oversight for various Village operations, the review of any ordinances or resolutions that we have within the village serves as the OMA officer, FOIA, oversight of ADA, and providing assistance to the Morton Grove Water Commission and the Special Events Commission. It includes the retention of our outside counsel.

Mr. Meyer reviewed the Finance Department Budget (page 17), which is responsible for all the things payable and receivable, all the invoices that are received and processed, payments such as vehicle stickers, which are outsourced but managed and operated by Finance, water billing, and maintaining the Village's GFOAs award to ensure the Villages is fully transparent and utilizes the best standards for financial reporting. This budget was decreased due to a debt transfer. This budget also includes funding for IRMA, the Village's self-insurance and risk pool, and the Municipal Employer Retirement Funds (MERF) which costs the Village about \$1,000,000 per year.

The IT Budget (page 19) was reviewed. IT is managed by Boyle Wong and Toby Cheuk, who do a fantastic job managing all of our systems with just two people. The majority this budget is for contracts and commodities. The Village is currently updating its website for ADA compliance and updating its phone

system. Both projects were done within budget. The 2026 IT budget decreased by \$175,000 compared to 2025.

The Civic Center and Family Services Budget (page 42) has a slight decrease from last year. Its primary purpose is to help maintain the family and senior services for both senior programs, which happen almost every day in the Civic Center's various rooms. It also manages rentals that occur at the Civic Center and the American Legion facilities. Accomplishments include social services coordinated by Liz Schild and the Police Department, the rideshare program and other free social services, and programming by the Commission on Aging that benefits the senior community. The Village is in the process of updating its agreement with the American Legion, a 99-year agreement that was signed in 2000. The update will include better coordination for easier rentals and use of the shared space. The room rental process has been streamlined and overhauled thanks to the efforts of Zoe Heidorn. The salary for this department has decreased due to the elimination of one position.

The Building and Inspectional Service Budget (page 47) managed over 1,600 permits in the past 12 months and \$4,100,000 worth of permitted construction projects. The Department also conducts all building and health inspections, supported by Safebuilt. 2026 goals include the further utilization of BS&A, which is the software for Finance, Building, and some aspects of Public Works, and using that going forward to try to be more paperless and more online-oriented.

The Police Budget (page 24) increase is mainly due to pension increases. The Police Department along with Fire and Public works were all very creative in trying to minimize budget increases by efficiently replacing vehicles, reducing the number of vehicles they were requesting this year. Mr. Meyer stated that the Village's departments understand this community and are how the Village is able to provide excellent services as efficiently as possible. In 2025, the Department was able to replace officers' existing pistols with Glock 47s using seizure funds, without any impact to the general fund. The Police Department is also aggressive about looking for grants and taking advantage of those opportunities.

The Emergency 911 Fund was based off the 2013 transition to having Glenview handle police dispatch. The increase is due to contractual cost increases from Glenview.

The Fire Department Budget (page 29) also worked to minimize budget increases by extending the life of its fleet. Increases are due to rising pension fund costs. The Department has been able to do some building improvements using TIF funds. Emergency fire related calls are handled by RED Center, which recently has experienced difficulties in terms of their operations, and cost increase attributed to rising pension costs. Des Plaines has left RED center, and Wilmette has provided notice that it will leave it also, which results in the remaining communities having to shoulder a greater sharing of the operational costs. Morton Grove would need to give two years' advance notice if it chooses to leave RED Center, and coordination with Niles would be essential for any transition.

The Public Works Administration Budget (page 32) addresses some Department-wide expenses. Various salaries are actually budgeted in the operating funds of the Department. This budget covers recruitment costs, phone costs, some different commodities, and some contractual obligations. Discussion then ensued about various positions within the Department.

The Streets Division of the Public Works Budget manages street repairs as well as tree planting and trimming. The Division oversees 75 center mainline roads, 24,000 square feet of sidewalk, and 1,200 linear

feet of curb. The Tree Division planted about 175 trees are part of the Village's 50-50 program and, through grant funding, the Village has also planted an additional 225 trees. This budget does not address resurfacing of arterial streets. Those costs are part of the MFT budget. This budget is the operating budget that covers the day-to-day costs of operating the Streets Division of Public Works. Mr. Meyers then discussed the Village's process to replace its two aging street sweepers. One is beyond its useful life and costs about \$20,000 a year to maintain. The Village received an initial quote of \$360,000, which was reduced to \$300,000. The Village only uses its second street sweeper for three months a year in the fall. The Village has investigated and, in 2026, will test renting a sweeper for \$36,000 for three months as a cost saving mechanism. In response to a question about sidewalk grinding, Mr. Tomich stated that program is ongoing.

Mr. Meyer concluded his presentation for the evening. Mayor Witko asked for questions from the public, and there were none. There being no further business, Trustee Minx moved to adjourn the special meeting. The motion was seconded by Trustee Travis and approved unanimously pursuant to a voice vote at 7:00 p.m.

Minutes by  
Teresa Hoffman Liston  
Corporation Counsel

Passed this 28th day of October 2025

Trustee Khan *Abstain*

Trustee Minx *Aye*

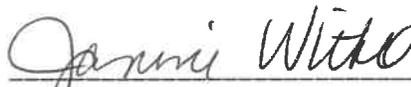
Trustee Shiba *Aye*

Trustee Thill *Aye*

Trustee Travis *Aye*

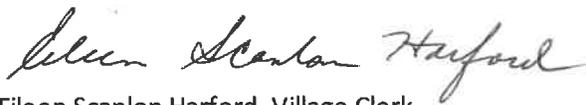
Trustee White *Aye*

Approved by me this 28th day of October 2025



Janice Witko, Village President  
Village of Morton Grove  
Cook County, Illinois

Attested and Filed in my office this  
29th day of October 2025



Eileen Scanlon Harford, Village Clerk  
Village of Morton Grove

Cook County, Illinois

# Calendar Year 2026 Proposed Budget



## Overview Workshop

# Budget Workshops



Proposed Budget  
Overview/Revenue  
General Fund  
Enterprise Funds  
Other Funds  
TIF Funds  
Fiduciary Funds

# Schedule – October 21



- œ Budget Overview
- œ Revenues
- œ Community & Economic Development
- œ TIF Districts
- œ Administration, Legal, Finance, I.T., Civic Center
- œ Building & Inspectional Services

# Schedule – October 22



- ∞ Police Department & E911
- ∞ Fire Department & Civil Preparedness
- ∞ Public Works, Water & Sewer, Solid Waste
- ∞ Motor Fuel Tax & Capital Projects

# Schedule – October 27



∞ To be determined – timeslot held in case a meeting is needed

# Budget Document



## Financial Information

### Expenditures – Summary & Detail

- Personnel

- Contractual

- Commodities

## Supporting Information

- Key Requests

- Summary of Modifications

# Budget Overview



Total Proposed Budget - \$78.14 Million  
\$1.6 Million Decrease (1.99%)  
from 2025 - \$79.73 Million

*Arterial Streets Completed in 2025 - (\$1.9 Million)*

*Metra Station Construction 2025 - (\$2.0 Million)*

*New Village Hall/Police Station 2026 - \$1.1 Million*

“Planning Budget”

# Budget Overview



## Funding Priorities:

- œ Bond Rating Stabilization
- œ Capital Projects Development
- œ Personnel Costs
  - œ Inflationary Pressures
  - œ Market Impacts & Recruitment
- œ Economic Development
- œ Maintenance of Public Facilities
- œ Systematic Replacement of Operational Equipment

# General Fund Overview



Proposed General Fund Budget - \$39.64 Million

\$588,000 Increase (+1.51%)

from 2025 - \$39.05 Million

*Pension Contribution Increase - \$480,000*

*Healthcare Insurance Increase - \$325,000*

“Planning Budget”

# Revenues/Controls



## œ Proposed Revenue Modifications

- œ Property Tax Increase – Cover Increase in Pension Contributions

## œ Key Expenditure Increases

- œ Pension Contribution Increases – 5.24%
- œ Health Insurance Increase – 9.12%

# General Fund Revenue Overview



Source	FY 2025	FY 2026	Difference	% Change
All Taxes	\$31,290,785	\$32,381,661	\$1,090,876	3.49%
Licenses & Permit Fees	\$1,956,500	\$2,053,500	\$97,000	4.96%
Fines	\$816,500	\$656,500	(\$160,000)	(19.60%)
Charges for Services	\$1,162,050	\$1,163,050	\$1,000	0.09%
Grants	\$302,000	\$302,000	\$0	0.00%
Investment/Rental	\$200,000	\$500,000	\$300,000	150.00%
Transfers	\$2,486,000	\$2,056,000	(\$430,000)	(17.30%)
Miscellaneous	\$594,500	\$529,500	(\$65,000)	(10.93%)
American Rescue Plan Act (ARPA)	\$242,500	\$0	(\$242,500)	(100.00%)
<b>Total</b>	<b>\$39,050,835</b>	<b>\$39,642,211</b>	<b>\$591,376</b>	<b>1.51%</b>

# General Fund Expenditure



Item	FY 2025	FY 2026	Difference	% Change
Media/Communications	\$61,770	\$82,090	\$20,320	32.90%
Information Technology	\$1,197,941	\$1,022,110	(\$175,831)	(14.68%)
Reserves	\$793,000	\$544,000	(\$249,000)	(31.40%)
Police Department	\$13,681,353	\$14,165,154	\$483,801	3.54%
Fire Department	\$11,198,693	\$11,758,988	\$560,295	5.00%
PW Streets	\$3,787,100	\$3,704,100	(\$83,000)	(2.19%)
PW Engineering	\$703,295	\$653,095	(\$50,200)	(7.14%)
All other expenditures	\$7,627,178	\$7,708,690	\$81,512	1.07%
Total General Fund	\$39,050,330	\$39,638,227	\$587,897	1.51%

# Village Board Actions



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November 12, 2025

Budget & Tax Levy Ordinances

*First Reading*

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November 25, 2025

Budget Hearing

Budget & Tax Levy Ordinances

*Second Reading*

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# Questions

