



FROM THE OFFICE OF THE MAYOR  
*George D. Alpogianis*

---

May 9, 2023

Dear Legislators,

As the 2023 Spring Legislative Session draws to a close, legislators have the opportunity to make a big difference in communities throughout the state. With the state's finances continuing to remain stable, now is the time for the state to restore the Local Government Distributive Fund (LGDF) to its promised level.

LGDF was established to give 10% of the state's total income tax revenue to Illinois municipalities to pay for services like mandated pension benefits, critical infrastructure repairs, public safety and other important programs. LGDF revenues have been routinely cut in recent years as policy makers cited the state's budget woes. But as our state is no longer on the edge of the financial abyss, it's time to do right by our communities and reverse these cuts.

Currently, local governments receive just 6.16% of individual income tax collections and 6.845% of corporate income tax collections. This lack of funding comes at a time that the state continues to impose unfunded mandates on municipalities, adding to existing budget pressures. By not keeping the promise of 10%, we lose out on much-needed revenue to help keep fees and property taxes down as we strive to provide the best services possible for our community.

Over a decade later, LGDF is still not restored. In Niles, our lost revenue totals \$18,887,421. In Niles, Local Government Distributive Fund (LGDF) revenue is invested in the infrastructure and public safety services that our residents rely on every day. LGDF represents 44% of our operating budget, while 21% of LGDF goes to public safety salaries, and 7% of LGDF goes to infrastructure investment. In 2022, cannabis use tax and video gaming revenue made up only 31% of the difference between our current and promised LGDF funding levels.

Lawmakers must make increasing LGDF funding a priority as they finalize the budget. Our community and many others across Illinois are relying on their support.

Sincerely,

Mayor George D. Alpogianis and the Board of Trustees

Village of Niles

cc: Niles Journal, Niles Herald-Spectator and Bugle