

VILLAGE OF LOMBARD
REQUEST FOR BOARD OF TRUSTEES ACTION
For Inclusion on Board Agenda


Resolution or Ordinance (Blue) _____
Waiver of First Requested
Recommendations of Boards, Commissions & Committees (Green)
Other Business (Pink) _____

TO: PRESIDENT AND BOARD OF TRUSTEES

FROM: William T. Lichter, Village Manager

DATE: March 12, 2008 (B of T) Date: March 20, 2008

TITLE: Lombard Towne Centre Request for 2008 Funding

SUBMITTED BY: Department of Community Development 

BACKGROUND/POLICY IMPLICATIONS:

The Economic and Community Development Committee transmits for your consideration a request for \$75,000 to fund Lombard Town Centre's activities for the 2008-2009 fiscal year. The Economic and Community Development Committee recommended approval of this request with the condition that Lombard Town Centre identifies its achievements and accomplished goals prior to seeking additional funding in 2009.

Please place this item on the March 20, 2008 Board of Trustees agenda.

Fiscal Impact/Funding Source:

Review (as necessary):

Village Attorney X _____

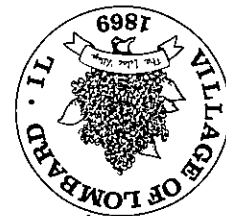
Finance Director X _____

Village Manager X W. T. L.

Date _____
Date _____
Date _____

3/12/08

NOTE: All materials must be submitted to and approved by the Village Manager's Office by 12:00 noon, Wednesday, prior to the Agenda Distribution.



MEMORANDUM

TO: William T. Lichter, Village Manager
FROM: David A. Hulseberg, AICP, Assistant Village Manager/Director of Community Development *del*
DATE: March 20, 2008
SUBJECT: Lombard Town Centre Request for 2008 Funding

Lombard Town Centre has submitted a request to the Village of Lombard for \$75,000 to fund its activities during the 2008 fiscal year.

BACKGROUND

In 2005, the Village made a commitment to fund at least one-third of Lombard Town Centre's budget for its first three years of the organization's existence, in an amount not to exceed \$75,000 per year. Accordingly, Lombard Town Centre was given \$75,000 in 2005, 2006, and 2007 for a total of \$225,000.

At its March 5, 2008 meeting, the Economic and Community Development Committee made a recommendation that the Village Board award \$75,000 to Lombard Town Centre to fund its 2008 activities. The EDCD also stated that, should additional funding be requested in 2009, Lombard Town Centre should be required to identify its achievements and successes in achieving its 2008 goals.

For your information, the following documents are attached:

- Letter of request from Lombard Town Centre
- 2008 goals and objectives
- 2008 draft budget
- December 31, 2006 audited financial statement
- December 31, 2005 audited financial statement

ACTION REQUESTED

The EDCD recommends that the Village Board provide Lombard Town Centre with \$75,000 for the 2008-2009 Village fiscal year.

Lombard Town Centre respectfully requests \$75,000 for funding of its Illinois Main Street program for the 2008 fiscal year in order to continue its mission of improving and developing downtown Lombard.

Over the last two and a half years, Lombard Town Centre has hosted a variety of quality of events in the downtown that not only brought exposure to our downtown business district but brought event-goers into the businesses themselves. The organization is especially proud of Spooktacular Saturday, which brought over 1500 people downtown this year, and, at the Village's request, the transformation of the Lombard Farmers Market.

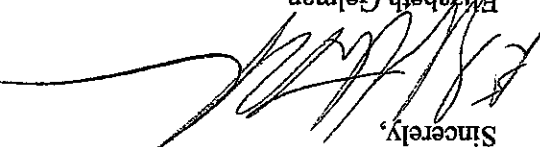
In 2008, the promotional focus of the program will be on marketing the individual downtown businesses as well as the downtown events. The Business to Business advertising program was successfully launched this past autumn with 25 brochure holders located in 22 businesses. More businesses have asked to join the program and will be added in March. All the downtown businesses and 2008 events will be listed in a pamphlet that will be widely distributed during the Lombard Lilac Festival. The Lombard Town Centre office has begun sending out e-blasts regarding downtown business specials and promotional events, the Lombard Town Centre web site continues to be improved, and a cable program highlighting the downtown businesses is due to debut in March.

Lombard Town Centre continues to look for new business opportunities for the downtown, and to work with interested potential business owners as well as property owners. Information about the Village of Lombard's financial incentives has been disseminated to all downtown property owners, present business owners and other interested parties. This year, Lombard Town Centre is creating a business "start-up guide" that will provide direction to potential business owners, informing them of Village requirements, financial incentives, and other resources available for small businesses.

As Lombard Town Centre recognizes that recruiting a strong membership and volunteer base is crucial to the success of the Illinois Main Street program, the organization's first membership drive will be launched this spring. The volunteer base continues to grow as more Lombard residents become involved. Last year, volunteers contributed 2806 hours on behalf of Lombard Town Centre. According to the Independent Sector, the leadership forum for charities, foundations, and corporate giving programs, the estimated dollar value of volunteer time for 2006 was \$18.77. Using that figure, the value of the hours donated by Lombard Town Centre volunteers for the last year comes to \$52,668.62.

Lombard Town Centre is grateful for the financial support the Village of Lombard has shown over these first early years. Thank you for your review of this request and your continued commitment to revitalize the heart of our community.

Sincerely,


Elizabeth Gelman
Executive Director



Lombard Town Centre Performance Evaluation Guidelines

| Main St. Point | Organization | Promotion | Design | Economic Restructuring |
|--|---|--|---|------------------------|
| <p>Definition (from National Trust Main Street Center)</p> <p>involves getting everyone working toward the same goal & assembling the appropriate human & financial resources to implement a Main Street revitalization program. A governing board & standing committees make up the fundamental organizational structure of the volunteer-driven program. Volunteers are coordinated & supported by a paid program director as well. This structure not only divides the workload & clearly delineates responsibilities, but also builds consensus & cooperation among the various stakeholders.</p> | <p>Suggested % of effort</p> <p>25%</p> | <p>25% marketing, promotion, & advertising + 10% special events = 35%</p> | <p>15%</p> | <p>25%</p> |
| <p>Possible Measurable Goals</p> <ol style="list-style-type: none"> 1. Develop and maintain accurate list of members (one month) 2. Provide information on specific benefits of becoming a member, if any (one month) 3. Establish procedure for membership renewals (2 months) 4. Achieve 25% membership increase (6 months) 5. Develop and approve 2008 budget outlining how funds will be spent (two months) | <p>LTC has primarily focused on special events. Additional work is needed in the areas of advertising, retail promotional activity, & marketing campaigns.</p> | <p>LTC's design contribution to date has been limited. IMS and/or other design services should be utilized as one of Main Street's primary benefits.</p> | <p>LTC needs to show more demonstrable progress toward recruiting new businesses or providing services to existing businesses.</p> | |
| | <ol style="list-style-type: none"> 1. Evaluate success of each special event in terms of cost/benefit analysis, perceived benefits, & ranking in terms of importance to downtown (1 month) 2. Install sign identifying LTC office (2 months) 3. Design marketing campaign including advertising pieces and media plan (4 months) 4. Present at least 4 events that draw a minimum of 250 people to the downtown. 5. Present method to gather contact information from event attendees. | <ol style="list-style-type: none"> 1. Identify 2 specific structures/businesses that could benefit from Illinois Main Street design services (3 months) 2. Initiate use of design services for at least one building/business (3 months) 3. Develop and prioritize "wish list" of downtown public improvements (6 months) | <ol style="list-style-type: none"> 1. Complete thorough electronic database of all LTC area businesses & properties (1 month) 2. Conduct thorough market analysis including recommendations on which types of businesses are desirable & which businesses could fill an existing market need (3 months) 3. Create business start-up guide (6 months) 4. Visit one other area downtown quarterly for research. 5. Speak to a minimum of 3 new business contacts each month. | |

Lombard Town Centre Draft Budget 2008
Income:

| | |
|--------------------------|-----------------|
| Village Funding | 75000 |
| Events: | |
| Mutt Strut | 1000 |
| Taste | 500 |
| Cruise Night Booth | 1000 |
| Ladies Nights | 500 |
| Fundraisers | 4000 |
| Total Event | 7000 |
| Sponsorship: | |
| Farmers Market | 3000 |
| Spooktacular | 1000 |
| Promotional Brochure | 3000 |
| Total Sponsorship | 7000 |
| Membership | 3000 |
| Business to Business | 300 |
| Foundation/Grant Support | 2000 |
| Interest Income | 1100 |
| Total Income | \$95,400 |
| Expenses: | |
| Administrative: | |
| Bank Charges | 160 |
| Cleaning & Maintenance | 50 |
| Insurance | |
| Directors | 1400 |
| Medical | 9388 |
| Workman's Comp | 2000 |
| Total Insurance | 12788 |
| Misc | 500 |
| Office Supplies | |
| Copying Costs | 100 |
| Equipment | 0 |
| Supplies | 300 |
| Total Office | 400 |

| | | |
|--------------------------------------|----------------|--|
| Payroll Expenses | 44600 | |
| Wages | | |
| Taxes | 3500 | |
| Total Payroll | 48100 | |
| Postage | 250 | |
| Professional Fees | | |
| Accounting | 1500 | |
| Total Professional Fees | 1500 | |
| Rent | 4600* | |
| Sign | 430 | |
| Telephone/Internet | 2340 | |
| Utilities | 1200* | |
| Total Administrative Expenses | \$72318 | |

*The landlord has agreed to refinish the floors of the office and adjust the monthly rent accordingly from \$350 to \$388. Until floors are refinished, rent will remain at \$350. Due to the challenges of the building and former mailbox situation, there were no electric bills received at the LTC office until fall of 2007. ComEd waived all late fees and payments were brought up to date in February 2008.

| | | |
|--------------------------|------------|--|
| Program Expenses | | |
| Design | | |
| Beautification/Gardening | 250 | |
| Design Services | 100 | |
| Town Hall Meetings | 250 | |
| Total Design | 600 | |

| | | |
|-------------------------|------------|--|
| Economic | | |
| Gifts (Grand Opening) | 160 | |
| Business Start Up Guide | 200 | |
| Business to Business | 100 | |
| Research Intern | 250 | |
| Total Economic | 710 | |

| | | |
|---|-------------|--|
| Organization | | |
| Annual Meeting/Volunteer Rec | | |
| Catering/Room | 1200 | |
| Invitations | 150 | |
| Postage | 150 | |
| Gifts | 50 | |
| Total Annual Meeting/Volunteer Rec | 1550 | |
| Constant Contact | 162 | |

This is the email tool that LTC has begun using for e-blasts.

| | |
|-------|--|
| 500 | Database |
| 500 | Fundraising |
| 500 | Cruise Night Booth |
| 500 | Fundraiser dinner |
| 500 | Misc Fundraiser |
| 1500 | Total Fundraising |
| 200 | Membership |
| 200 | Drive Materials |
| 0 | Membership Brochures |
| 200 | Membership Total |
| 500 | Newsletter |
| 300 | Professional Dues |
| 1000 | Training (Mandatory per IMS agreement) |
| 1000 | Conference/Seminar/Training |
| 1700 | Hotel |
| 1300 | Meals |
| 200 | Publications |
| 1400 | Travel |
| 5600 | Total Training Expenses |
| 100 | Volunteer Recruitment |
| 500 | Website |
| 10912 | Total Organization |
| | Promotion |
| 3000 | Downtown Promotional Brochure |
| | Farmer's Market |
| 3000 | Advertising |
| 800 | Setup |
| 500 | Misc |
| -800 | Bensidoun Reimbursement |
| 3500 | Total Farmer's Market |
| | Jinglebell Jubilee |

| | |
|-----------------|--------------------------|
| <u>\$1,885</u> | Net Income |
| <u>\$93,515</u> | Total Expenses |
| \$21,197 | Total Program Expenses |
| 8975 | Total Promotion Expenses |

| | |
|----------------------------------|------|
| Total Spook | 1100 |
| Misc | 100 |
| Entertainment | 1000 |
| Advertising | 1000 |
| Spooktacular Saturday | 1000 |
| Parade Presence (Lilac) | 0 |
| Parade (4 th of July) | 25 |

**The agreement between LTC and LPD has LPD covering all out-of-pocket costs and LTC's share comes out of profits received.*

| | |
|---------------|-----|
| Mutt Strut | 0* |
| Total LNO | 500 |
| Advertising | 500 |
| Misc | |
| Ladies Nights | |
| Total JB1 | 850 |
| Misc | 50 |
| Entertainment | 300 |
| Advertising | 500 |



Roller & Associates, CPA's

December 31, 2006

Financial Statements

**Lombard Town Centre
Lombard, Illinois**

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Roller & Associates, CPA's
Accounting and Tax Professionals

800 Roosevelt Rd, Bldg C, Ste 12
Glen Ellyn, IL, 60137
Phone: 630-790-9104
Fax: 630-790-9106
E-mail: Rollercpa@comcast.net

Independent Auditor's Report

Lombard Town Centre
9 North Main Street
Suite 2
Lombard, IL 60148

We have audited the accompanying balance sheet of Lombard Town Centre as of December 31, 2006, and the related statements of activities, net assets and cash flows for the period then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above presents fairly, in all material respects, the financial position of Lombard Town Centre as of December 31, 2006, and the results of their operations and their cash flows for the period then ended in conformity with generally accepted accounting principles.

Dusan Roller, CPA
Glen Ellyn IL
May 8, 2007

**LOMBARD TOWN CENTRE
BALANCE SHEET
December 31, 2006**

| ASSETS | |
|---|----------------------|
| Current Assets | |
| Cash and Cash Equivalents: | |
| Cash in Bank | 9,762 |
| Money Market Account | 45,916 |
| Total Cash and Cash Equivalents | <u>55,678</u> |
| Accounts Receivable | 2,129 |
| Prepaid Insurance | 828 |
| Total Current Assets | <u>58,635</u> |
| Total Assets | |
| <u><u>58,635</u></u> | |
| | |
| LIABILITIES | |
| Current Liabilities | |
| Payroll Taxes Payable | 3,502 |
| Total Current Liabilities | <u>3,502</u> |
| Total Liabilities | <u>3,502</u> |
| Net Assets | |
| Unrestricted Net Asset | 55,133 |
| Total Liabilities and Net Assets | <u><u>58,635</u></u> |

**LOMBARD TOWN CENTRE
STATEMENT OF ACTIVITIES AND NET ASSETS
For Year Ended December 31, 2006**

| | |
|--|---------------------------------|
| | Revenues: |
| | Village Funding |
| | Other Revenues |
| | Net Revenue |
| | 114,919 |
| | 416 |
| | Grand Opening Gifts |
| | General Program Expenses |
| | Total Contract Costs |
| | 22,633 |
| | 92,286 |
| | Gross Profit |
| | Administrative Expenses |
| | Advertising and Fundraising |
| | Office Expense |
| | Salaries and Payroll Taxes |
| | Insurance |
| | Professional Fees |
| | Meals & Entertainment |
| | Telephone |
| | Printing |
| | Rent |
| | Travel |
| | Continuing Education |
| | Total Administrative Expenses |
| | 65,787 |
| | Other Income (Expenses) |
| | Interest Income |
| | 916 |
| | Changes in Net Assets |
| | Net Assets at beginning of year |
| | Net Assets at end of year |
| | 27,415 |
| | 55,133 |
| | 27,718 |
| | 75,000 |
| | 39,919 |
| | Unrestricted |

**LOMBARD TOWN CENTRE
STATEMENT OF CASH FLOWS
For Year Ended December 31, 2006**

| | |
|---|---------------|
| Cash Flows from Operating Activities | |
| Cash Flow from Operating Activities | 27,415 |
| Adjustment to reconcile net income to net cash provided by operating activities | |
| Accounts Receivable | (2,129) |
| Prepaid Insurance | 1,930 |
| Payroll Taxes Payable | (285) |
| Net Cash Provided by Operating Activities | 26,931 |
| Cash Flows from Investing Activities | |
| Cash Flows from Investing Activities | - |
| Cash Flows from Financing Activities | |
| Net Cash from Financing Activities | - |
| Net Increase in cash | 26,931 |
| Cash, Beginning of Period | 28,747 |
| Cash, End of Period | 55,678 |

**LOMBARD TOWN CENTRE
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF OPERATIONS

Lombard Town Centre is a not-for-profit organization which began operations March, 2005. Its fiscal year end is December 31. The organization has applied for 401(c) 3 not-for-profit status under the section 401 (c) 3. The application has not been processed yet.
The organization's principal activity is promotion of economic growth of Downtown Lombard businesses through historical preservation.

USE OF ESTIMATES IN PREPARING FINANCIAL STATEMENTS

The preparation of financial statements in conformity with generally accepted accounting principles and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

INCOME TAXES

The organization has applied for "not-for-profit" status under section 401(c) 3 and as such is not liable for income taxes. Therefore, no provisions for income taxes are included.

Current liabilities consist solely of payroll taxes payable as of December 31, 2006

NOTE 2 - CURRENT LIABILITIES

**LOMBARD TOWN CENTRE
NOTES TO THE FINANCIAL STATEMENTS**

**LOMBARD TOWN CENTRE
SUPPLEMENTARY INFORMATION**

General & Administrative and Selling Expenses

General Expenses

Bank Fees

Membership Fees

Web Site Maintenance

Office Supplies

Postage

Total Office Expenses

Payroll Expenses

Salaries & Wages

Social Security and Medicare Expense

FUTA Expense

SUI Expenses

Total Payroll Expenses

148
945
103
3,710
330

5,236

32,854

2,513

112

854

36,333

**Lombard Town Centre
Lombard, Illinois**

Financial Statements

December 31, 2005

Roller & Associates, CPA's

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Dusan Roller, CPA
Glen Ellyn IL
May 10, 2006

In our opinion, the financial statements referred to above presents fairly, in all material respects, the financial position of Lombard Town Centre as of December 31, 2005, and the results of their operations and their cash flows for the period then ended in conformity with generally accepted accounting principles.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We have audited the accompanying balance sheet of Lombard Town Centre as of December 31, 2005, and the related statements of activities, net assets and cash flows for the period then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Lombard Town Centre
9 North Main Street
Suite 2
Lombard, IL 60148

Independent Auditor's Report

800 Roosevelt Rd, Bldg C, Ste 12
Glen Ellyn, IL, 60137
Phone: 630-790-9104
Fax: 630-790-9106
E-mail: Rollercpa@comcast.net

Roller & Associates, CPAs
Accounting and Tax Professionals



LOMBARD TOWN CENTRE
 BALANCE SHEET
 December 31, 2005

| ASSETS | |
|---|----------------------|
| <hr/> | |
| Current Assets | |
| Cash and Cash Equivalents: | |
| Cash in Bank | 28,547 |
| Cash on Hand | 200 |
| Total Cash and Cash Equivalents | <u>28,747</u> |
| Prepaid Insurance | 543 |
| Total Current Assets | <u>29,290</u> |
| Total Assets | <u><u>29,290</u></u> |
| <hr/> | |
| LIABILITIES | |
| <hr/> | |
| Current Liabilities | |
| Payroll Taxes Payable | 1,572 |
| Total Current Liabilities | <u>1,572</u> |
| Total Liabilities | <u>1,572</u> |
| Net Assets | |
| Unrestricted Net Asset | 27,718 |
| Total Liabilities and Net Assets | <u><u>29,290</u></u> |

**LOMBARD TOWN CENTRE
STATEMENT OF ACTIVITIES AND NET ASSETS
For Year Ended December 31, 2005**

| | |
|---------------|--------------------------------------|
| | Revenues: |
| | Village Funding |
| 73,918 | Other Revenues |
| 330 | Net Revenue |
| <u>74,248</u> | |
| | Program Expenses |
| 161 | Grand Opening Gifts |
| 4,131 | General Program Expenses |
| <u>4,292</u> | Total Contract Costs |
| 69,956 | Gross Profit |
| | Administrative Expenses |
| 1,727 | Advertising |
| 4,115 | Office Expense |
| 27,048 | Salaries and Payroll Taxes |
| 3,664 | Insurance |
| 490 | Professional Fees |
| 1,196 | Telephone |
| 500 | Printing |
| 1,600 | Rent |
| 2,316 | Continuing Education |
| <u>42,655</u> | Total Administrative Expenses |
| 27,300 | Changes in Net Assets |
| 418 | Net Assets at beginning of year |
| <u>27,718</u> | Net Assets at end of year |

**LOMBARD TOWN CENTRE
STATEMENT OF CASH FLOWS
For Year Ended December 31, 2005**

| | |
|---|----------------------|
| | 27,300 |
| Cash Flow from Operating Activities | 27,300 |
| Adjustment to reconcile net income to net cash provided by operating activities | (543) |
| Prepaid Insurance | 1,572 |
| Payroll Taxes Payable | 28,329 |
| Net Cash Provided by Operating Activities | <u>28,329</u> |
| Cash Flows from Investing Activities | - |
| Cash Flows from Financing Activities | 418 |
| Opening Equity | 418 |
| Net Cash from Financing Activities | <u>418</u> |
| Net Increase in cash | 28,747 |
| Cash, Beginning of Period | - |
| Cash, End of Period | <u><u>28,747</u></u> |