

NOTICE OF SPECIAL MEETING OF THE FINANCE COMMITTEE

A Special Meeting of the Finance Committee is scheduled for Tuesday, October 24, 2017, beginning at 6:00 p.m. in the

Council Chambers located at the
Village Hall of Tinley Park
16260 South Oak Park Avenue
Tinley Park, Illinois

A copy of the agenda for this meeting is attached hereto and can be found at www.tinleypark.org.

Kristin A. Thirion
Clerk
Village of Tinley Park

**NOTICE OF A SPECIAL MEETING OF THE
FINANCE COMMITTEE**

Notice is hereby given that a special meeting of the Finance Committee of the Village of Tinley Park, Cook and Will Counties, Illinois, will begin at 6:00 p.m. on Tuesday, October 24, 2017, in Council Chambers at the Village Hall of Tinley Park, 16250 S. Oak Park Avenue, Tinley Park, Illinois.

The agenda is as follows:

1. OPEN THE MEETING
2. CONSIDER THE APPROVAL OF THE MINUTES OF THE SPECIAL FINANCE COMMITTEE MEETING HELD ON SEPTEMBER 26, 2017.
3. REVIEW SEPTEMBER 2017 MONTHLY REPORT.
4. REVIEW ANNUAL POLICE PENSION REPORT.
5. DISCUSS 2017 TAX LEVY.
6. DISCUSS RFP – OAK PARK AVENUE TRAIN STATION COFFEE SHOP.
7. RECEIVE COMMENTS FROM THE PUBLIC.

ADJOURNMENT

KRISTIN A. THIRION
VILLAGE CLERK

MINUTES
Special Meeting of the Finance Committee
September 26, 2017 – 6:00 p.m.
Village Hall of Tinley Park – Council Chambers
16250 S. Oak Park Avenue
Tinley Park, IL 60477

Members Present: M. Mangin, Chair
M. Pannitto, Village Trustee
C. Berg, Village Trustee

Members Absent: None

Other Board Members Present: None

Staff Present: D. Niemeyer, Village Manager
P. Carr, Assistant Village Manager
L. Godette, Deputy Village Clerk
L. Carollo, Commission Secretary

Item #1 - The meeting of the Finance Committee Meeting was called to order at 6:27 p.m.

Item #2 – CONSIDER APPROVAL OF THE MINUTES OF THE SPECIAL FINANCE COMMITTEE MEETING HELD ON AUGUST 22, 2017 – Motion was made by Trustee Mangin, seconded by Trustee Berg, to approve the minutes of the Special Finance Committee Meeting held on August 22, 2017. Vote by voice call. Chairman Mangin declared the motion carried.

Item #3 – REVIEW MONTHLY REPORT FOR AUGUST 2017 - Village Treasurer Brad Bettenhausen presented revenue update for August 2017. A summary status of revenues for Sales Tax, Home Rule Sales Tax, Income Tax, Property Tax and Video Gaming, Motor Fuel Taxes, Commuter Parking and Impact fees paid to other governments were the subject of the report.

Chairman Mangin commented the Fraud Assessment will begin in October 2017 and the audit is in its final phase. Updates on these items will follow in November 2017.

Item #4 – RECEIVE COMMENTS FROM THE PUBLIC – Mike Paus commented on Video Gaming revenue and questioned why Economic Development and Marketing Committee meeting was canceled. Chairman Mangin explained it was to plan and give updates on the South Street project at one time. This will be presented at an upcoming committee meeting.

Diane Galante had concerns about the Hotel Tax Fund and how funds are distributed. Village Treasurer Brad Bettenhausen explained there is a 6% Hotel Tax, 1% supports Convention and Visitors Bureau, 2% supports Debt Service and supports marketing efforts. Ms. Galante also had concerns of how funds are distributed from the Water and Sewer Fund.

ADJOURNMENT

Motion was made by Trustee Pannitto, seconded by Trustee Berg, to adjourn this meeting of the Finance Committee. Vote by voice call. Chairman Mangin declared the motion carried and adjourned the meeting at 6:43 p.m.

Minutes
Meeting of Administration & Legal Committee
August 22, 2017

DRAFT



MEMORANDUM



TO: Village Board
FROM: Brad L. Bettenhausen, Treasurer

5 October 2017

RE: Revenues update - September 2017- Fiscal Year 2018, Month 5

Attached are the monthly graphs summarizing the status of the revenues and expenses as we continue in the second quarter of the fiscal year. The summary analysis and highlights of key items are included below.

General Fund:

Sales Tax – September reporting – June sales activity

	This Month	Fiscal Year to Date
This Fiscal Year	1,301,072	5,751,246
Last Fiscal Year	1,316,017	5,591,381
Dollars change	(14,945)	159,865
Percent change	-1.1%	2.9%

There is a three month lag between the time when a taxable sale is made to when the Village's share of the sales tax rate (1%) is distributed by the Illinois Department of Revenue.

The high water mark for this month's receipts was established in 2016 (last year). Four of the last twelve months have established new highs.

Home Rule Sales Tax – September reporting – June sales activity

	This Month	Fiscal Year to Date
This Fiscal Year	549,846	2,294,023
Last Fiscal Year	571,941	2,275,479
Dollars change	(22,095)	18,544
Percent change	-3.9%	0.8%

The Home Rule Sale Tax that became effective July 1, 2014 at a rate of 0.75%. The Home Rule Sales Tax does not apply to titled property (vehicles), groceries and drugs. Like the regular sales tax, there is a three month spread between a taxable sale and our tax receipt.

The high water mark for this month's receipts was established in 2016 (last year). Six of the past twelve months have established new highs.

For informational/comparative purposes, the Home Rule sales tax represents approximately 41% of the regular sales tax and is a reasonable "rule of thumb" for determining a quick estimate of the

HMR relative to the MT (the State abbreviations for the Home Rule and Municipal sales taxes). The range has been from a high of slightly more than 46% to a low of 38%. The ratio will regularly fluctuate over time depending on the sales mix for the period.

Use Tax - September reporting – June sales activity

	This Month	Fiscal Year to Date
This Fiscal Year	116,228	559,856
Last Fiscal Year	122,416	554,473
Dollars change	(6,188)	5,383
Percent change	-5.1%	1.0%

Use tax is the sales tax collected on out-of-state purchases shipped to Illinois (internet sales) and merchandise used by retailers where sales tax had not previously been paid.

The high water mark for this month’s receipts was established in 2016 (last year). Eight of the past twelve months have established new highs.

Income Tax - September reporting (share of taxes collected in August)

	This Month	Fiscal Year to Date
This Fiscal Year	293,087	2,214,539
Last Fiscal Year	335,613	2,313,618
Dollars change	(42,526)	(99,079)
Percent change	-12.7%	-4.3%

The high water mark for this month’s distribution occurred in 2016 (last year). None of the past twelve months have established new highs.

Nine of the last twelve months reported have been significantly lower than the prior year. The reporting seems to contradict other economic indicators.

As previously shared, on behalf of the municipalities in the State, the Illinois Municipal League asked the Illinois Department of Revenue to investigate the unusual income tax reporting. After months of investigation, the answers remains unclear, other than IDOR had deployed some new software that appears to be partially responsible for some allocation errors between the Local Government and Personal Property Replacement Tax distributive funds. An error had previously been reported with regard to Personal Property Replacement Tax distributions.

Property Tax

The Cook County first installment tax bill that is due each year on March 1 is an estimate based on 55% of the prior year’s total tax. The second installment, by Illinois Statutes, is due August 1 and represents the balance of the annual tax, after deducting the first installment estimate. Will County releases tax bills at the beginning of May with the two equal installments due generally June 1 and September 1.

Within the Village fiscal year, the Cook County tax distributions in the months of May and June are generally late payments and “housekeeping” distributions of collections and adjustments for prior tax years, with July through September primarily distributions of current year second installment payments. The tax distributions occurring in the latter portion of February and continuing through March and April are primarily from the following tax year’s first installment estimate.

The current year tax collections (tax year 2016) for Cook County are approximately \$203,000 greater than the comparable period of last year (tax year 2015). Will County current tax year (2016) collections are \$106,000 less in relation to the comparable period last year (tax year 2015). Total year to date tax receipts for fiscal year 2018 are approximately \$117,000 less than the same period a year ago.

Fluctuations in property tax receipts when viewed from the Village fiscal year perspective are not uncommon and are the result of timing issues related both to when tax payments are made by property owners and when distributions are subsequently made from the respective County Treasurers. Since 2007, the Police Pension levy portion of the Village annual tax levy has been distributed directly into the pension fund accounts rather than coming into the Village General Fund first. The Village’s levy, in total, has been held essentially flat since tax year 2012. As the Police Pension levy requirements have increased each year, the remaining levy deposited to the General Fund will decrease, and would be expected to result in decreasing receipts on a comparative basis when looking at only the General Fund. However, as noted, due to timing of tax payments and distributions, this expected trend can be masked, as has been reflected above.

Additionally, the year to year comparative statistics by separate county will also be skewed as the percentage of Equalized Assessed Value (EAV) in the respective counties changes over time (e.g. if Will County becomes a larger percentage of the tax base, the Will County share of the overall levy also increases.)

We were informed of an error that occurred in the extension of Village taxes in Will County for tax year 2015 that resulted in the omission of the added amount to adjust for the difference between using an estimated and actual EAV in computing the share of the Village’s 2014 levy to be spread against Will County properties (the “look-back” adjustment). As a result of the 2015 omission, the 2016 Will County levy will include a two year “look-back” adjustment (i.e. a two year/double adjustment). This will cause continued skewing of the year to year collection comparisons.

We regularly monitor the overall collections versus levy for each tax year, and no unusual fluctuations have been noted.

Video Gaming - September activity reporting
 (distributive share of net Video Gaming Terminal Income Tax for August)

	This Month	Fiscal Year to Date
This Fiscal Year	28,852	142,326
Last Fiscal Year	18,191	93,477
Dollars change	10,661	48,849
Percent change	58.6%	52.3%

There is a two month lag between when the gaming revenues are generated and the distribution. The first Video Gaming Terminals in Tinley Park were installed in March 2014.

This month's gaming revenue has established a new highest monthly reporting threshold since inception, and naturally establishing a new high for the month as well. Because there continues to be growth in the number of businesses offering video gaming, all of the past twelve months have established new highs for the respective months.

As of the end of the reporting period, 27 State licenses are active. The 27 licensed establishments contain 126 gaming terminals reporting. In the comparative analysis above, the prior year represented 22 licensees and 103 machines reported.

The Illinois Gaming Board indicates the following license application(s) has(have) been approved through the IGB meeting of 21 September 2017. However, this(these) establishments may not have been locally licensed during this reporting period, or have not initiated operations during the current reporting period:

- Ashford House 7959 159th St [State 21 Apr 2017; Village 30 Aug 2017 - 3 devices]
- HEYDAY LLC (dba Whistle 2) 7537B 159th St
 [State 24 Aug 2017; Village 21 Aug 2017 - 5 devices]
- Rocco's Little Italy 7907 159th St [State 21 Sep 2017]

The following application(s) is(are) pending with the IGB:
 None

Other Funds:

Motor Fuel Taxes - September reporting (share of taxes collected in August)

	This Month	Fiscal Year to Date
This Fiscal Year	123,801	604,856
Last Fiscal Year	123,200	590,958
Dollars change	601	13,898
Percent change	0.5%	2.4%

There has been significant month-to-month fluctuation in the reporting since fiscal year 2010. I have described this trend line as similar to “Mr. Toad’s Wild Ride.” There have been unusual fluctuations from month to month in MFT revenues over the past seven (7) plus years (since the start of the Recession). The overall trend continues to be generally along a downward path.

Five of the rolling twelve months have been less than the comparable prior period.

The high water mark for this month’s revenues was established in 2007. None of the past twelve months have established new high record levels. These results are in keeping with the long term trending for this revenue source as noted previously.

Commuter Parking

The number of daily pay spaces utilized for September 2017 were down approximately 10% compared to the same month of the prior year. Year to date utilization was down 2% compared with the prior year.

Because of the nature of the commuter parking permits (permits are prepaid parking, which is received regardless of use), there is not much variation in revenues from year to year for permits and thus has been excluded from the above analysis.

The Village Single Use Token program remains popular with commuters. An average of 11,500 tokens have been sold on a monthly basis this fiscal year (11,700 for the current month). Correspondingly, an average of 11,700 tokens have been used monthly for parking (11,300 for the current month). There are approximately 25,300 unused tokens outstanding at the end of the current reporting period. This outstanding “inventory” represents approximately 2.2 months of potential future token usage.

It should be kept in mind that Commuter Parking fee revenues, at a daily rate of \$1.50, both individually and collectively are relatively minor comparatively to the other revenue items discussed in this memo.

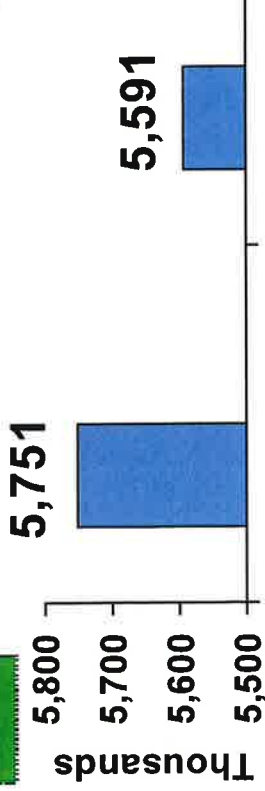


Village of Tinley Park, Illinois

Sep 2017 YTD Revenues Recap

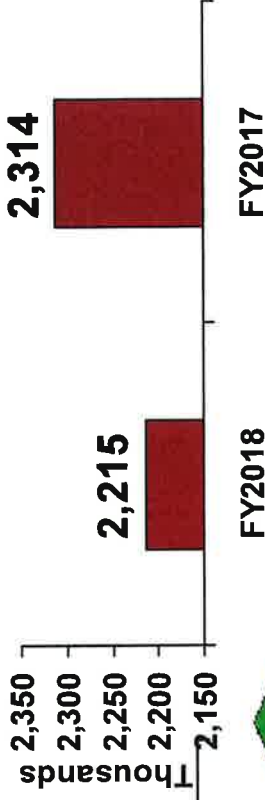


Sales Taxes



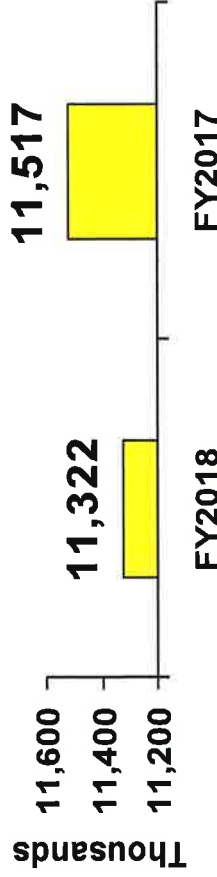
Income Taxes

(Surtax Allocation included)



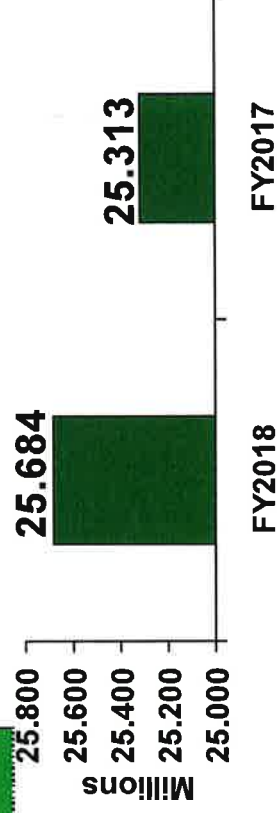
Property Taxes

Current & Prior Collections



General Fund Revenues

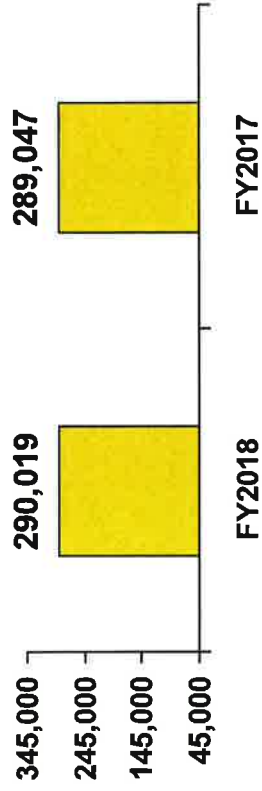
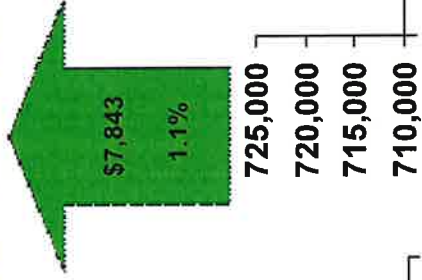
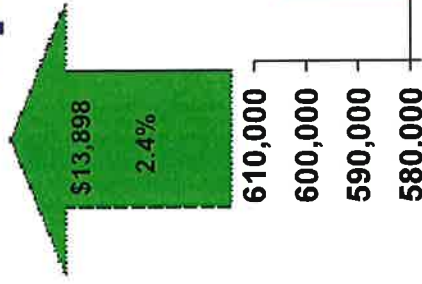
(Excluding Investment Earnings)





Village of Tinley Park, Illinois

Sep 2017 YTD Revenues Recap



Village of Tinley Park, Illinois

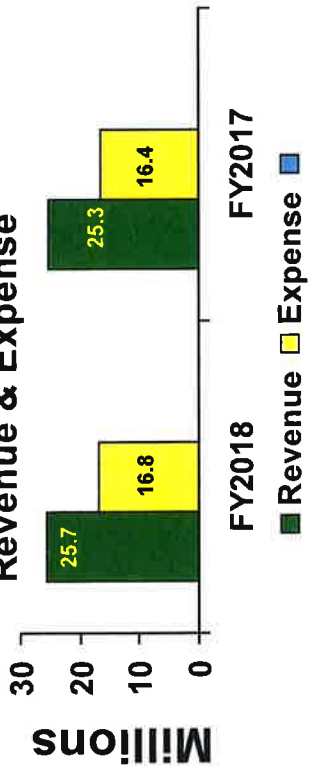
Revenue/Expense Summary

Sep 2017 Year to Date



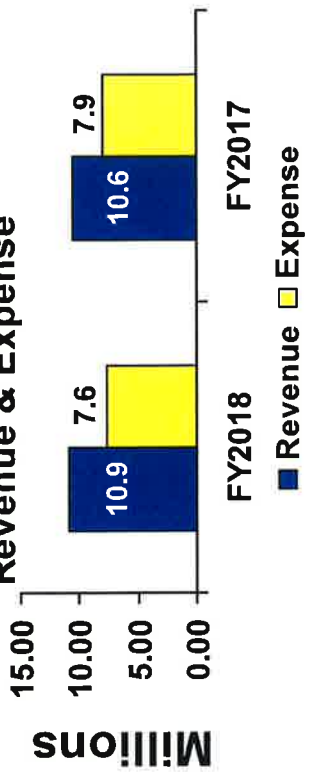
General Fund

Revenue & Expense



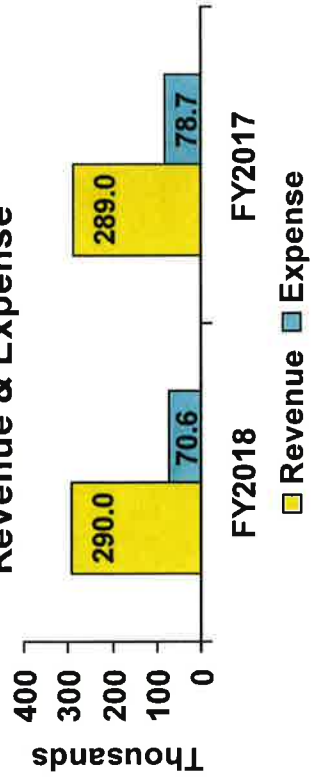
Water & Sewer Fund

Revenue & Expense



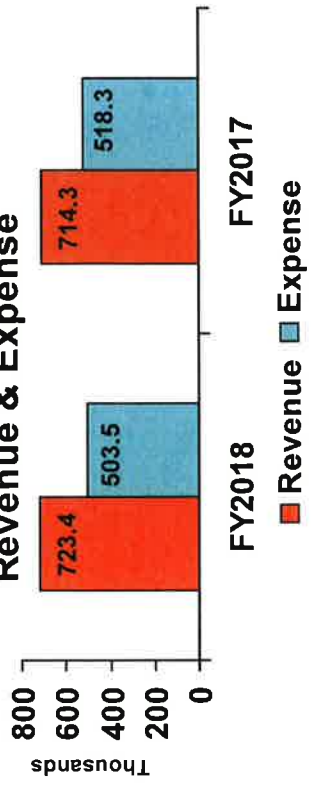
Commuter Parking Fund

Revenue & Expense

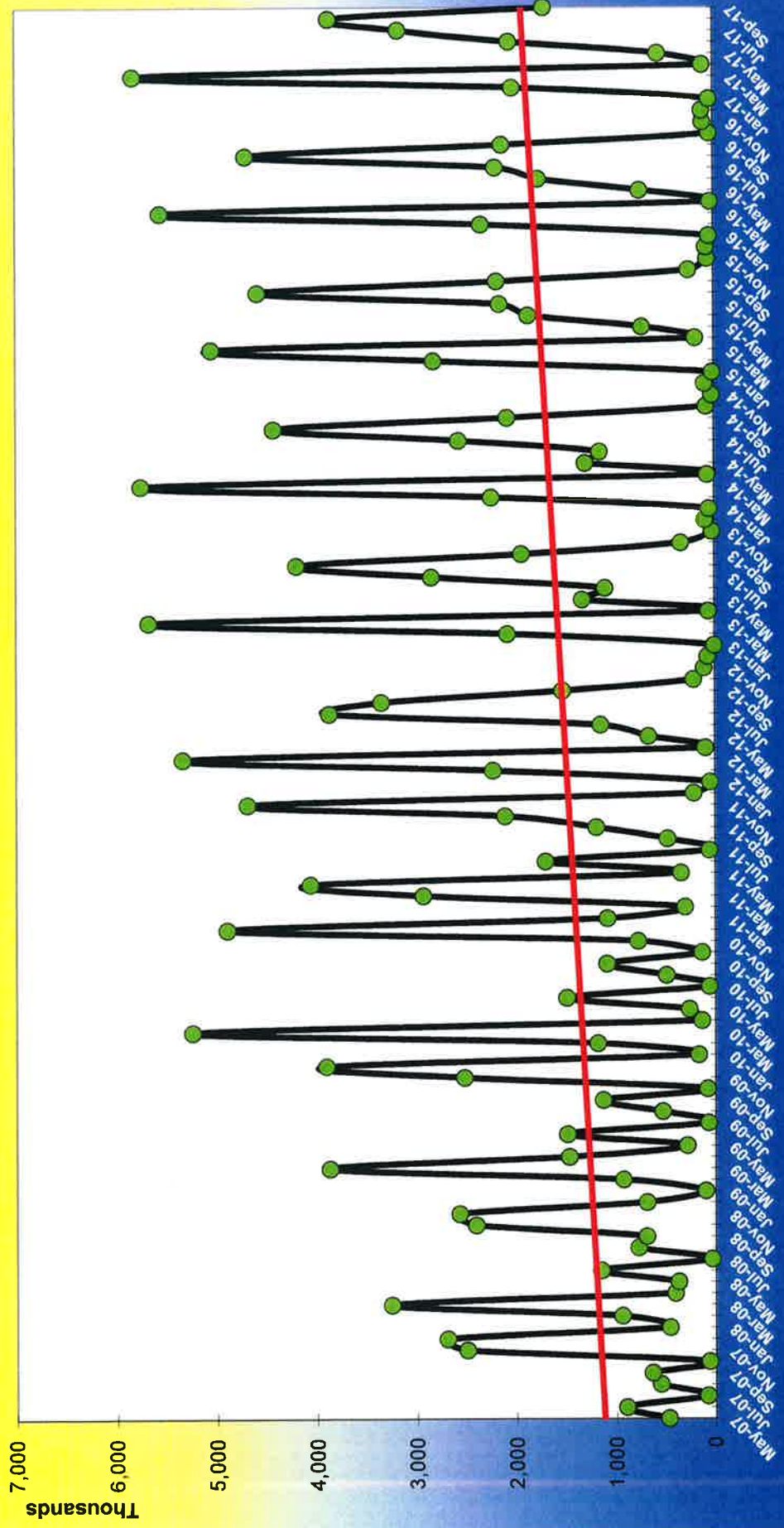


Hotel Tax Fund

Revenue & Expense

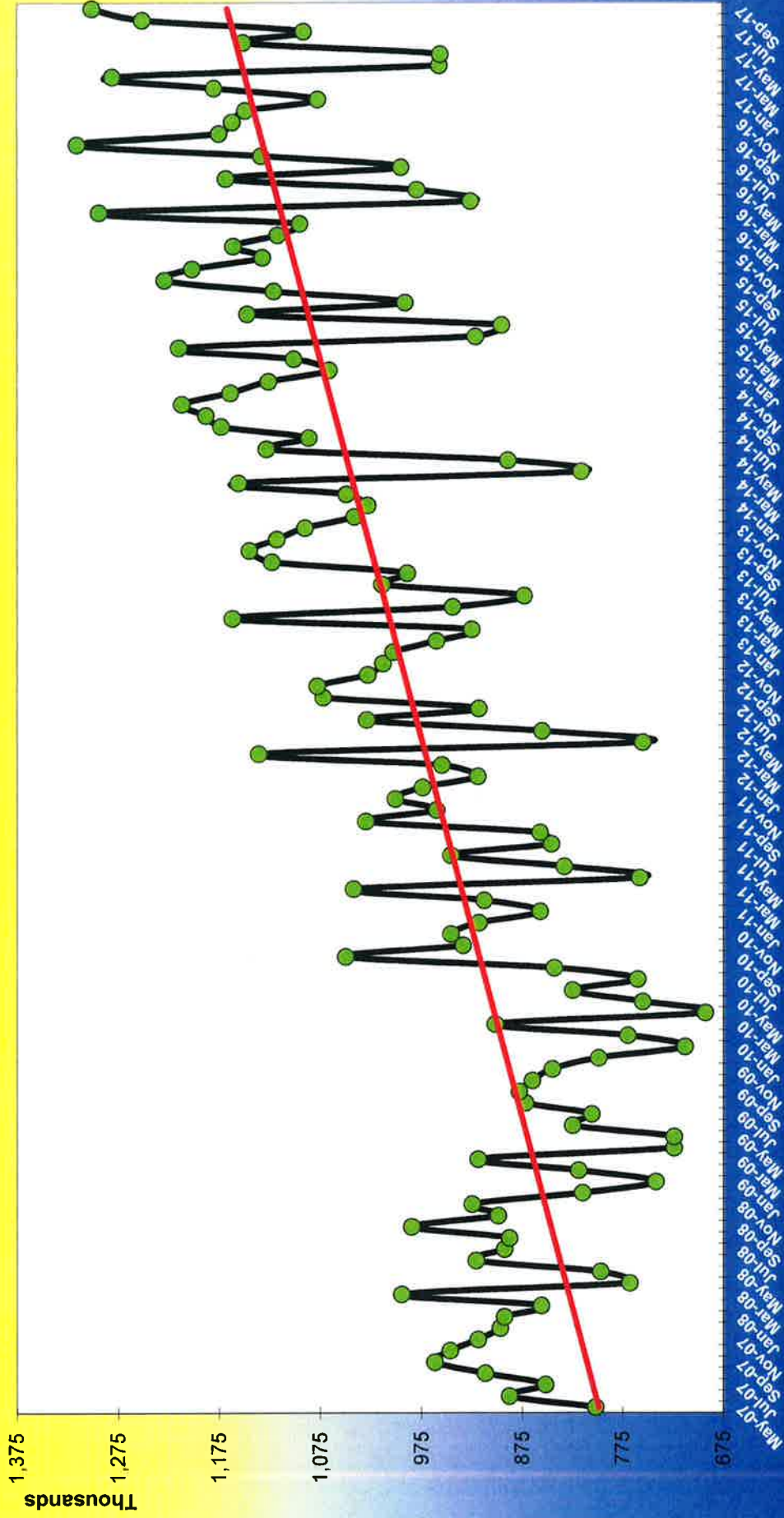


Village of Tinley Park Property Tax Revenues Monthly Fiscal Year 2008 to date



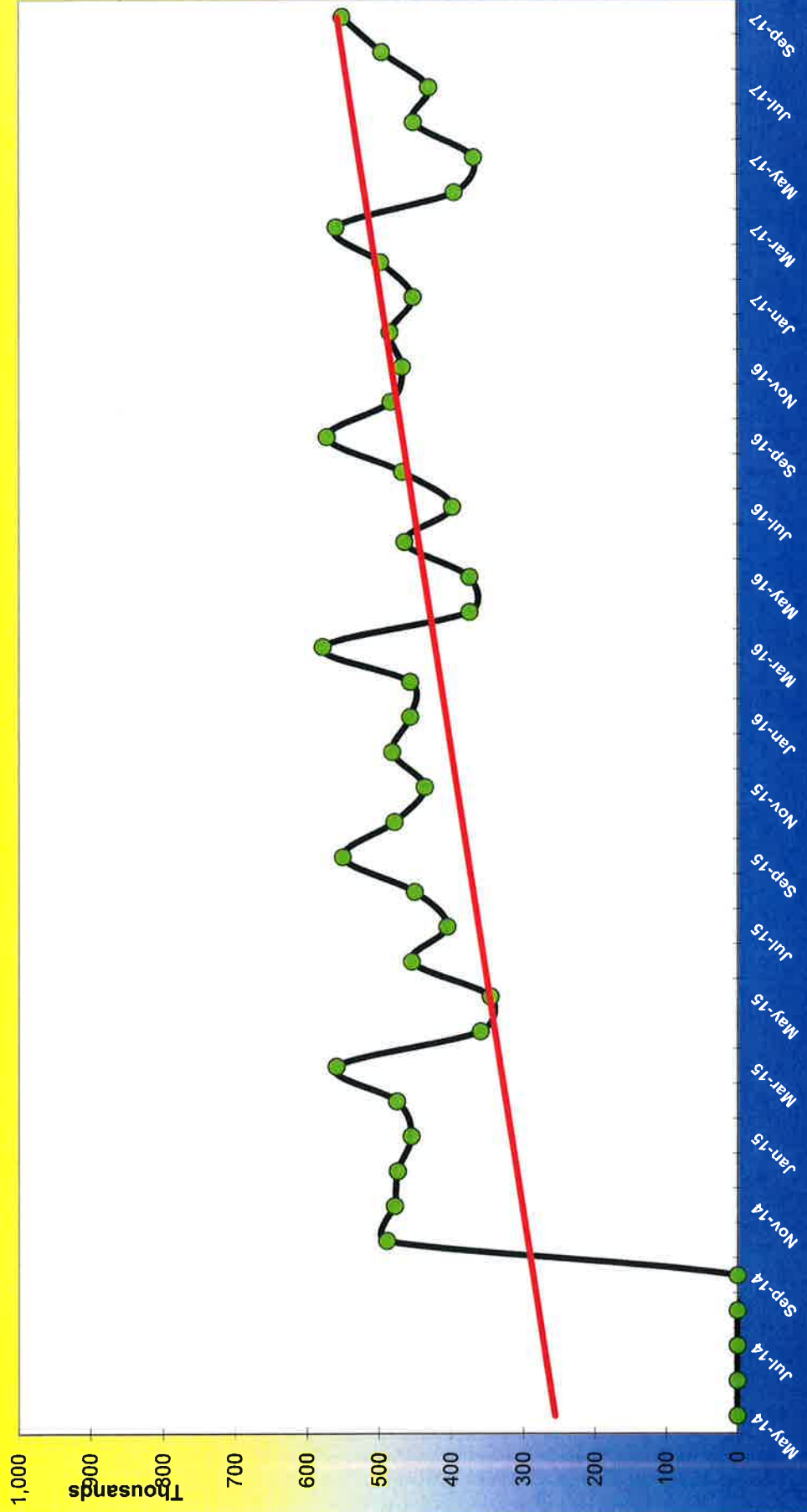
● Property Tax Revenues
— Linear (Property Tax Revenues)

Village of Tinley Park Sales Tax Revenues Monthly Fiscal Year 2008 to date



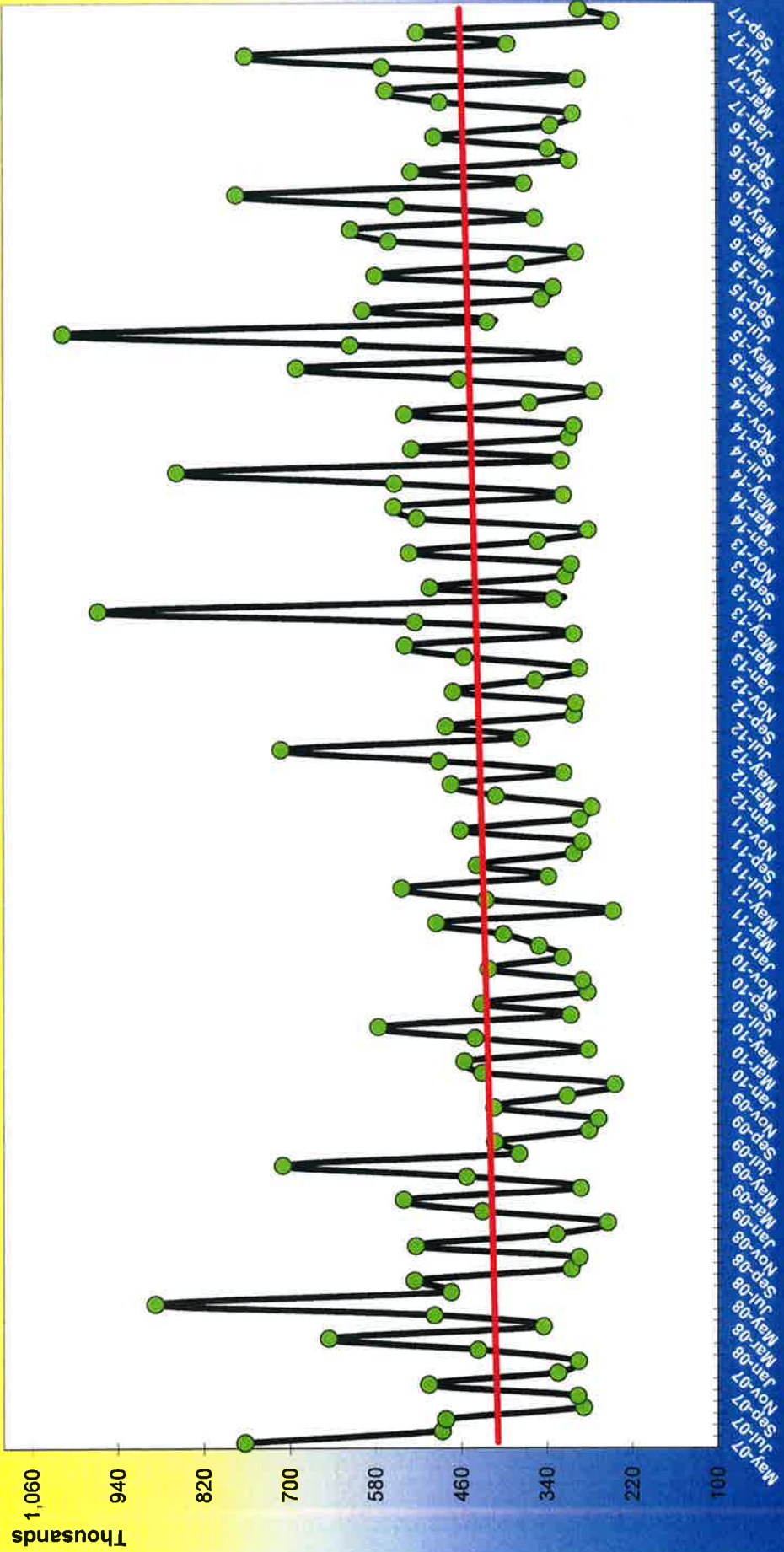
Sales Tax Revenues
 Linear (Sales Tax Revenues)

Village of Tinley Park Home Rule Sales Tax Monthly Fiscal Year 2015 to date



Home Rule Sales Tax
 Linear (Home Rule Sales Tax)

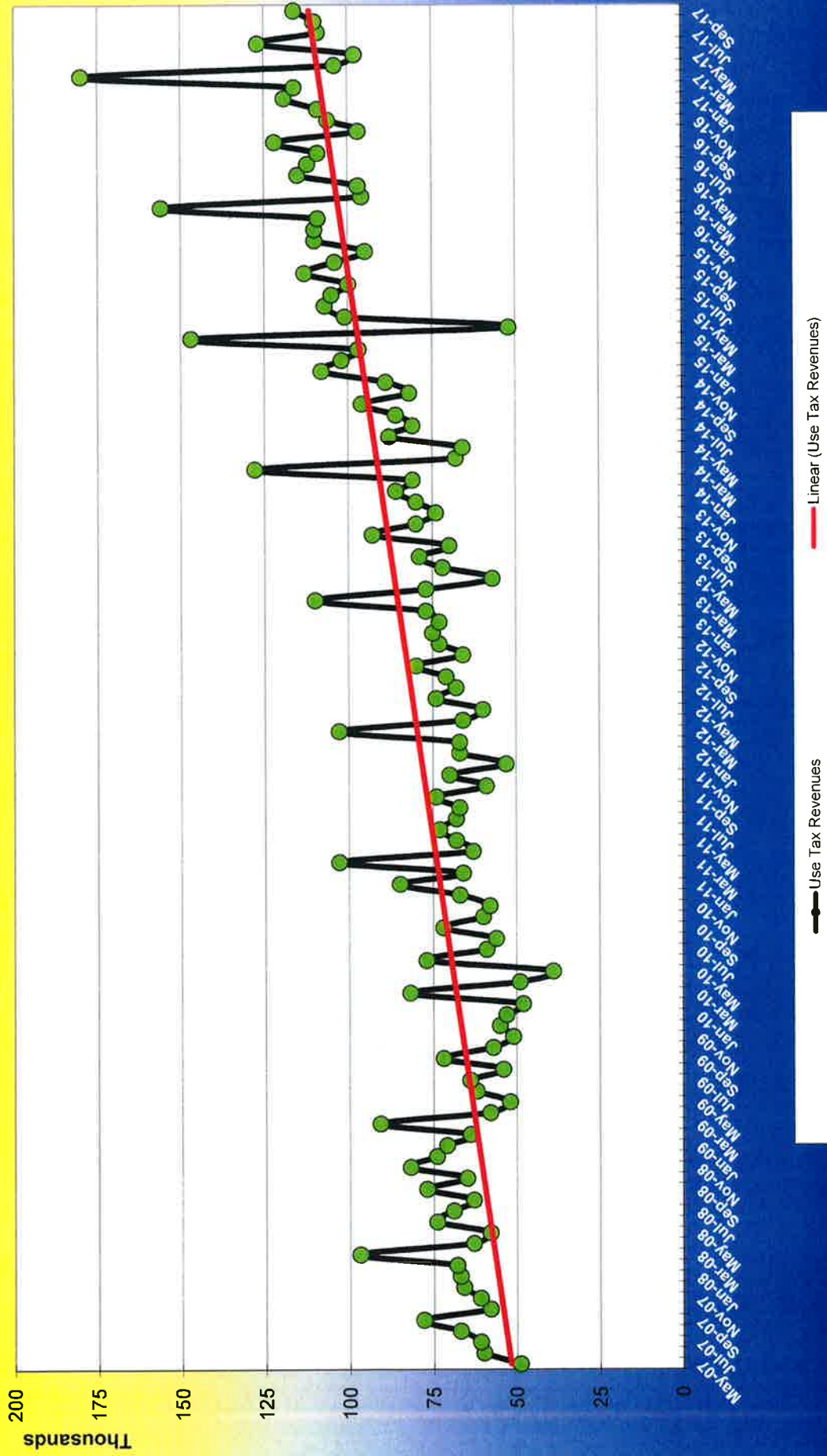
Village of Tinley Park Income Tax Revenues Monthly Fiscal Year 2008 to date



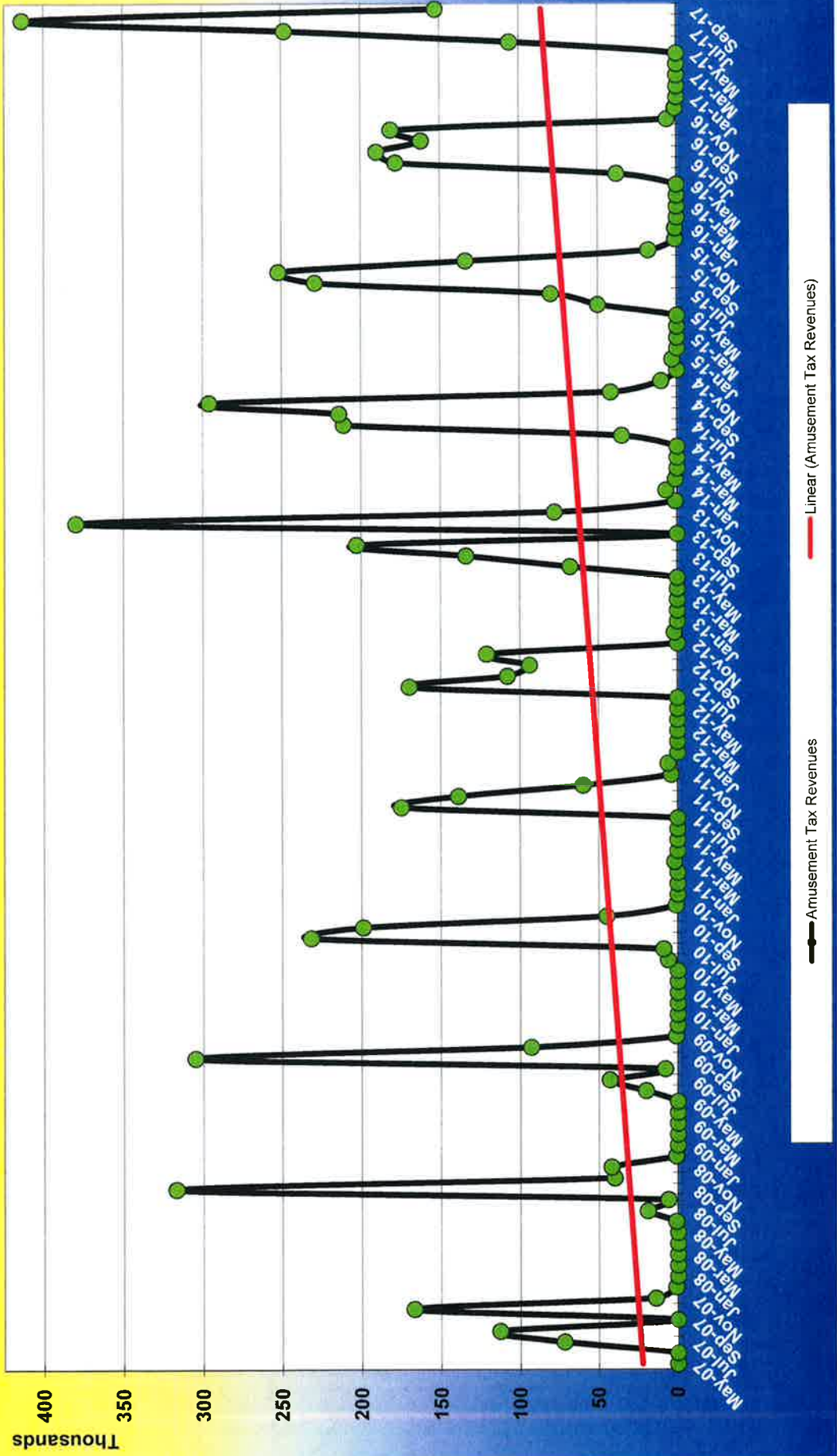
Linear (Income Tax Revenues)

Income Tax Revenues

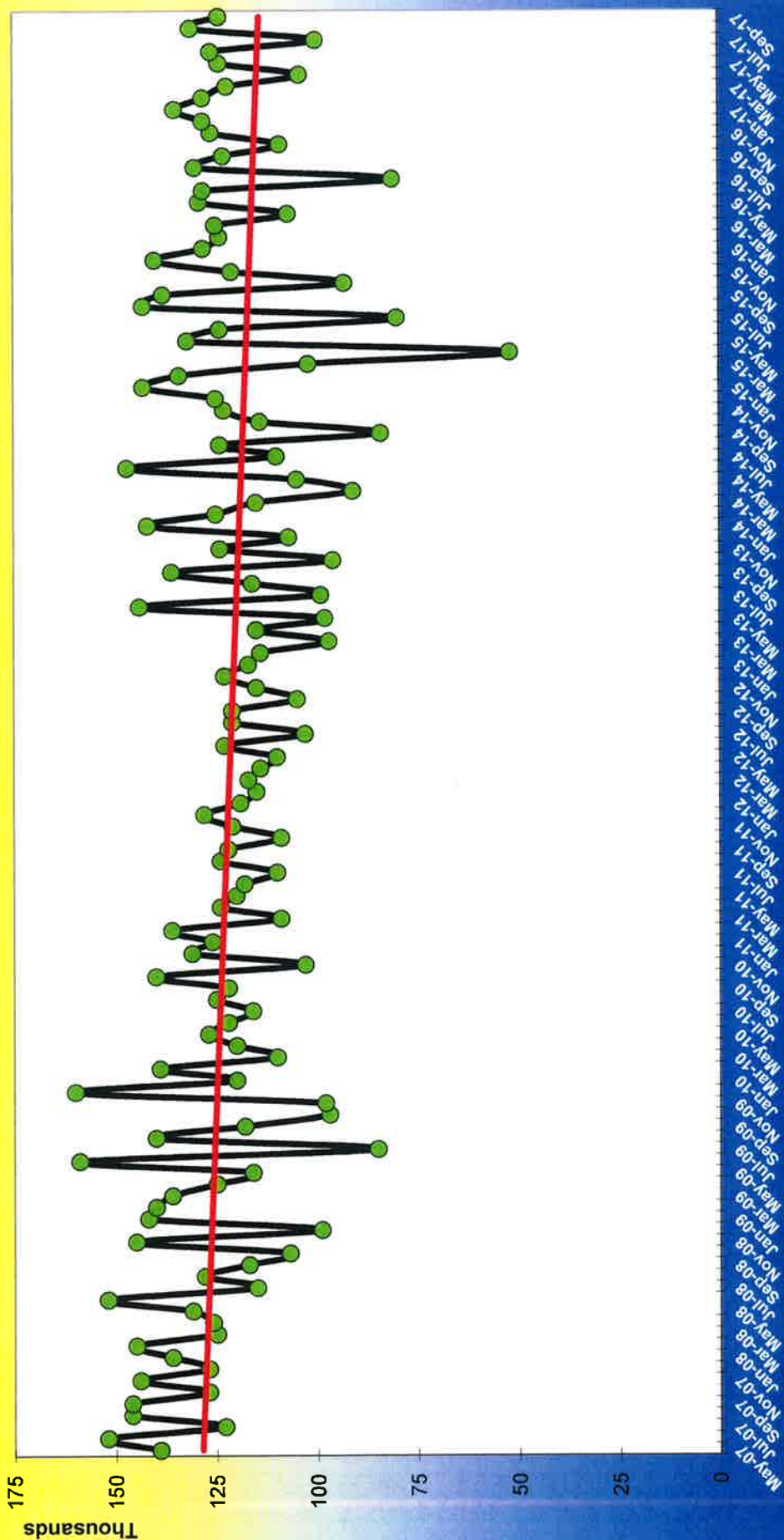
Village of Tinley Park Use Tax Revenues Monthly Fiscal Year 2008 to date



Village of Tinley Park Amusement Tax Revenues Monthly Fiscal Year 2008 to date



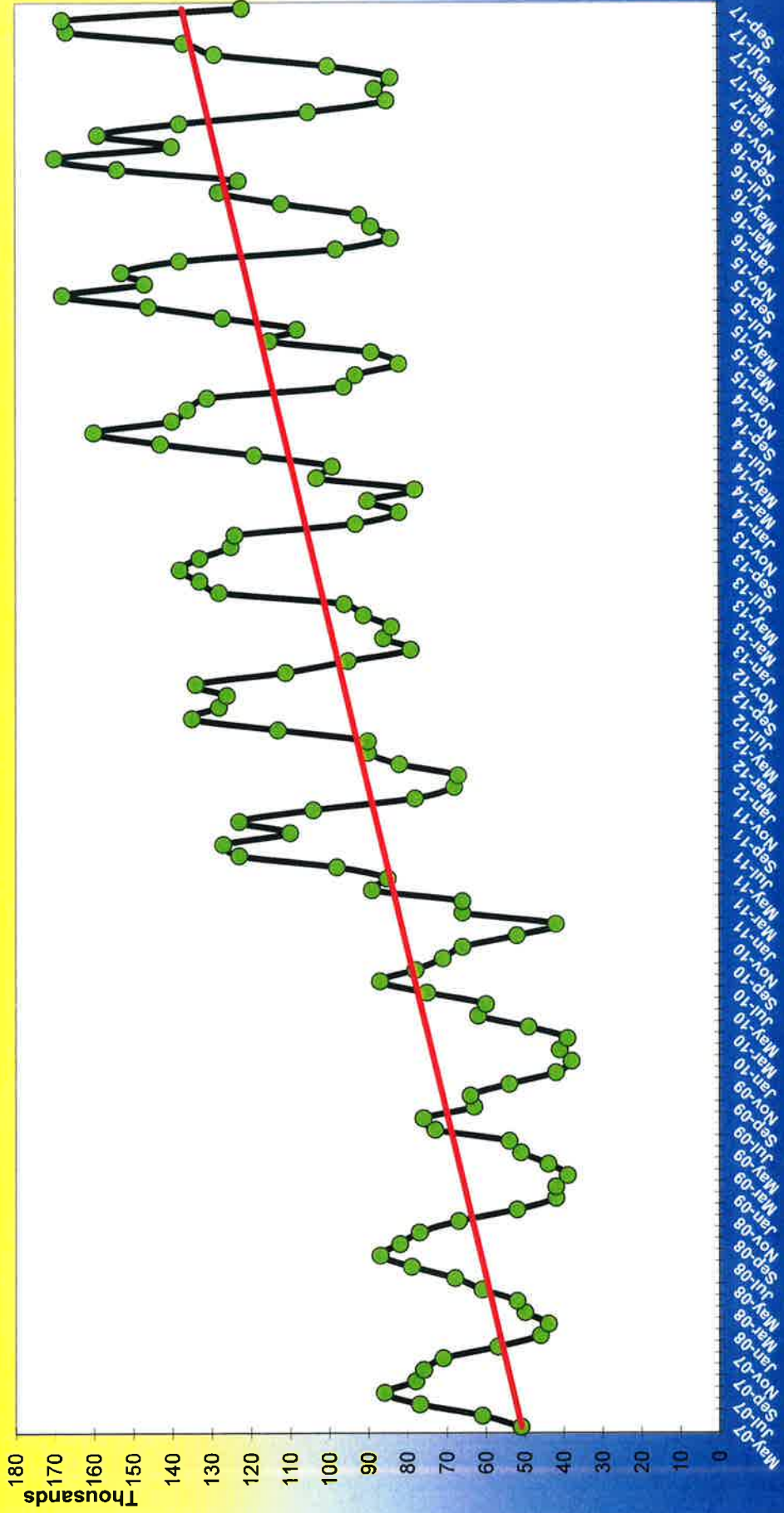
**Village of Tinley Park Motor Fuel Tax Revenues
Monthly Fiscal Year 2008 to date**



Linear (Motor Fuel Tax Revenues)

Motor Fuel Tax Revenues

Village of Tinley Park Hotel Tax Revenues
 Monthly Fiscal Year 2008 to date



● Hotel Tax Revenues
 — Linear (Hotel Tax Revenues)

Village of Tinley Park, Illinois
 General Fund
 Monthly Comparative Revenue Report
 September 2017

SOURCE	2016/2017 ACTUAL		2016/2017 PRIOR YEAR		2017/2018 CURRENT YEAR		2016/2017 PRIOR YEAR		2017/2018 CURRENT YEAR		YEAR TO DATE PERCENT OF BUDGET		YEAR TO DATE DOLLARS INCR/DECR		YEAR TO DATE PERCENT INCR/DECR	
	BUDGET	CURRENT MONTH	CURRENT MONTH	CURRENT MONTH	CURRENT MONTH	CURRENT MONTH	YEAR TO DATE	YEAR TO DATE	YEAR TO DATE	YEAR TO DATE	PERCENT OF BUDGET	DOLLARS INCR/DECR	PERCENT INCR/DECR	DOLLARS INCR/DECR	PERCENT INCR/DECR	
Beginning Balance, May 1							\$16,956,078	\$27,764,337								
RECEIPTS																
Current R/E Tax Levies	17,550,000	1,902,751	1,521,804	9,883,474	9,980,346	56.9%	9,980,346	9,980,346	96,872	100%	96,872	1.0%	(213,402)	Over 100% +/-	1.0%	
Prior Yrs R/E Tax Levies	0	(1,253)	0	82,585	(130,817)	#N/A	(130,817)	(130,817)	(50,371)	-11.5%	(50,371)	-11.5%	(79,975)	-5.2%	-11.5%	
R/E Tax Levies Road/Brdg	580,000	144,095	105,366	439,819	389,448	67.1%	389,448	389,448	(79,975)	-5.2%	(79,975)	-5.2%	1,472,782	2.9%	2.9%	
Police Pension Tax Receipts	2,650,000	223,407	177,326	1,552,756	1,472,782	41.4%	1,472,782	1,472,782	159,836	40.2%	159,836	40.2%	18,544	0.8%	0.8%	
Sales Tax - General	13,900,700	1,316,117	1,301,200	5,591,666	5,751,502	#N/A	5,751,502	5,751,502	2,294,023	39.0%	2,294,023	39.0%	0	#N/A	#N/A	
Sales Tax - Home Rule	5,700,000	571,941	549,846	2,275,479	2,294,023	#N/A	2,294,023	2,294,023	0	1.0%	0	1.0%	5,383	0	0	
Sales Tax - Incentive Agreements	0	0	0	554,473	559,856	#N/A	559,856	559,856	0	4.3%	(68,780)	4.3%	(30,298)	-4.3%	-4.3%	
Sales Tax-Out of State	1,435,000	122,416	116,228	1,606,114	1,537,333	40.9%	1,537,333	1,537,333	677,206	40.9%	677,206	40.9%	0	#N/A	#N/A	
Sales Tax-Photofinishing	3,759,000	232,983	203,461	707,504	677,206	#N/A	677,206	677,206	0	95.8%	132,857	95.8%	132,857	84.3%	84.3%	
Slate Income Tax	1,656,000	102,631	89,626	157,554	290,411	78.3%	290,411	290,411	1,797	34.2%	1,797	34.2%	2,627	3.8%	3.8%	
Income Tax Surcharge (1 & 2)	0	0	0	7,047	7,047	23.1%	7,047	7,047	2,627	7.9%	7,000	7.9%	7,000	Over 100% +/-	Over 100% +/-	
Vehicle License	303,000	28,376	28,502	668	940	7.9%	11,500	11,500	7,000	41.8%	5,400	41.8%	103,516	27.5%	27.5%	
Building Permits	9,000	1,300	375	5,250	7,047	98.4%	25,050	25,050	103,516	59.6%	3,242	59.6%	3,242	18.4%	18.4%	
Plan Review Fees	310,000	668	940	4,500	4,500	153.6%	569,020	921,802	352,782	#N/A	352,782	153.6%	0	#N/A	62.0%	
Business License	145,000	0	0	0	0	0.0%	0	0	0	43.8%	17,729	43.8%	17,729	34.8%	34.8%	
Video Gaming License	60,000	4,150	4,050	19,650	19,650	17.6%	68,710	68,710	0	41.4%	(965)	41.4%	(965)	-3.3%	-3.3%	
Contractor's License	250,000	28,841	30,883	142,476	245,992	43.7%	142,183	142,183	0	0.0%	0	0.0%	(7,314)	-100.0%	-100.0%	
Fines/Fees	35,000	8,612	0	17,632	0	0.0%	0	0	0	#N/A	0	#N/A	0	#N/A	#N/A	
Rebilities	600,000	162,499	152,742	569,020	0	0.0%	0	0	0	#N/A	0	#N/A	0	#N/A	#N/A	
Amusement tax	0	0	0	0	0	0.0%	0	0	0	8.5%	(31,044)	8.5%	(31,044)	-82.1%	-82.1%	
Garage/Parking tax	0	0	0	0	0	0.0%	0	0	0	72.3%	17,117	72.3%	17,117	40.6%	40.6%	
Land Lease/Rental Income	157,000	7,542	15,781	50,982	15,781	24.6%	186,826	186,826	8,319	0.0%	0	0.0%	0	0.0%	0.0%	
Customs Seizures/FBI Reimb.	0	0	0	0	0	0.0%	0	0	0	#N/A	0	#N/A	0	#N/A	#N/A	
State Reimb	12,000	26,871	0	26,871	0	0.0%	0	0	0	52.2%	(24,334)	52.2%	(24,334)	-12.9%	-12.9%	
Replacement Tax	68,050	0	0	29,163	28,198	73.5%	8,816	8,816	(8,992)	-50.5%	(8,992)	-50.5%	1,000	0	0	
OTB Handle Tax	0	0	0	0	0	0.0%	0	0	0	37.5%	5,176	37.5%	5,176	4.5%	4.5%	
Video Gaming Tax	325,000	18,339	28,711	95,004	0	0.0%	0	0	0	50.7%	(918)	50.7%	(918)	-0.2%	-0.2%	
State Reimb - Emergency Mgmt.	25,000	0	0	7,314	0	0.0%	0	0	0	104.5%	39,182	104.5%	39,182	15.8%	15.8%	
Ambulance Collections Overage	0	0	0	0	0	0.0%	0	0	0	48.9%	380,148	48.9%	380,148	1.5%	1.5%	
Fire Protection Services TPMHC	0	0	0	0	0	0.0%	0	0	0							
Salary Reserve	0	0	0	0	0	0.0%	0	0	0							
Insurance Reimb	80,000	10,595	4,638	37,837	6,793	8.5%	6,793	6,793	(31,044)	-82.1%	(31,044)	-82.1%	0	0	0	
Investment Interest	81,975	10,528	482	42,177	59,294	72.3%	59,294	59,294	17,117	40.6%	17,117	40.6%	0	0	0	
Investment Market Value Adj.	0	0	0	0	0	0.0%	0	0	0							
Transfer from Hotel/Motel Fund	759,395	25,168	28,048	178,507	186,826	24.6%	186,826	186,826	8,319	4.7%	8,319	4.7%	0	0	0	
Transfer from SSA#3 Fund	206,043	0	0	0	0	0.0%	0	0	0							
Transfer from Capital Impr.Fund	0	0	0	0	0	0.0%	0	0	0							
Miscellaneous	313,900	30,557	26,673	188,289	163,955	52.2%	163,955	163,955	(24,334)	-12.9%	(24,334)	-12.9%	0	0	0	
Police Grants	12,000	3,300	8,816	17,808	8,816	73.5%	8,816	8,816	(8,992)	-50.5%	(8,992)	-50.5%	1,000	0	0	
Miscellaneous Grants	0	0	0	0	0	0.0%	0	0	0							
Bus Services	26,150	2,295	1,900	10,579	9,794	37.5%	9,794	9,794	(785)	-7.4%	(785)	-7.4%	5,176	4.5%	4.5%	
Telecom Tax & IMF Tax	275,000	22,443	23,189	114,539	119,715	43.5%	119,715	119,715	5,176	4.5%	5,176	4.5%	(918)	-0.2%	-0.2%	
Cable Franchise	1,050,000	0	0	533,688	532,770	50.7%	532,770	532,770	(918)	-100.0%	(918)	-100.0%	0	0	0	
Natural Gas Franchise Fee	55,000	0	0	103,472	0	0.0%	0	0	(103,472)	-100.0%	(103,472)	-100.0%	0	0	0	
Police Security Reimb	275,000	50,209	63,441	248,307	287,489	104.5%	287,489	287,489	39,182	15.8%	39,182	15.8%	0	0	0	
Total Receipts	52,663,213	5,057,382	4,484,028	25,363,572	25,743,720	48.9%	25,743,720	25,743,720	380,148	1.5%	380,148	1.5%	0	0	0	
YTD budget	\$21,943,005	Total funds available		\$42,319,650	\$53,508,057											
																Percent of year completed 41.7%

Village of Tinley Park, Illinois
 General Fund
 Monthly Comparative Expense Report
 September 2017

DEPT.	EXPENDITURES	2016/2017		2017/2018		2016/2017		2017/2018		2017/2018		2016/2017		2017/2018		2016/2017		2017/2018	
		PRIOR YEAR CURRENT MONTH	CURRENT MONTH	PRIOR YEAR CURRENT MONTH	CURRENT MONTH	PRIOR YEAR YEAR TO DATE	YEAR TO DATE	PRIOR YEAR YEAR TO DATE	YEAR TO DATE	PERCENT OF BUDGET EXPENDED	YEAR TO DATE EXPENDITURES INCR/DECR	PERCENT INCR/DECR	ACTUAL EXPENDITURES	2016/2017 ACTUAL EXPENDITURES					
11	Mayor & Trustees	19,710	18,920	87,153	104,744	259,590	40.4%	17,591	20.2%	238,553	20.2%	238,553	238,553						
12	Village Manager	56,239	49,282	349,128	337,752	902,185	37.4%	(11,376)	-3.3%	825,529	-3.3%	825,529	825,529						
13	Village Clerk	42,551	36,713	251,553	236,510	709,095	33.4%	(15,042)	-6.0%	600,172	-6.0%	600,172	600,172						
14	General Overhead	291,404	220,664	991,678	753,252	4,386,678	17.2%	(238,425)	-24.0%	3,588,522	-24.0%	3,588,522	3,588,522						
15	Finance	74,790	84,682	477,060	506,941	1,752,215	28.9%	29,882	6.3%	1,126,913	6.3%	1,126,913	1,126,913						
17	Police	985,186	1,008,635	5,877,742	6,219,350	15,808,279	39.3%	341,608	5.8%	13,537,237	5.8%	13,537,237	13,537,237						
19	Fire Department	288,796	304,054	1,554,298	1,704,571	4,969,625	34.3%	150,273	9.7%	3,961,983	9.7%	3,961,983	3,961,983						
20	Fire Prevention	62,448	66,246	364,156	375,609	1,130,505	33.2%	11,453	3.2%	828,829	3.2%	828,829	828,829						
21	Emergency Management	216,567	224,606	1,137,853	1,189,202	3,229,484	36.8%	51,349	4.5%	2,887,391	4.5%	2,887,391	2,887,391						
23	Road & Bridge	272,312	283,691	1,538,389	1,653,923	6,032,980	27.4%	115,534	7.5%	4,421,974	7.5%	4,421,974	4,421,974						
24	Electrical	66,265	60,926	400,713	379,279	1,218,089	31.1%	(21,435)	-5.4%	997,870	-5.4%	997,870	997,870						
25	Municipal Buildings	51,572	63,902	330,349	367,049	1,354,321	27.1%	36,700	11.1%	852,767	11.1%	852,767	852,767						
33-000	Community Dev.-Administration	0	0	0	5,601	0	#DIV/0!	5,601	#N/A	0	#N/A	0	0						
33-300	Community Dev.-Bldg Dept (Insl)	132,443	76,313	475,210	502,923	1,419,838	35.4%	27,713	5.8%	1,152,682	5.8%	1,152,682	1,152,682						
33-310	Community Dev.-Planning Dept	32,854	35,576	202,513	175,401	431,470	40.7%	(27,112)	-13.4%	482,026	-13.4%	482,026	482,026						
33-320	Community Dev.-Economic Devt	8,076	11,199	108,569	75,297	294,700	25.6%	(33,272)	-30.7%	194,621	-30.7%	194,621	194,621						
35	Marketing/Communications	25,140	28,498	160,068	187,276	667,395	28.1%	27,208	17.0%	438,270	17.0%	438,270	438,270						
40	Civil Service Commission	3,279	7,743	11,561	17,531	44,835	39.1%	5,970	51.6%	30,499	51.6%	30,499	30,499						
42	Village Bus Services	2,512	4,669	17,294	20,192	55,970	36.1%	2,898	16.8%	49,873	16.8%	49,873	49,873						
43	Health Commission	0	0	0	0	0	#DIV/0!	0	#N/A	0	#N/A	0	0						
44	Environmental Commission	293	62	978	809	7,450	10.9%	(169)	-17.3%	3,806	-17.3%	3,806	3,806						
45	Economic/Commercial Commis:	0	98	7,222	3,955	38,185	10.4%	(3,268)	-45.2%	9,456	-45.2%	9,456	9,456						
46	Community Resources	409	1,165	8,476	9,811	53,260	18.4%	1,334	15.7%	43,022	15.7%	43,022	43,022						
47	Zoning Board of Appeals (ZBA)	89	0	2,089	0	5,270	0.0%	(2,089)	-100.0%	3,944	-100.0%	3,944	3,944						
48	Long Range Planning (LRPC)	676	252	3,206	2,488	22,450	11.1%	(718)	-22.4%	11,147	-22.4%	11,147	11,147						
49	Industry & Commerce (ICC)	0	0	0	0	0	#DIV/0!	0	#N/A	0	#N/A	0	0						
50	Veterans Commission	328	319	1,453	1,411	24,540	5.8%	(42)	-2.9%	9,930	-2.9%	9,930	9,930						
51	Youth Commission	0	0	0	0	0	#DIV/0!	0	#N/A	0	#N/A	0	0						
52	Economic Development (EDC)	0	0	0	0	0	#DIV/0!	0	#N/A	0	#N/A	0	0						
53	Pace Bus Services	5,682	4,864	33,429	29,437	96,230	30.6%	(3,992)	-11.9%	72,896	-11.9%	72,896	72,896						
54	Historic Preservation (HPC)	0	5,106	35	7,581	10,165	74.6%	7,546	Over 100% +/	5,435	Over 100% +/	5,435	5,435						
55	Term Limit Commission	0	0	0	0	0	#DIV/0!	0	#N/A	0	#N/A	0	0						
56	Senior Services Commission	2,906	6,162	18,999	18,994	50,600	37.5%	(5)	0.0%	46,038	0.0%	46,038	46,038						
57	Sister City Commission	0	80	116	382	1,620	23.6%	267	Over 100% +/	1,882	Over 100% +/	1,882	1,882						
58	Main Street Commission	4,394	1,851	91,138	106,615	190,730	55.9%	15,477	17.0%	143,256	17.0%	143,256	143,256						
59	Millenium Commission	0	0	0	0	0	#DIV/0!	0	#N/A	0	#N/A	0	0						
96	Transfer to Local Roads	0	0	0	0	0	#DIV/0!	0	#N/A	0	#N/A	0	0						
96	Transfer to Capital Improvemen	0	0	0	0	325,000	0.0%	0	#N/A	0	#N/A	0	0						
96	Transfer to Bond Stabilization	0	0	0	0	0	#DIV/0!	0	#N/A	0	#N/A	0	0						
96	Transfer to Capital Improv.-Sturt	0	0	0	0	1,656,000	0.0%	0	#N/A	0	#N/A	0	0						
96	Transfer to Debt Service	0	0	43,241	0	350,000	0.0%	(43,241)	-100.0%	199,678	-100.0%	199,678	199,678						
96	Transfer to W/S Construction	0	0	0	0	0	#DIV/0!	0	#N/A	0	#N/A	0	0						
96	Transfer to Train Station O & M	15,000	177,326	30,000	10,000	148,000	6.8%	(20,000)	-66.7%	65,000	-66.7%	65,000	65,000						
96	Transfer to Police Pension	223,407	0	1,552,756	1,472,782	2,650,000	55.6%	(79,975)	-5.2%	2,651,274	-5.2%	2,651,274	2,651,274						
96	Transfer to Mainstreet Developr	0	0	0	0	0	#DIV/0!	0	#N/A	0	#N/A	0	0						
96	Transfer to Escrow	0	0	97,085	327,246	1,611,000	20.3%	230,161	Over 100% +/	1,292,911	Over 100% +/	1,292,911	1,292,911						
97	Economic Incentives	0	224,667	151,166	1,555	250,000	0.6%	(149,611)	-99.0%	154,239	-99.0%	154,239	154,239						
98	Contingency	0	0	0	0	0	0.0%	0	0.0%	0	0.0%	0	0						
	Total	2,885,328	3,008,272	16,376,678	16,805,470	52,157,763	32.2%	428,791	2.6%	41,279,624	2.6%	41,279,624	41,279,624						

Village of Tinley Park, Illinois
 Water & Sewer Revenue
 Monthly Comparative Revenue Report
 September 2017

SOURCE	2016/2017	2017/2018	2016/2017	2017/2018	2016/2017	2017/2018	2016/2017	2017/2018	2016/2017	2017/2018	2016/2017	2017/2018	2016/2017	2017/2018	2016/2017	2017/2018	2016/2017	2017/2018
	ACTUAL	BUDGET	PRIOR YEAR CURRENT MONTH	CURRENT YEAR CURRENT MONTH	PRIOR YEAR YEAR TO DATE	CURRENT YEAR YEAR TO DATE	PRIOR YEAR YEAR TO DATE	CURRENT YEAR YEAR TO DATE	PRIOR YEAR YEAR TO DATE	CURRENT YEAR YEAR TO DATE	PRIOR YEAR YEAR TO DATE	CURRENT YEAR YEAR TO DATE	PRIOR YEAR YEAR TO DATE	CURRENT YEAR YEAR TO DATE	PRIOR YEAR YEAR TO DATE	CURRENT YEAR YEAR TO DATE	PRIOR YEAR YEAR TO DATE	CURRENT YEAR YEAR TO DATE
Beginning balance, May 1					\$6,453,044	\$9,487,824												
RECEIPTS																		
Route Consumption	13,117,476	13,280,000	1,301,825	1,221,472	5,452,616	5,504,824	874,307	885,127	52,208	52,208	41.5%	52,208	885,127	885,127	41.0%	10,820	10,820	1.0%
Sewer Transmission	2,122,929	2,157,000	188,134	181,268	440,824	433,509	440,824	433,509	(7,315)	10,820	48.2%	(7,315)	433,509	433,509	48.2%	(7,315)	10,820	1.2%
Sewer Treatment - MWRD	878,734	900,000	0	256	127,780	141,322	127,780	141,322	13,542	13,542	50.3%	13,542	141,322	141,322	50.3%	13,542	13,542	-1.7%
Sewer Treatment - Frankfort	267,940	281,000	34	23	259,778	353,091	259,778	353,091	93,313	93,313	47.1%	93,313	353,091	353,091	47.1%	93,313	93,313	10.6%
Sewer Treatment - Amer. Wtr.	538,136	750,000	517	190	10,202	8,190	10,202	8,190	(2,012)	(2,012)	91.0%	(2,012)	8,190	8,190	91.0%	(2,012)	(2,012)	-19.7%
Misc. Consumption	15,835	9,000	6	173	800	550	800	550	(250)	(250)	36.7%	(250)	550	550	36.7%	(250)	(250)	-31.3%
Sewer Tap	1,400	1,500	250	100	4,200	3,900	4,200	3,900	(300)	(300)	65.0%	(300)	3,900	3,900	65.0%	(300)	(300)	-7.1%
Water Tap	6,100	6,000	1,050	300	13,686	18,544	13,686	18,544	4,859	4,859	53.0%	4,859	18,544	18,544	53.0%	4,859	4,859	35.5%
Water Meters	29,800	35,000	1,969	1,651	1,976	1,482	1,976	1,482	(494)	(494)	49.4%	(494)	1,482	1,482	49.4%	(494)	(494)	-25.0%
Construction Water	3,335	3,000	618	247	1,750	2,550	1,750	2,550	800	800	56.7%	800	2,550	2,550	56.7%	800	800	45.7%
Turn On Fees	5,450	4,500	75	75	13,597	25,267	13,597	25,267	11,669	11,669	84.2%	11,669	25,267	25,267	84.2%	11,669	11,669	85.8%
Investment Interest	45,323	30,000	3,030	0	0	0	0	0	0	0	#N/A	0	0	0	#N/A	0	0	#N/A
Investment Market Value Adj.	0	0	0	0	0	0	0	0	0	0	#N/A	0	0	0	#N/A	0	0	#N/A
Insurance Reimbursement	0	0	0	0	6,853	2,216	6,853	2,216	(4,637)	(4,637)	221.6%	(4,637)	2,216	2,216	221.6%	(4,637)	(4,637)	-67.7%
Miscellaneous	26,962	1,000	487	100	3,044,174	3,172,322	3,044,174	3,172,322	128,147	128,147	51.4%	128,147	3,172,322	3,172,322	51.4%	128,147	128,147	4.2%
Water Resales - New Lenox	6,128,538	6,175,000	647,694	684,417	360,565	349,999	360,565	349,999	(10,567)	(10,567)	42.4%	(10,567)	349,999	349,999	42.4%	(10,567)	(10,567)	-2.9%
Water Resales - Amer. Wtr.	806,993	825,000	69,333	72,916														
Bond Refinancing																		
Total Receipts	23,994,950	24,458,000	2,215,021	2,163,188	10,613,110	10,902,892	10,613,110	10,902,892	289,782	289,782	44.6%	289,782	10,902,892	10,902,892	44.6%	289,782	289,782	2.7%

YTD budget
 \$10,190,833

Total Funds Available
 \$17,066,153

Percent of year completed
 41.7%

Village of Tinley Park, Illinois
 Commuter Parking Lots
 Monthly Comparative Revenue Report
 September 2017

SOURCE	2016/2017 ACTUAL	2017/2018 BUDGET	2016/2017 PRIOR YEAR CURRENT MONTH	2017/2018 CURRENT YEAR CURRENT MONTH	2016/2017 PRIOR YEAR YEAR TO DATE	2017/2018 CURRENT YEAR YEAR TO DATE	YEAR TO DATE PERCENT OF BUDGET	YEAR TO DATE DOLLARS INCR/DECR	YEAR TO DATE PERCENT INCR/DECR
Beginning balance, May 1					\$1,072,083	\$1,457,847			
RECEIPTS									
Coins - 80th Avenue North	127,624	128,000	11,445	10,243	55,604	52,614	41.1%	(2,990)	-5.4%
Coins - 80th Avenue South	202,082	200,000	18,143	15,729	85,838	81,548	40.8%	(4,290)	-5.0%
Coins - Hickory	29,522	31,000	3,060	2,105	13,380	11,087	35.8%	(2,293)	-17.1%
Coins - Timber Drive	0	0	0	0	0	0	#N/A	0	#N/A
Tokens - Commuter Daily Lots	209,835	205,000	16,095	17,520	81,945	86,250	42.1%	4,305	5.3%
Permits - Oak Park Ave	10,320	10,800	1,260	1,710	3,420	4,230	39.2%	810	23.7%
Permits - Beatty Lot	89,860	90,000	10,440	9,990	29,700	33,240	36.9%	3,540	11.9%
Permits - South Street	39,600	37,800	3,960	5,220	12,060	13,680	36.2%	1,620	13.4%
Permits - Hickory	0	0	0	0	0	0	#N/A	0	#N/A
Permits - Municipal	360	360	90	90	180	90	25.0%	(90)	-50.0%
Permits - Church Lot	2,160	1,800	270	180	900	630	35.0%	(270)	-30.0%
Fines - Oak Park Ave	3,075	1,500	350	175	1,425	1,275	85.0%	(150)	-10.5%
Fines - Beatty Lot	1,450	1,100	75	50	750	575	52.3%	(175)	-23.3%
Fines - South Street	1,078	750	125	0	525	100	13.3%	(425)	-81.0%
Fines - Hickory	550	750	50	250	200	650	86.7%	450	Over 100% +/-
Fines - Municipal	116	200	0	0	75	75	37.5%	0	0.0%
Fines - Church Lot	250	200	0	0	175	25	12.5%	(150)	-85.7%
Fines - 80th Avenue North	3,854	5,400	106	375	1,625	1,650	30.6%	25	1.5%
Fines - 80th Avenue South	5,869	3,500	200	375	1,244	2,300	65.7%	1,056	84.9%
Lease Income	0	0	0	0	0	0	#N/A	0	#N/A
Investment Interest	7,364	5,500	520	0	2,339	3,462	62.9%	1,123	48.0%
Investment Market Value Adj.	0	0	0	0	0	0	#N/A	0	#N/A
Miscellaneous	0	0	0	0	0	0	#N/A	0	#N/A
Total Receipts	734,968	723,660	66,189	64,012	291,385	293,481	40.6%	2,096	0.7%

YTD budget	\$301,525
Total Funds Available	\$1,363,468
Percent of year completed	41.7%

Village of Tinley Park, Illinois
Summary of Building Impact Fees Collected
on behalf of Other Governmental Bodies
As of September 30, 2017

IMPACT - Print date 10/5/2017

	Current Year to Date	Cummulative Total
Park Districts		
Tinley Park Park District	\$325.00	\$1,772,964.95
Frankfort Square Park District	0.00	43,750.00
Mokena Community Park District	0.00	31,775.00
Fire Protection		
Tinley Park Fire Department	3,855.04	1,290,354.47
Fire Station	0.00	755,954.29
Tinley Park Public Library	6,120.00	1,166,515.00
Tinley Park ESDA	300.00	201,413.00
Village of Frankfort Transportation	11,178.80	62,164.39
Elementary School Districts		
Kirby (140)	0.00	1,011,250.00
Kirby - accelerated	3,800.00	7,271,161.89
Arbor Park (145)	0.00	5,810.00
Community Consolidated (146)	0.00	381,670.00
Rich Township (159)	0.00	576,600.00
Summit Hill (161)	40,157.84	5,308,849.34
High School Districts		
LincolnWay (210)	6,392.08	894,297.90
Rich Township (227)	0.00	288,400.00
Bremen (228)	0.00	110,800.00
Consolidated (230)	100.00	415,325.00
Totals	\$72,228.76	\$21,589,055.23

When First Impact Fees Collected:

Oct 1971	District 140	Feb 1991 - "Accelerated" Fees
Sep 1977	District 145	
Nov 1971	District 146	
Nov 1991	District 159	
Nov 1995	District 161	
Nov 1995	District 210	
Nov 1991	District 227	
Jul 1988	District 228	
Jul 1988	District 230	
Apr 1975	Fire Protection	Nov 1991 - Fire Station
Apr 1975	Library	
Jun 1975	Park District	
May 1979	ESDA	
July 1997	Mokena Com.Park District	
July 1997	Frkft. Sq. Park District	
March 2008	Frankfort Transportation Impact Fee	

Village of Tinley Park, Illinois
Accounts Receivable Summary
State of Illinois
10/4/2017

Income Tax Distributions		\$0
Mental Health Center/Howe Utility bills (water & sewer)	Aug - Oct 17 bills + penalties	27,348
State Police rent		<u>0</u>
Total		<u><u>\$27,348</u></u>

**REQUIRED REPORTING TO MUNICIPALITY BY
THE TINLEY PARK POLICE PENSION BOARD**
Fiscal Year Ended April 30, 2017

1. Total Assets as of April 30, 2017

	<u>At Fair Value</u>
Cash/ Short Term Investments	\$ 1,193,903
US Treasuries & US Agencies	13,143,584
State and Local Obligation	8,461,927
Mutual Funds	39,837,238
Common Stock	0
Insurance Annuity Contracts	2,687,920
Receivables less Liabilities	<u>252,295</u>
 Total Assets at Fair Market Value	 \$65,576,867
 Gains/Losses not yet recognized	 <u>1,135,014</u>
 Actuarial Value of Assets, 4/30/2017	 \$66,711,881

2. Income

Estimated receipts during the next succeeding fiscal year from:	
Participant Contributions deducted from payroll	\$ 840,000
Employer Contribution and all other sources	<u>7,009,265</u>
Total	\$7,849,265

3. Expenses

Estimated amount required during the next succeeding fiscal year to:	
(a) Pay all pensions and other obligations provided in this Article	\$4,015,125
(b) Meet the annual requirements of the fund as provided in Sections 3-125 and 3-127	
Levy – Tax Year 2016	\$2,793,782
Levy – Tax Year 2017	\$2,971,618

4. Investment Information

<u>Fiscal Year Ended April 30, 2017</u>	
Actual Net Income (Loss) received from investment of net assets	\$5,724,784
Assumed Investment Return	7.00%
Market Value of Assets Rate of Return	9.59%
Actuarial Asset Rate of Return	6.47%
 <u>Fiscal Year Ended April 30, 2016</u>	
Actual Net Income (Loss) received from investment of net assets	\$(161,549)
Assumed Investment Return	7.00%
Market Value of Assets Rate of Return	-2.27%
Actuarial Asset Rate of Return	5.86%

5. Participants

Total number of Active Employees that are financially contributing to the fund: **76**

6. Benefit Disbursements

Payments to beneficiaries for fiscal year ended April 30, 2017

	<u>Annuitants</u>	<u>Total Amount</u>
(i) Annuitants in receipt of a regular retirement pension	36	\$2,699,444
(ii) Recipients being paid a disability pension	7	263,911
(iii) Survivors and children in receipt of benefits	5	<u>175,639</u>
Total Benefits		\$3,138,994

7. Funding Ratio as of May 1, 2017 **74.16%**

8. Unfunded Accrued Liability as of May 1, 2017 **\$22,845,853**

The Unfunded Accrued Liability is the excess of the Accrued Liability over the value of the Tinley Park Police Pension Fund assets.

The Accrued Liability represents the present value of projected future plan benefits that are to be provided.

The Actuarial Value of Assets for funding purposes are developed by recognizing the total actuarial investment gain or loss for each Plan Year over a five year period. In the first year, 20% of the gain or loss is recognized. In the second year 40%, in the third year 60%, in the fourth year 80%, and in the fifth year 100% of the gain or loss is recognized. The actuarial gain or loss is defined as the actual return on investments minus the actuarial assumed investment return. Actuarial Assets shall not be less than 80% nor greater than 120% of the Market Value of Assets.

Entry Age Normal Cost is an actuarial methodology whereby the Normal Cost for each participant is computed as the level percentage of pay which, if paid from the earliest age the participant is eligible to enter the plan until retirement or termination, will accumulate with interest to an amount sufficient to fund the participant's benefits under the plan. The Normal Cost for the plan (the Tinley Park Police Pension Fund) is determined as the sum of the Normal Costs for all active participants.

9. Investment Policy

Illinois State Statutes restrict the types of investments that can be held by a police pension fund. The Tinley Park Police Pension Fund has adopted its own investment policy that takes into account the statutory restrictions and provides further guidance.

Certification

I, Raymond Violetto, President of the Tinley Park Police Pension Board, Tinley Park, Illinois, do hereby certify that this document is a true and correct copy of: "Required Reporting to Municipality By Pension Board" as outlined in 40 ILCS 5/3-143.

Witness my hand this 18th day of October, 2017.



Raymond Violetto
President of Tinley Park Police Pension Board



MEMORANDUM



MEMO TO: Michael Mangin, Finance Chair

FROM: Brad L. Bettenhausen, Village Treasurer

DATE: 13 October 2017

RE: Tax Levy Calendar

This memo outlines the recommended calendar for the levy approval process.

In summary, the legal requirements are as follows:

- ☞ The Finance Committee of the Village Board must meet not less than 20 days prior to the adoption of the tax levy to determine estimate of taxes to be levied.
- ☞ If the dollar amount of the levy will exceed 105% the amount extended in the previous year, a Truth in Taxation notice (black box) must be published not less than seven (7) days nor more than fourteen (14) days from the public hearing date.
- ☞ State law also requires that the Village must have its levy submitted to Cook and Will County Clerk offices by the last Tuesday in December (December 26, 2017).

I will be out of the country on a family vacation that falls within the traditional time period where we have addressed the annual tax levy. I would like to suggest that we move up the calendar for the discussions and actions regarding the levy to earlier than we normally handle the process so that I would be available to answer any questions regarding the process and including through the related ordinance approvals.

RECOMMENDED CALENDAR

(assumes levy request is less than 105% of the prior extended levy.)

- ☞ **Tuesday, October 24, 2017** - Finance Committee meets for "determination of levy."
- ☞ **Tuesday, November 7, 2017** - First reading of the Levy Ordinance at Board Meeting.
- ☞ **Tuesday, November 21, 2017** - Levy Ordinance adopted.

The following schedule reflects the latest levy action dates that would allow us to properly meet all the statutory legal requirements.

- ✘ **Tuesday, November 21, 2017** - Finance Committee suggested to meet by this date, or earlier, if the estimate of levy were determined to be greater than 105% of the previous extended. Truth in Taxation notice and hearing requirements would apply **ONLY** if amount is greater than 105% of the prior extended levy.
- ✘ **Sunday, November 26, 2017** - Truth in Taxation notice (Black Box) including date and time of the Public Hearing is published in the newspaper, IF REQUIRED.
- ✘ **Wednesday, November 29, 2017** - This represents the latest date that the Finance Committee can meet IF the estimate of taxes to be levied were less than 105% of the previous extended levy. Truth in Taxation notice and hearing requirements would **NOT** apply.
- ✘ **Tuesday, December 5, 2017** - Public Hearing on Levy to be held prior to Board Meeting, IF REQUIRED. In any case, first reading of the Levy Ordinance at Board Meeting.
- ✘ **Tuesday, December 19, 2017** - Levy Ordinance adopted.



MEMORANDUM



TO: Michael Mangin, Finance Chair

FROM: Brad L. Bettenhausen, Treasurer

RE: 2017 Tax Levy

DATE: 13 October 2017

The following table recaps options for the 2017 Village levy request (taxes payable in 2018) and the corresponding amounts. All options presume that the Village Board's Tax Abatement Policy will continue unaltered. A separate memo will recap the proposed 2017 property tax abatements for debt service on outstanding bond issues and its impact on the overall tax levy if the abatements were not approved. Under State Statutes, although they have their own governing Board, the Tinley Park Public Library is considered part of the Village for both budget and levy purposes. As a reminder, Public Libraries have been presented separately on the detail of property tax bills since 1985.

	Village	Library	Total
Option 1. Same as last year	19,980,020	5,561,944	25,541,964
Option 2. Prior extended levy	20,186,820	5,628,007	25,814,827
Option 3. Village tax cap formula	20,610,743	5,746,195	26,356,938
Last year	19,980,020	5,561,944	25,541,964

Under all three options provided above, a Truth in Taxation Act Notice or Hearing would NOT be required since the Village's levy request would fall below the 5% threshold of the Act that would require those extra actions.

Option 1. Same as last year (Hold the levy at the prior year request) -

Following the passage of the Home Rule Sales Tax, the Village Board expressed a desire to hold increases in the Levy for up to five years if it can be sustained. This would represent the fourth levy year under that specific policy statement, although this would actually be the fifth consecutive year that the levy request has remained unchanged. Additionally, it would be the sixth year of zero levy increases with the definition of the State Statutes.

We have recently received the current annual actuarial levy requirement for the Police Pension Fund in the amount of 2,971,618. The amount levied in 2016 was \$2,793,782. This represents an increase of \$177,836, or 6.4%. As the required levy amounts for police pension increase, it means that the portion of the Village tax levy available to support General

operations will be decreased by the same amount in order to maintain the identical total levy dollar request.

The Library Board is expected to approve their levy amount at their 25 October meeting as indicated for this option (i.e. no change). This represents their eighth year of zero levy increases in accordance with State Statutes. Through effective financial planning, the Library's reserves are at comfortable levels to allow their levy request to remain virtually unchanged once again.

Option 2. Prior extended levy (Levy the prior year extended levy amount) -

The State Truth in Taxation Act utilizes the prior year extended levy as the basis for determining an increase for the current levy request. If the increase is greater than 5%, a published notice ("Black Box") and public hearing are required. Cook County automatically adds a Loss and Cost factor to each levy item (standard rates are 5% for debt service, 3% for all other levy items). However, for the past four years, we have requested that Cook County use lower Loss and Cost factors (3% for debt service, 1% for all other levy items) than their standard.

Option 3. Village tax cap formula -

The Board's traditional tax cap formula included in the Fiscal Policies Manual uses the rate of inflation, plus new growth to determine the extent the levy could be allowed to increase over the prior year's extended levy. The rate of inflation applicable for the 2016 levy year is 2.1% (last year was 0.7%). As a Home Rule community, the Village is not subject to the Property Tax Extension Limitation Law (PTELL; a.k.a. "Tax Cap"). Last year, "new property" for purposes of PTELL (and as an indicator of new growth in the tax base) represented less than one half of one percent of the total EAV. Review of recent building permit activity for new construction also reflects very nominal new value as well. Accordingly, no new property growth is being considered for purposes of the levy calculation. Therefore, under the Board's formula (prior year levy + inflation + new growth), the total amount of increase available would be 2.1%. Using this rate, the Board's formula would produce an increase of \$423,923 and a total levy request of \$20,610,743 for the Village.

RECOMMENDED CALENDAR (assumes levy request is less than 105% of prior extended levy.)

- ☒ **Tuesday, October 24, 2017** - Finance Committee meets for "determination of levy."
- ☒ **Tuesday, November 7, 2017** - First reading of the Levy Ordinance.
- ☒ **Tuesday, November 21, 2017** - Levy Ordinance adopted.

"No Later Than" Calendar:

1. No later than Tuesday, November 21, 2017 - Finance Committee meets to determine estimate of taxes to be levied.
3. Tuesday, December 5, 2017 - First reading of levy ordinance
4. Tuesday, December 19, 2017 - Levy ordinance adopted
5. No later than Tuesday, December 26, 2017 - Levy ordinance filed with Cook and Will County Clerk's offices of Tax Extension

The following pages reflect the projected impact of a tax levy following Option 1.

Table 1 shows the projected effect of the Village levy calculated utilizing the prior year's Levy of \$19,980,020, and the projected resultant rates with new property changes of up to \$10 million. This table assumes no change in the Equalization Factor (multiplier) from the 2016 levy year applicable to Cook County properties (2.8032). Also, it assumes continuation of the request for Cook County to use the lower Loss and Cost factors previously referenced.

Table 2 reflects the projected dollar impact on Village taxes for houses with market value of \$175,000, \$225,000, \$275,000 and \$350,000. With the implementation of the 10-25 Classification System of Assessments, the Cook County Assessor market values more reasonably approximate the "real" market values. Will County Assessor market values have always been reasonably comparable to the "real" market values. Utilizing the above assumptions, the typical homeowner of Tinley Park would likely see a nominal decrease to no change in the amount of property taxes they pay for Village services, at expected growth levels, and depending on the value of their homes.

2017 is a reassessment year for Cook County properties. Preliminary reassessment information released by the Cook County Assessor reflect increases ranging from 12% to 18% for Bremen, Orland, and Rich Townships (Rich and Orland representing the endpoints of this range, respectively). Additionally, Public Act 100-0401 increased the General Homestead Exemption for Cook County to \$10,000 (from \$7,000), and the Senior Homestead Exemption to \$8,000 (from \$5,000) beginning with tax year 2017. We have used a factor of 10% to account for the Cook County reassessment increases (net of increased exemptions) in projecting the estimated impacts of our 2017 levy on the following pages.

Table 1
Projected Values - 2017 Village Levy Only (Payable in 2018)

Dollars New Property Value	Projected Equalized Assessed Value	Village Levy Amount @ 0% Increase	Projected Village Rate
0	\$1,472,144,393	\$19,980,020	1.475
1,000,000	1,473,144,393	same	1.370
3,000,000	1,475,144,393	same	1.368
5,000,000	1,477,144,393	same	1.366
7,000,000	1,479,144,393	same	1.364
10,000,000	1,482,144,393	same	1.362

Table 2
Projected Impact to Homeowners - 2017 Village Levy Only (Payable in 2018)

New Property Increase	HOUSE VALUE											
	\$175,000			\$225,000			\$275,000		\$350,000			
Current Village Taxes ----->	\$ 620	% Chg Chg	% Chg	\$ 827	% Chg Chg	% Chg	\$ Chg 1,034	% Chg	\$ Chg 1,344	% Chg		
0	576	-44	-7.1%	783	-44	-5.3%	990	-44	-4.3%	1,300	-44	-5.3%
1,000,000	535	-85	-13.7%	727	-100	-12.1%	919	-115	-11.1%	1,207	-137	-12.1%
3,000,000	534	-86	-13.9%	726	-101	-12.2%	918	-116	-11.2%	1,205	-139	-12.2%
5,000,000	534	-86	-13.9%	725	-102	-12.3%	916	-118	-11.4%	1,204	-140	-10.4%
7,000,000	533	-87	-14.0%	724	-103	-12.5%	915	-119	-11.5%	1,202	-142	-12.5%
10,000,000	532	-88	-14.2%	723	-104	-12.6%	914	-120	-11.6%	1,200	-144	-12.6%

LIBRARY LEVY

The 2011 GO Refunding Library bond issue carries a required levy of \$681,000 for tax year 2017 to cover debt service due in calendar 2018. When the original building bonds were issued in 2003, the Village's Finance Committee recommended that \$150,000 of the annual debt service levy requirement be abated on this bond issue each levy year. The abatement funds are budgeted from the Village's Surtax allocation of the State Income Tax distributions. It is assumed that the abatement will be continued at the same level, and would reduce the levy requirement for Library debt service to \$531,000 as included in the overall levy request.

Table 3 reflects the estimated effect of the proposed Library levy with new property changes of up to \$10 million. The tables assume that the abatement of \$150,000 of the debt service requirements will be continued. As noted in the Village tables, this table assumes no change in the state equalization factor (multiplier) applicable to Cook County properties.

Table 4 reflects the projected dollar increase in taxes for houses with market value of \$175,000, \$225,000, \$275,000 and \$350,000.

Table 3
Projected Values - 2017 Library Levy Only (Payable in 2018)

Dollars New Property Value	Projected Equalized Assessed Value	Library Levy Amount @ 0.0% Increase	Projected Library Rate
0	\$1,472,144,393	\$5,561,944	.412
1,000,000	1,473,144,393	same	.381
3,000,000	1,475,144,393	same	.381
5,000,000	1,477,144,393	same	.380
7,000,000	1,479,144,393	same	.380
10,000,000	1,482,144,393	same	.379

Table 4
Projected Impact to Homeowners - 2017 Library Levy Only (Payable in 2018)

New Property Increase	HOUSE VALUE											
	\$175,000			\$225,000			\$275,000			\$350,000		
Current Village Taxes ----->	173	\$ Chg	% Chg	231	\$ Chg	% Chg	289	\$ Chg	% Chg	375	\$ Chg	% Chg
0	161	-12	-6.9%	219	-12	-5.2%	276	-13	-4.5%	363	-12	-5.2%
1,000,000	149	-24	-13.9%	202	-29	-12.6%	256	-33	-11.4%	336	-39	-12.6%
3,000,000	149	-24	-13.9%	202	-29	-12.6%	256	-33	-11.4%	336	-39	-12.6%
5,000,000	148	-25	-14.5%	202	-29	-12.6%	255	-34	-11.8%	335	-40	-10.7%
7,000,000	148	-25	-14.5%	202	-29	-12.6%	255	-34	-11.8%	335	-40	-12.6%
10,000,000	148	-25	-14.5%	201	-30	-13.0%	254	-35	-12.1%	334	-41	-13.0%

Summary and Comparison of Cook and Will County Property Tax Assessment Systems

	Cook County	Will County
Assessment Process		
Residential Assessment rate	10% (formerly 16%)	33.33%
Commercial Assessment rate	25% (formerly 38%)	33.33%
Equalization Factor	2.8032 (2016)	1.0000
Effective Residential Assessment rate - equalized	28.03% (2016)	33.33%
Effective Commercial Assessment rate - equalized	70.08% (2016)	33.33%
Homeowner Exemption	\$7,000 (\$10,000 for 2017)	\$6,000
Senior Exemption	\$5,000 (\$8,000 for 2017)	\$5,000
Assessor Market Value primarily determined by	County Assessor	Township Assessor
Township Assessor role in valuing property	Nominal	Significant
How Assessor Market Value is primarily determined	(Traditionally, some derivative of original sale value periodically adjusted by inflation/real estate market changes)	Sales Value
Frequency of Adjustment of Assessor Market Value	Every 3 years by inflation/market adjustments; unless major change to property (additions or demolitions) or appeal 2017 is a Reassessment Year	Annually - by actual sale or inflation/market adjustments
Assessor Market in comparison to Resale/True Market value	Intended to be Comparable	Reasonably Comparable
Levy, Extension, Tax Rates		
Loss and cost adjustments to levy	Automatic (Must opt out)	Must request
Loss and cost adjustment rates	3% added automatically; 5% for debt service levies (tax years 2013 through 2016 have used 1% and 3% respectively)	Must specify the rates
Determination of tax rate	Total Extended Levy to Total EAV	Will Co Share of Levy to Will Co EAV
Proration of levy across county lines	Actual proportion of EAV	Actual Will EAV to Total EAV using Estimated Cook EAV
Adjustment for using Estimated Cook Co EAV	Not Applicable	+/- adjustment in following tax year

2016 Tax Year Recap

	EAV	Dollar Change	Percent Change	Percent Total
Cook	1,032,425,212	42,653,170	4.3%	75.4%
Will	336,476,660	6,030,230	1.8%	24.6%
Total	1,368,901,872	48,683,400	3.7%	100.0%

Cook County Equalization Factor: 2.8032 Percent change 5.1% ▲

Exemptions	Cook	Percent Change	Will	Percent Change	Total	Percent Change
Homeowner	109,988,215	1.1%	13,903,218	0.6%	123,891,433	1.0%
Senior	23,031,224	3.4%	2,450,000	4.7%	25,481,224	3.5%
Senior Freeze	11,755,181	41.4%	480,582	65.9%	12,235,763	142.2%
All Other	6,665,250	23.6%	1,095,712	2.6%	7,760,962	122.1%
Total	151,439,870	4.6%	17,929,512	3.0%	169,369,382	4.4%

	Cook	Will	Total
PTELL New EAV - County determined	3,466,314	2,660,092	6,126,406



MEMORANDUM



MEMO TO: Michael Mangin, Finance Chair

FROM: Brad L. Bettenhausen, Treasurer

RE: Annual Tax Levy Abatements - 2017

DATE: 13 October 2017

The agendas for the November 7 & 21 Board meetings will include four (4) ordinances to abate a portion (or all) of the levy requirements to provide for debt service on the Village's outstanding general obligation bonds in accordance with the Village Board's established fiscal policies and past practice. These abatements provide instruction to the two County Clerks (Cook and Will) to supersede the required levy information contained within the related bond ordinances and bond orders. In summary, these abatements are as follows:

Abatement Ordinance	Bond Issue & Purpose	Levy Required	Amount Abated	Net Levy	Source of Funds For Abatement
2017-O-064	2009 Refunding	1,170,495.00	820,495.00	350,000.00	397,229.14 Water & Sewer 317,728.36 Tax/Bond Stabilize 105,537.50 Surtax Cap Projects
2017-O-065	2011 Library Refunding	681,000.00	150,000.00	531,000.00	150,000.00 Surtax Cap Projects
2017-O-066	2012 Refunding	754,700.00	754,700.00	0.00	397,614.10 Water & Sewer 226,410.00 Stormwater Mgmt 148,675.90 Surtax Cap Projects
2017-O-067	2013 Refunding	951,850.00	951,850.00	0.00	380,740.00 Hotel Tax/OPA TIF 407,905.80 Surtax Cap Projects 135,971.78 Water & Sewer 17,009.56 Stormwater Mgmt 10,222.86 MSS TIF (#3)
	Totals	3,558,045.00	2,677,045.00	881,000.00	

If we did not have these alternate sources to pay the debt service on these bond issues, the tax levy contemplated under ordinance 2017-O-063 would be nearly \$3 million dollars higher than proposed and would add an estimated \$0.173 to the Village tax rate, and an estimated \$0.010 to the Library tax rate. For reference purposes, the expected tax rates inclusive of the abated amounts would be \$1.539 Village and \$0.391 Library at an EAV of \$1.477 billion. (Note: all rates are quoted per \$100 of equalized assessed value and are applicable to Cook County properties.)

The proposed abatements represent 75.2% of the total debt service levy requirements for tax year 2017. The Village has been abating portions of its debt service levy requirements every year since 1982. Inclusive of the currently proposed abatements, Village property owners have saved nearly \$80 million

dollars in real estate taxes over the 36 year period. This amount represents 82.4% of the cumulative debt service levy requirements over the same period.

I am attaching a table which reflects the approximate annual "rebate savings" for a cross section of home values over the past ten years, inclusive of the current year. On average over this period, the annual savings through these abatements is between \$164 and \$385 depending on home value. Over the ten year period, homeowners with homes valued similar to those shown on the table have received and benefitted from cumulative savings of between \$1,643 and \$3,846 as a result of these abatements which have totaled over \$47 million dollars for the past ten years alone (tax years 2008 to 2017).

Additionally, commercial taxpayers also benefit by the annual "rebate savings." A table is also attached that reflects the approximate impact of the tax abatements on a selection of commercial property values for a ten year period including the current year. On average, the annual savings through these abatements is between \$552 and \$2,763 depending on the value of the commercial property. Over the ten year period, business owners with buildings valued similar to those shown on the table have received and benefitted from cumulative savings of between \$5,524 and \$27,626 as a result of these abatements.



It is noted that the Village's ongoing program of abating taxes is more advantageous than most tax rebate programs that have been implemented by other area communities.

- A) The philosophy of the Village's tax abatement program can be summed up in the question, "Why should the Village tax its property owners for something that the Village has the funds available to pay and can pay from income sources other than property taxes?"
- B) It is better fiscal policy to not to tax in the first place than to tax and issue a rebate, even though rebate programs are politically popular. Rebate programs are much harder to end once they are started due to political pressures taking precedence over fiscal responsibility to the community's taxpayers.
- C) The tax abatement program requires almost no administrative costs to implement each year. Most tax rebate programs generally require the municipality to incur additional administrative costs to receive rebate requests, perform calculations and verifications, and process the tax refund checks.
- D) The tax abatement provides a greater dollar benefit to Village property owners than most tax rebate programs offered by other area communities.
- E) Most tax rebate programs only benefit some owner-occupied residential homeowners. However, the Village's tax abatement process benefits all property owners including rental and commercial business property.

Village of Tinley Park, Illinois
Tax abatements for bonds

RESIDENTIAL

Tax Year	Equalized Assessed Value		Total G.O. Debt Service	Total Abatement	Levy	Computed Tax Rate Abated	Tax Savings of Abatement for House Valued at:				
	Cook	Will					Market	\$34,000	\$50,000	\$66,000	\$77,000
2008	1,380,331,896	381,375,706	3,113,114	2,306,170	806,944	0.137	47	69	90	105	123
2009	1,430,084,786	366,012,157	5,026,014	4,131,671	894,344	0.242	123	165	226	247	288
2010	1,442,783,211	369,317,530	5,184,676	4,277,933	906,743	0.248	123	164	225	246	286
2011	1,251,755,583	356,107,180	6,566,460	5,711,760	854,700	0.373	185	246	338	369	431
2012	1,145,025,203	347,091,985	6,171,528	5,305,728	865,800	0.373	185	246	338	369	431
2013	1,066,577,781	331,734,777	6,583,500	5,707,000	876,500	0.429	212	283	389	425	495
2014	1,016,027,998	328,253,966	6,200,225	5,338,275	861,950	0.417	206	275	378	413	482
2015	989,772,042	330,446,430	6,856,298	5,988,898	867,400	0.476	236	314	432	471	550
2016	1,032,425,212	336,476,660	6,957,320	6,095,120	862,200	0.468	232	309	425	463	541
2017			3,558,045	2,677,045	881,000	0.190	94	125	172	188	219
Total							\$1,643	\$2,196	\$3,013	\$3,296	\$3,846
Average							\$164	\$220	\$301	\$330	\$385

E = Estimated EAV

Total abatement \$47,539,599 Average rate \$0.335

Village of Tinley Park, Illinois
Tax abatements for bonds

CORPORATE

Tax Year	Equalized Cook	Assessed Will	Total	G.O. Debt Service	Total Abatement	Levy	Computed Tax Rate Abated	Tax Savings of Abatement for Commerical Property Valued a					
								Market	\$200,000	\$400,000	\$600,000	\$800,000	\$1,000,000
2008	1,380,331,896	381,375,706	1,761,707,602	3,113,114	2,306,170	806,944	0.137		211	425	634	847	1,058
2009	1,430,084,786	366,012,157	1,796,096,943	5,026,014	4,131,671	894,344	0.242		407	813	1,220	1,626	2,033
2010	1,442,783,211	369,317,530	1,812,100,741	5,184,676	4,277,933	906,743	0.248		409	818	1,228	1,637	2,046
2011	1,251,755,583	356,107,180	1,607,862,763	6,566,460	5,711,760	854,700	0.373		615	1,231	1,846	2,462	3,077
2012	1,145,025,203	347,091,985	1,492,117,188	6,171,528	5,305,728	865,800	0.373		615	1,231	1,846	2,462	3,077
2013	1,066,577,781	331,734,777	1,398,312,558	6,583,500	5,707,000	876,500	0.429		708	1,416	2,124	2,831	3,539
2014	1,016,027,998	328,253,966	1,344,281,964	6,200,225	5,338,275	861,950	0.417		688	1,376	2,064	2,752	3,440
2015	989,772,042	330,446,430	1,320,218,472	6,856,298	5,988,898	867,400	0.476		785	1,571	2,356	3,142	3,927
2016	1,032,425,212	336,476,660	1,368,901,872	6,957,320	6,095,120	862,200	0.468		772	1,544	2,317	3,089	3,861
2017			1,477,144,393	3,558,045	2,677,045	881,000	0.190		314	627	941	1,254	1,588
								Total	\$5,524	\$11,052	\$16,576	\$22,102	\$27,629
								Average	\$552	\$1,105	\$1,658	\$2,210	\$2,763

E = Estimated EAV

MEMORANDUM



To: Finance Committee

From: Pat Carr, Asst. Village Manager

Cc: David Niemeyer, Village Manager

Date: October 19, 2017

Re: Oak Park Avenue Train Station RFP

The current lease for restaurant services in the Oak Park Avenue train station is set to expire in May 2018. Staff is requesting direction on how to best utilize the current space in the Oak Park Avenue train station. Potential options include:

1. New RFP for services
2. Extension of current lease
3. Potential upgrades and improvements
4. Internal study on potential uses

**COMMENTS FROM
THE PUBLIC**

ADJOURNMENT