

ORIGINAL

VILLAGE OF MAYWOOD
BOARD OF TRUSTEES
PUBLIC HEARING 2014 REAL ESTATE TAX LEVY
TUESDAY, DECEMBER 2, 2014

1. Call to Order

The Public Hearing for the 2014 Real Estate Tax Levy held on Tuesday, December 2, 2014 was called to order by Mayor Edwenna Perkins at 7:00 p.m., in the Council Chambers at 125 South 5th Avenue, Maywood, IL 60153.

2. Roll Call

Upon roll call by Viola Mims, Village Clerk, the following answered **Present:** Mayor Edwenna Perkins, Trustee(s) C. Ealey-Cross, A. Jaycox, A. Dorris, M. Rogers, and M. Lightford. **Absent:** Trustee R. Rivers. **There being a Quorum Present, the Meeting was called to order.**

Staff Attendance:

David Myers, Acting Village Manager
Michael Jurusik, Village Attorney
Craig Bronaugh, Fire Chief
Valdimir Talley Jr., Chief of Police
John West, Public Works Director
Lanya Satchell, Finance Director
JoAnn Murphy, Deputy Village Clerk

3. Acknowledgement of the Public Notice in a Local Newspaper.

Mr. Myers asked Clerk Mims to confirm the Public Notice of the Public Hearing was advertised in a local newspaper. Clerk Mims confirmed the notice was published and her office has a copy of said notice.

4. Presentation on the 2014 Real Estate Tax Levy by the Village Manager and Finance Director.

A. Discussion of an Ordinance of the Board of Trustees of the Village of Maywood, Cook County, Illinois providing for the levy, assessment and collection of taxes for the year 2014 Tax Levy.

Mr. Myers reminded the Board that this matter was discussed at the last Board meeting and stated the notice for the Public Hearing was published in the Sun-Times. He reviewed that the levies are impacted by actuarial studies of the Police and Fire Pensions, with the Police Pension having an 11.5% increase and the Fire Pension having a 9.4% increase, both due to salary increases. He noted the following status of the funds, comparing the 2013 Tax Levy and the 2014 Tax Levy: Corporate \$9,253,447.00 to \$11,494,512.00; Recreation \$82,500.00 to \$82,500.00; Police Pension \$1,904,860.00 to \$2,123,967.00; Fire Pension \$1,667,086.00 to \$1,823,245.00. He stated the total tax levy for 2014 is \$15,524,224.00 as opposed to last years' total of \$12,681,832.00. Mr. Myers also stated the property taxes to be levied for debt service and public building commission leases for 2014 are \$3,147,043.00 which is down slightly from last years' level of \$3,184,793.00. Mr. Nicholas Greifer of Kane, McKenna and Associates, Inc., explained the \$2,009,729.00, estimate of recovered value equalized assessed value (Recovered Value EAV) for the tax year 2014, for the taxing districts that encompass the recently terminated St. Charles Tax Increment Financing District (TIF).

Discussion: Trustee Ealey-Cross questioned what positions are allocated out of the \$231,336.00 from the St. Charles TIF District. Mr. Myers stated the funds were utilized for the Assistant Managers, Business Coordinators, Planners, and partial salaries for two (2) Public Works positions. He explained that much of the work that is done in these positions incorporate the TIF Districts, allowing for the allocation of funds in this manner. Ms. Satchell stated the Public Works positions are in Lands and Buildings. She also stated that there is no increase in the taxes due to the Recovered Value EAV. Trustee Rogers requested the Proviso Assessor or the Cook County Assessor come and speak to give their perspective of the EAV within the boundaries of Maywood.

B. General discussion of the Fiscal Year 2015-2016 (May 1, 2015 through April 30, 2016) Village of Maywood budget and the 2014 Tax Levy adoption process and schedule.

Attorney Jurusik reiterated that the Fire & Police Pension contributions are mandated by state statutes and went on to explain the funds must be 90% funded by the year 2040. For those municipalities that are not funding their pensions as recommended by the Actuarial, as Maywood is, a 1/3 penalty will kick-in in 2016 and a 2/3 penalty in 2017, which will automatically come out of state funds due those municipalities, with the penalty amounts going straight into the pension accounts. He stated this meeting is in compliance with the Truth in Taxation laws which will bring about the passing of a tax levy ordinance which will need to be filed with Cook County by the last Tuesday of December in order to levy those taxes. Attorney Jurusik also mentioned if a community fails to file by that time, no taxes will be levied for that community for the given year. He explained the tax levy incorporates about one half of the budget for the Village in which the discussion should begin in January with an April budget hearing scheduled to present and approve the 2016 Budget that runs from May 1, 2015 to April 30, 2016.

Discussion: Trustee Ealey-Cross requested clarification on the current situation of the Villages pensions as to being properly funded or underfunded, when the penalties will begin, and sought a plan for achieving the 90% funding schedule. Attorney Jurusik responded pointing out the current funding percentages of 32.7% for the Police Pension and 36.2% for the Fire Pension as noted in the Actuarial Report contained in the Board packet, while stating many variables affect those percentages. He also reiterated the above noted penalty schedule giving possible scenarios and stated the Actuarial Reports are designed to get municipalities to the 90% funded rate by 2040.

Note: This matter was discussed within the discussion of Item 4A.

5. Questions and Comments by Board Members.

Please see above comments and questions by the Board. Trustee Rogers commented in his opinion there needs to be a constant consciousness of the plan for the reversal of the flow, as an upward trend, with funding chipping away at the State goal of fully funded pensions. He also stated as economic development increases and a rise in the economy occurs, additional funding should occur, allowing for the lean years not to take any additional toll on communities.

6. Questions and Comments by the Public and Public Comments.

A. Questions and Comments from the Public – Questions and/or comments were made by the following individuals: C. Van Bergen, L. Robinson, and W. Kyle, and are available upon request in the Clerk's Office.

Response to Public Questions and Comments –Mr. Myers, Attorney Jurusik, Trustee Rogers, and Mr. Greifer responded to public questions and/or comments and are available upon request in the Clerk's Office.

