

**ORDINANCE NO. CO-2014-39**

**AN ORDINANCE APPROVING AND AUTHORIZING  
THE EXECUTION OF AN INTERGOVERNMENTAL AGREEMENT BY AND BETWEEN  
THE ILLINOIS OFFICE OF THE COMPTROLLER AND THE VILLAGE OF MAYWOOD  
REGARDING ACCESS TO THE COMPTROLLER'S LOCAL DEBT RECOVERY PROGRAM**

**WHEREAS**, the Village of Maywood is a home rule unit pursuant to the provisions Article VII, Section 6(a) of the Illinois Constitution of 1970; and

**WHEREAS**, the Illinois Office of the Comptroller (the "IOC") and the Village of Maywood (the "Village") share the common goals of collecting debts owed to its respective public bodies; and

**WHEREAS**, the IOC operates a system, known as the Comptroller's Offset System (the "System") for collection of debts owed the State of Illinois by persons receiving payments from the State; and

**WHEREAS**, the Illinois General Assembly specifically provided for the ability of the Village to utilize the System when it amended Section 10.05 and added Section 10.05d to the State Comptroller Act (P.A. 97-632; 15 ILCS 405/10.05 and 10.05d) in order for the Village to have access to the Local Debt Recovery Program for purposes of collecting both tax and non-tax debts owed to the Village; and

**WHEREAS**, the IOC and the Village are empowered under the Illinois Constitution (Ill. Const., Art. VII, Sec. 10), Section 3 of the Intergovernmental Cooperation Act (5 ILCS 220/3) and Section 10.05d of the State Comptroller Act (15 ILCS 405/10.05d) to contract with each other in any manner not prohibited by law; and

**WHEREAS**, the IOC and the Village desire to enter into an Intergovernmental Agreement in substantially the form attached hereto as **Exhibit "A"** (the "Agreement"), whereby the IOC and the Village will accomplish the above-stated goals; and

**WHEREAS**, the President and Board of Trustees of the Village of Maywood have determined that it is in the best interests of the Village to approve and enter into the Agreement attached hereto and made a part hereof as **Exhibit "A"** pursuant to its home rule powers as provided by Article VII, Sections 6 and 10(a) of the Illinois Constitution of 1970, and the Intergovernmental Cooperation Act (5 ILCS 220/1 *et seq.*).

**BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF MAYWOOD, COOK COUNTY, ILLINOIS, AS FOLLOWS:**

**SECTION 1:** The findings set forth above are incorporated by reference into this Section 1 as if fully recited herein.

**SECTION 2:** The Village President and Board of Trustees of the Village of Maywood approve the Agreement attached hereto as **Exhibit "A"** and made a part hereof. Further, the Village President and Board of Trustees of the Village of Maywood authorize and direct the Village President and Clerk, or their designees, to execute said Agreement, and to execute and

deliver all other instruments and documents, if any, that are necessary to fulfill the Village's obligations under the Agreement.

**SECTION 3:** All ordinances, or parts of ordinances, in conflict with the provisions of this Ordinance, to the extent of such conflict, are repealed.

**SECTION 4:** Each section, paragraph, clause and provision of this Ordinance is separable, and if any provision is held unconstitutional or invalid for any reason, such decision shall not affect the remainder of this Ordinance, nor any part thereof, other than that part affected by such decision.

**SECTION 5:** Except as to the Code amendments set forth above in this Ordinance, all Chapters and Sections of the Maywood Village Code, as amended, shall remain in full force and effect.

**SECTION 6:** This Ordinance shall be in full force and effect from and after its adoption, approval and publication in the manner provided by law.

**ADOPTED** this 17th day of November, 2014, pursuant to a roll call vote as follows:

**AYES:** Trustee(s) A. Jaycox, M. Rogers, M. Lightford, and R. Rivers.

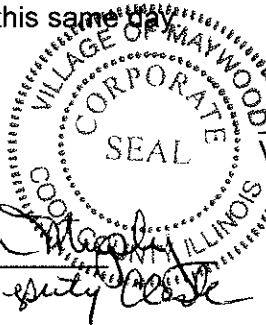
**NAYS:** None

**ABSENT:** Mayor Perkins, Trustee(s) C. Ealey-Cross and A. Dorris

**APPROVED** by me as Village President on the 20<sup>th</sup> day of November, 2014, and attested to by the Village Clerk this same day.

ATTEST:

*Viola Muns by J. Ann Murphy*  
VILLAGE CLERK *Deputy Clerk*

  
*Edwina Reiter*  
VILLAGE PRESIDENT

Published by me in pamphlet form this 20<sup>th</sup> day of November, 2014.

*Viola Muns by J. Ann Murphy*  
VILLAGE CLERK *Deputy Clerk*

**EXHIBIT "A"**

**INTERGOVERNMENTAL AGREEMENT  
BY AND BETWEEN  
THE ILLINOIS OFFICE OF THE COMPTROLLER AND THE VILLAGE OF MAYWOOD  
REGARDING ACCESS TO  
THE COMPTROLLER'S LOCAL DEBT RECOVERY PROGRAM**

(attached)

**INTERGOVERNMENTAL AGREEMENT  
BY AND BETWEEN  
THE ILLINOIS OFFICE OF THE COMPTROLLER  
AND THE VILLAGE OF MAYWOOD REGARDING ACCESS TO  
THE COMPTROLLER'S LOCAL DEBT RECOVERY PROGRAM**

This Intergovernmental Agreement ("Agreement") is hereby made and entered into as of the date of execution by and between the Illinois Office of the Comptroller (the "IOC") and the Village of Maywood (the "Village"), in order to provide the Village access to the Local Debt Recovery Program for purposes of collecting both tax and non-tax debts owed to the Village of Maywood. Each of the parties hereto is a "public agency" as defined in Section 2 of the Intergovernmental Cooperation Act [5 ILCS 220/2].

**WHEREAS**, both the State of Illinois and the Village have a responsibility to collect debts owed to its respective public bodies; and

**WHEREAS**, the IOC operates a system, known as the Comptroller's Offset System (the "System"), for collection of debts owed to the State by persons receiving payments from the State; and

**WHEREAS**, the Illinois General Assembly specifically provided for the ability of the Village to utilize the System when it amended Section 10.05 and added Section 10.05d to the State Comptroller Act [P.A. 97-632; 15 ILCS 405/10.05 and 10.05d]; and

**WHEREAS**, the IOC and the Village are empowered under the Illinois Constitution [Ill. Const., Art. VII, Sec. 10], Section 3 of the Intergovernmental Cooperation Act [5 ILCS 220/3] and Section 10.05d of the State Comptroller Act (the "Act") [15 ILCS 405/10.05d] to contract with each other in any manner not prohibited by law.

**NOW, THEREFORE**, in consideration of the foregoing recitals and the mutual covenants and promises contained herein, the sufficiency of which is hereby acknowledged, the parties do hereby agree as follows:

**Article I – Purpose**

The purpose of this Agreement between the IOC and the Village is to establish the terms and conditions for the offset of the State of Illinois' tax and non-tax payments in order to collect tax and non-tax debts owed to the Village.

**Article II – Authority**

The authority for State payment offset is granted under Section 10.05 of the Act [15 ILCS 405/10.05] and the authority for entering into this Agreement is granted under Section 10.05d of the Act [15 ILCS 405/10.05d], Section 3 of the Intergovernmental

Cooperation Act [5 ILCS 220/3], and Article VII of the Illinois Constitution [Ill. Const., Art. VII, Sec. 10].

### **Article III – State Payment Offset Requirements and Operations**

A. Legal Requirements. The offset of State payments shall be conducted pursuant to the authority granted in Section 10.05 and 10.05d of the Act [15 ILCS 405/10.05 and 10.05d] and the requirements set forth in this Agreement.

#### 1. Due Process & Notification.

- (a) Before submitting a debt to the IOC for State payment offset, the Village must comply with all of the notification requirements of this Agreement. For purposes of this Agreement, notification of an account or claim eligible to be offset shall occur when the Village submits to the IOC the following information:
  - (i) the name and address and/or another unique identifier of the person against whom the claim exists;
  - (ii) the amount of the claim then due and payable to the Village;
  - (iii) the reason why there is an amount due to the Village (i.e., tax liability, overpayment, etc.);
  - (iv) the time period to which the claim is attributable;
  - (v) the local entity to which the debt is owed;
  - (vi) a description of the type of notification which has been given to the person against whom the claim exists and the type of opportunity to be heard afforded such person;
  - (vii) a statement as to the outcome of any hearings or other proceedings held to establish the debt, or a statement that no hearing was requested; and
  - (viii) the date of final determination of the debt.
- (b) The IOC will not process a claim under this Agreement until notification has been received from the Village that the debt has been established through notice and opportunity to be heard.
- (c) The Village is required to provide the debtor with information about a procedure to challenge the existence, amount and current collectability of the debt prior to the submission of a claim to the

IOC for entry into the System. The decision resulting from the utilization of this procedure must be reviewable.

2. Certification.

- (a) The Village Manager of the Village must, at the time the debt is referred, certify that the debt is past due and legally enforceable in the amount stated, and that there is no legal bar to collection by State payment offset (see Appendix A).
- (b) Only debts finally determined as currently due and payable may be certified to the IOC as a claim for offset.
- (c) The Village Manager of the Village may delegate to a responsible person or persons the authority to execute the statement of the claim required by this Agreement.
- (d) This delegation of authority shall be made on forms provided by the Comptroller and shall contain a signature sample of the person(s) to whom the delegation is made.
- (e) For purposes of this Agreement, "Village Manager of the Village" means David Myers, or his successor.

3. Notification of Change in Status.

- (a) The Village must notify the IOC as soon as possible, but in no case later than thirty (30) days after receiving notice of a change in the status of an offset claim.
- (b) A change in status may include, but is not limited to, payments received other than through a successful offset, the filing of a bankruptcy petition, or the death of the debtor.

B. Operational Requirements. Upon receiving a data file from the Village pursuant to this Agreement, the IOC will perform a match with the Village's debt file using a debtor's social security number, taxpayer identification number, name, address, or other unique identifier. The Village will receive a weekly file from the IOC indicating the matches, at which time the Village will update its debtor records.

- 1. Technical Requirements. The IOC agrees to work with the Village to facilitate information and data procedures as provided for in this Agreement. The Village agrees to adhere to the standards and practices of the IOC when transmitting and receiving data.

2. Fee. A fee shall be charged to the debtor in order to recover the cost to the IOC for administrating the System. The fee shall be a per payment transaction and shall be Fifteen and No/100 Dollars (\$15.00), unless the payment is for an amount less than Thirty and No/100 Dollars (\$30.00), in which case the fee shall be equal to the amount offset. The fee will be deducted from the payment to be offset prior to issuance to the Village.
3. Offset Notices. The IOC will send offset notices to the debtor upon processing a claim under the Act and this Agreement. The notice will state that a request has been made to make an offset against a payment due to the debtor, identify the Village as the entity submitting the request, provide the debtor with a phone number made available pursuant to Article III, Paragraph B, Section 6 of this Agreement, and inform the debtor that they may formally protest the offset within sixty (60) days of the written notice.
4. IOC Protest Process. If a protest is received, the IOC will determine the amount due and payable to the Village. This determination will be made by a Hearing Officer and will be made in light of all information relating to the transaction in the possession of the IOC and any other information the IOC may request and obtain from the Village and the debtor subject to the offset. If the IOC requests information from the Village relating to the offset, the Village will respond within sixty (60) days of the IOC's request. The IOC may grant the Village an additional sixty (60) day extension for time to respond.
5. IOC Hearing Officer. The Village hereby agrees to provide the Hearing Officer with any information requested in an efficient and timely manner in order to facilitate the prompt resolution to protests filed as a result of this Agreement. For purposes of this Agreement, any decision rendered by the Hearing Officer shall be binding on the Village and shall be the final determination on the matter. The Hearing Officer may continue the review of a protest at his/her discretion in order to assure an equitable resolution.
6. Village Call Center. The Village hereby agrees to provide a working phone number which the IOC will furnish to persons offset under this Agreement. The Village shall ensure that the phone number is properly staffed in order to provide information about the debt the Village is offsetting under this Agreement. The phone number for purposes of this Section and this Agreement is: \_\_\_\_\_.
7. Debt Priorities. If a debtor has more than one debt, the debt with the oldest date of delinquency shall be offset first.
8. Transfer of Payment. Transfer of payment by the IOC to the Village shall be made in the form of electronic funds transfer (EFT). Nothing in this section or this Agreement shall limit the ability of either party to modify this

Agreement at a later date in order to provide for an alternative method(s) of payment transfer.

9. IOC Refunds. If the IOC determines that a payment is erroneous or otherwise not due to the Village, the IOC will process a refund of the offset, and refund the amount offset to the debtor. In the event the refund results in only a partial refund to the debtor, the IOC will retain the fee referenced in Article III, Paragraph B, Section 2 above. The fee will only be refunded to the debtor in the event of a full refund of the offset amount.
10. Village Refunds. The Village is responsible for refunding monies to the debtor if an offset occurred due to inaccurate debt information or over collection, and the Village has already received payment from the IOC. The IOC will only refund monies in the event that a payment has not yet been made to the Village.

#### **Article IV – Permissible Use of Information**

The IOC acknowledges that the Village is providing sensitive information about local debts for the purpose of conducting offsets under this Agreement. As such, the IOC will use the information solely in connection with the Local Debt Recovery Program. The IOC shall safeguard the local information in the same manner as it protects State debt information.

The Village acknowledges that the IOC is providing sensitive information about State payments for the purpose of conducting offsets under this Agreement. As such, the Village will use the information solely in connection with the Local Debt Recovery Program. The Village shall safeguard State information in the same manner as it protects local debt information.

The parties may use information in any litigation involving the parties, when such information is relevant to the litigation.

#### **Article V – Term of this Agreement and Modifications**

This Agreement becomes effective as of the Effective Date and shall remain in effect until it is terminated by one of the parties. Either party may terminate this Agreement by giving the other party written notice at least thirty (30) days prior to the effective date of the termination. Any modifications to this Agreement shall be in writing and signed by both parties.

#### **Article VI – No Liability to Other Parties**

Except for the fees described in Article III, paragraph B, Section 2 above, each party shall be responsible for its own costs incurred in connection with this Agreement. Each party shall be responsible for resolving and reconciling its own errors, but shall not



be liable to any other parties for damages of any kind as a result of errors. Each party shall be liable for the acts and omissions of its own employees and agents. This Agreement does not confer any rights or benefits on any third party.

## **Article VII – Issue Resolution**

The parties acknowledge that the IOC is ultimately responsible for the development, design and operation of the System. Subject to that understanding, the parties agree to work cooperatively to resolve any matters that arise during the development, design and implementation of the program. If an issue cannot be resolved informally by mutual agreement of staff personnel, then the parties agree to elevate the issue to a senior level manager for resolution of the issue. For purposes of this Agreement, the “senior level managers” are:

1. Raymond Marchiori, Director  
Department of Government and Community Affairs  
Illinois Office of the Comptroller
2. David Myers  
Acting Village Manager  
Village of Maywood

## **Article VIII – Contacts**

The contacts for this Agreement are:

IOC:	Alissa Camp, General Counsel Illinois Office of the Comptroller 325 West Adams Springfield, Illinois 62704 Phone: 217/782-6000 Fax: 217/782-2112 E-mail: <a href="mailto:CampAJ@mail.ioc.state.il.us">CampAJ@mail.ioc.state.il.us</a>
Village of Maywood:	David Myers, Acting Village Manager Village of Maywood 40 Madison Street Maywood, Illinois 60153 Phone: 708-450-6301 Fax: 708-681-8811 E-mail: <a href="mailto:dmyers@maywood.il.org">dmyers@maywood.il.org</a>

**Article IX – Acceptance of Terms and Commitment**

The signing of this Agreement by authorized officials forms a binding commitment between the IOC and the Village. The parties are obligated to perform, in accordance with the terms and conditions of this Agreement, any properly executed modification, addition or amendment thereto, any attachment, appendix, addendum or supplement thereto, and any documents and requirements incorporated by reference.

By their signing, the signatories represent and certify that they possess the authority to bind their respective organizations to the terms of this Agreement, and hereby do so.

**IN WITNESS WHEREOF**, the Illinois Office of the Comptroller and the Village of Maywood, by the following officials, sign their names to enter into this Agreement.

**ILLINOIS OFFICE OF THE COMPTROLLER**

By: \_\_\_\_\_  
Judy Baar Topinka, Comptroller

Date: \_\_\_\_\_

**THE VILLAGE OF MAYWOOD**

By: \_\_\_\_\_  
Edwenna Perkins, Village President

Date: \_\_\_\_\_

# Appendix A



STATE OF ILLINOIS  
COMPTROLLER  
JUDY BAAR TOPINKA

## Involuntary Withholding Tape/File Certification Form

Village Name: \_\_\_\_\_

Tape #/File Type: \_\_\_\_\_

Record Count: \_\_\_\_\_

Dollar Amount: \_\_\_\_\_

Please mark the appropriate box:

Add Tape/File

- The debtor(s) has (have) been sent a notice that a claim has been established against said person thus giving the debtor the opportunity to appeal the determination of the existence and amount of the claim(s).
- No hearing(s) was (were) requested or a hearing(s) was (were) held and the result(s) was (were) that the claim(s) was (were) found to be valid in the amount(s) referenced in the attached record.
- The date(s) of the final determination of the debt(s) for each claim was prior to the date of submittal of the claim to IOC for Local Debt Recovery purposes.

Change Tape/File

- All change transactions contained on the enclosed tape/file meet the criteria for inclusion in the Local Debt Recovery Program.

Delete Tape/File

- All claims contained on the enclosed tape/file no longer meet the criteria for inclusion in the Local Debt Recovery Program, and should be removed from the Program.

I, \_\_\_\_\_, do hereby certify that all of the debts included on the tape/file are in compliance with the requirements of the State Comptroller Act [15 ILCS 405] and the Intergovernmental Agreement entered into between the above named Village and the Illinois Office of the Comptroller.

Authorized Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Village: \_\_\_\_\_ Phone #: \_\_\_\_\_

