

**VILLAGE OF ALSIP
MINUTES
TRUTH IN TAXATION SPECIAL
VILLAGE BOARD MEETING
December 21, 2009**

1
2 Mayor Kitching called the meeting to order at 7:00 p.m. Present: Trustees Shapiro, Godfrey,
3 McGreal, Michaels, Daddona and Quinn, Mayor Kitching, Clerk Venhuizen and Village Attorney
4 Todd Hayden.

5
6 Mayor Kitching reported the Truth in Taxation Hearing was scheduled on the proposed Ordinance
7 Levying Taxes for General Corporate and Special Purposes for the Fiscal Year Beginning May 1,
8 2009 and Ending April 30, 2010. The public hearing is being held as required by the Truth in
9 Taxation Law because the Village of Alsip intends to adopt an aggregate property tax levy in an
10 amount which is more than 105% of the amount extended for the preceding year of 2008. Notice of
11 the public hearing was published as required by law.

12
13 Greg Palumbo, Finance Director, prepared and read the following into the record:

14 To collect a property tax, government agencies in the State of Illinois are required to establish a “tax
15 levy.” The tax levy is a projection of the monies the government agency obtains through the annual
16 property tax. The Alsip Village Board adopts a property tax levy by ordinance and files the ordinance
17 with the Cook County Clerk by the last Tuesday in December. The funds identified in the tax levy
18 ordinance and collected through the property tax are utilized by the Village, along with other revenue
19 sources to fund the Village budget.

20
21 One of the more difficult aspects to understand regarding the property tax system in Illinois pertains
22 to its timing. The Village’s 2009 tax levy will be incorporated in the property tax bills property
23 owners receive in 2010 and will be used to fund a portion of the current 2009/2010 Village budget
24 (which runs on a fiscal year of May 1 through April 30). The tax levy ordinance adopted by the
25 Village is filed with the Cook County Clerk, whose office determines the “tax rate” needed to raise
26 the dollars levied by the Village. The Village levies in dollars rather than a specific tax rate. As a
27 result, the Village does not receive any additional dollars if the assessed valuation of property in the
28 Village increases. Rather, the amount of the Village tax levy remains the same and is spread over a
29 greater total assessed valuation of property (which results in a decrease in the actual Village rate).

30
31 As previously noted, State law dictates the timing and process that must be followed in the levy and
32 collection of property taxes. This necessitates the passage of a property tax levy well in advance of
33 the budget year in which these funds are used, and for which the Village has not yet considered an
34 annual budget. In order to determine an accurate projection of dollars needed by the tax levy, the
35 Village Board and Staff utilize a long term financial plan, and have already begun general discussions
36 for the preparation of the 2010/2011 Village Budget.

37
38 The property tax rate is determined by the Cook County Clerk and appears on the property owner’s
39 property tax bill. The tax rate is applied to the property’s assessed valuation, which is established by
40 the Cook County Assessor, to determine the amount of money the taxpayer pays to the Village of
41 Alsip and other taxing agencies. Property owners in the Village of Alsip will note that the Village is
42 only one of many taxing bodies which appear on the annual property tax bill.

43
44 **Proposed 2009 Village Tax Levy**

45
46 The result of the aforementioned process has led to the development of the property tax ordinance. As
47 previously discussed slowing growth and reductions of non-property tax revenues have combined
48 with significant cost increases such as insurance, refuse collection and pensions to negatively impact
49 the FY 2011 rate. On the revenue side sales tax revenues for FY 2010, for the period May-December,
50 have decreased 18%, or approximately \$700,000 from the same period in FY2009. State income tax
51 revenues have decreased 16% or approximately \$200,000 during the same year to year comparison.
52 Additionally, housing related revenues, permits and real estate transfer taxes continue to lag behind
53 projections. After reviewing optional levies, the Village Board is considering a 2009 tax levy in the
54 amount of \$7,336,518.03. This proposed tax levy represents a 9.894% increase over the extended
55 2008 Village tax levy of \$6,675,969.55. The increase in the 2009 levy is split evenly between
56 statutorily required funding of police and fire pensions and the corporate fund It is projected that for a
57 property with a market value of \$175,000 this will result in an annual increase of \$42.59.

**VILLAGE OF ALSIP
MINUTES
TRUTH IN TAXATION SPECIAL
VILLAGE BOARD MEETING
December 21, 2009**

62
63 As in previous years we are proposing a series of abatements to our Debt Levy. Absent these
64 abatements our debt levy would be \$7,480,355.89. We are abating out of a variety of other revenue
65 sources including water and sewer revenue and other enterprise fund revenues with a total abatement
66 of \$6,369,725.39, leaving a balance of \$1,110,630.50 for the debt levy. The abatements represent
67 85% of the total Debt Service Levy. The balance represents 15% of the total tax levy.

68
69 Mayor Kitching asked if there were any questions from the Board. Trustee Quinn questioned this
70 year's Debt Service Levy compared to last year.

71
72 Mayor Kitching asked if there were any questions from the any members of public in attendance;
73 there were none.

74
75 Motion by Trustee Godfrey to adjourn; seconded by Trustee Michaels. Roll #1: Voting "aye":
76 Trustees Shapiro, Godfrey, McGreal, Michaels, Daddona and Quinn. Motion carried at
77 approximately 7:15 p.m.

78
79
80 Respectfully submitted

81
82
83
84 _____
85 Deborah Venhuizen
86 Village Clerk, Alsip, Illinois

87
88
89