

**Troy Township
Finance Committee Meeting Notes
Thursday, November 16, 2017
5:30 p.m.**

Committee Vice-Chairman Trustee Bryan W. Kopman called the meeting to order at 5:30 p.m.

The Pledge of Allegiance was recited.

Committee Members in Attendance:

Supervisor Joseph D. Baltz	Trustee Bryan Kopman (Vice-Chairman)
Assessor Kim Anderson	Highway Commissioner Thomas R. Ward
Administrator Jennifer Dylik non-voting member (acting as Secretary)	

Absent: Trustee Larry Ryan (Chairman) – Excused

A quorum is established.

Vice-Chairman Kopman asked for any citizen comments. No citizens were present.

Vice-Chairman Kopman opened the meeting for review and discussion of the proposed Road and Bridge Fund Levy and Town Fund Levy Presentation.

Administrator Dylik reviewed agenda items V a – d and gave a brief overview of the general aspects of the proposal including Township mission, history, location, demographics, and the levy calendar.

Dylik then gave an overview of major revenue sources for both the Road and Bridge Fund and Town Fund noting that general property taxes make up 80.7% of the revenue for the Road and Bridge Fund (\$660,777.62 for FY ending March 31, 2017) and 95.7% of the revenue for the Town Fund (\$1,032,988.85 for the FY ending March 31, 2017).

The second highest source of revenue for both funds is Corporate Personal Property Replacement tax which she noted is expected to decrease in 2018 by approximately 23.84%. This reduction is due to errors at the Illinois Department of Revenue level where 2014 returns were incorrectly reconciled resulting in an overpayment to local taxing districts. Additionally PA 99-524 and 100-21 were passed in July of 2017 that appropriated Corporate Personal Property Replacement tax monies to community colleges districts in lieu of recouping the overpayment of Personal Property Replacement Tax monies from the 2014 overpayment.

Dylik then reviewed PTELL (Property Tax Extension Limitation Law), a 15 year history of CPI values, and the estimated new property for calculating the levy. Administrator Dylik reported that since the original levy proposal was distributed on October 16, 2017, the Will County Supervisor of Assessment's office has given an updated estimated value of new property at 14,854,957; up from \$14,000,000 used in the original proposal.

Further, Administrator Dylík reviewed the Village of Shorewood's Jefferson Street & Illinois 59 TIF District which now impacts the EAV for Troy Township when calculating the increase in value of existing property. Per the Will County Clerk's office, the base year for the TIF is 2015 with a base value of 20,516,403. The estimated increase in EAV for the TIF not able to be captured by Troy Township for the 2017 levy is approximately 1,820,235.49.

Administrator Dylík then reviewed SB851. This recent legislation has passed the Illinois House of Representatives and currently sits at the Senate level for approval. At this time, the Illinois State Senate is adjourned until the end of January 2018. SB851 calls for the CPI value when calculating the limiting rate to be 0% for levy year 2017 and 2018. It also proposes several increased exemptions. This bill is just one example showing that units of local government are still at risk of having their levies frozen by the State legislature and although this bill has not passed yet, bills of this nature should still be watched carefully. Assessor Anderson commented that another bill did pass which increases the income limit from \$55,000 to \$65,000 for seniors to qualify for the senior freeze. This new income limit does go in to affect for freezes that will be filed for in the spring of 2018. Chairman Kopman asked if SB851 did pass in the spring if it could still affect the 2017 levy. Administrator Dylík stated that she believed it could so long as it passed and direction was given to each County Clerk before they extend the 2017 levies in the spring of 2018.

Administrator Dylík reviewed the proposed 2017 Road and Bridge Fund levy at \$1,323,666.00 or 104.95% of the prior year's extension of \$1,261,235.38. Administrator Dylík reviewed reasons behind the increase including needing to file the levy at the maximum allowed rate in order to be able to petition for County Aid to Road and Bridge; specifically referencing the Shepley Road Bridge which is in need of repairs. The last repair estimate received from Will County in the spring of 2014 for these repairs was \$350,000.00. She also referred back to the original levy proposal pages 24 and 25 where Highway Commissioner Ward provides a brief list of the approximate cost of capital improvements. Administrator Dylík reported that she believes the Road District levy will be limited to \$1,301,428.51, only \$40,193.13 more than the prior year's extension, and that the Road District will only receive approximately 53.7% of that increase once the municipal half-share is applied. Administrator Dylík reviewed a 6 year history of the levy including the amount the levy was filed for, the amount extended, the amount actually received, and the rate. Vice-Chairman Kopman noted that the Road District's rate had gone down 1.21% from levy year 2014 to 2015 and then 3.28% from levy year 2015 to 2016 and asked for an estimate for the 2017 rate. Administrator Dylík reported the 2014 rate was .0989, the 2015 rate was .0977, the 2016 rate was .0945, and the estimated 2017 limiting rate is .0923.

Administrator Dylík reviewed the proposed Town Fund levy at \$1,121,964.00 or 104.95% of the prior year's extension of \$1,069,047.14. Administrator Dylík reviewed reasons behind the increase including increasing the financial security of the Town Fund and also funding needed capital improvement projects. Dylík reported that she believes the Town Fund will be limited to \$1,103,115.60 or \$34,068.46 more than the prior year's extension. She also pointed out that this increase equates to \$11,618.47 generated from new property and \$22,449.99 generated from the 2.1% CPI increase. Additionally, Administrator Dylík reported that she has requested to reduce the amount of funds allocated to General Assistance via the levy from the proposed \$48,000 to \$20,000. If needed, the Town Fund can transfer funds to General Assistance but funds cannot be transferred out of General Assistance. Should legislation like SB851 pass, it would reduce the

amounts the Township is expecting the levy to be limited to. When the County Clerk applies the lower limiting rate, the amount filed for the levy for General Assistance would not be adjusted, the full reduction is applied to the portion allocated to the Town Fund. Leaving the money in the Town Fund allows for greater flexibility if needed. Vice-Chairman Kopman commented that with General Assistance being one of the major functions of township government he cautions not to cut funds to General Assistance too much. Supervisor Baltz committed to ensuring General Assistance is funded even if it is through a transfer from the Town Fund. Vice-Chairman Kopman asked what the estimated expenditures of General Assistance are for the 2017-2018 fiscal year and estimated ending cash balance. Dylík reported that as of today, she estimates the expenses at approximately \$41,000.00 and an ending cash balance of approximately \$33,000.00.

Vice-Chairman Kopman reported that he spoke with Chairman Ryan before the meeting and Chairman Ryan was pleased to see the rates going down but asked that the Finance Committee ensure that the additional funds received in the levy are put to good use. Administrator Dylík was confident that the Finance Committee would do just that during the spring budget process.

Vice-Chairman Kopman asked for any additional questions. No additional questions were raised. Supervisor Baltz complimented Administrator Dylík on the informative presentation.

Motion made by Supervisor Baltz; seconded by Assessor Anderson for the Finance Committee to recommend to the Township Board that the Road and Bridge Fund levy be approved at \$1,323,666.00. Motion carried.

Motion made by Highway Commissioner Ward; seconded by Supervisor Baltz that the Finance Committee recommend to the Township Board that the Town Fund levy be approved at \$1,121,964.00 with \$20,000.00 allocated towards General Assistance. Motion carried.

Vice-Chairman Kopman asked if any additional Finance Committee meetings were needed. Supervisor Baltz noted that none was needed at this time but can be called at a later date if necessary.

Vice-Chairman Kopman asked for any new business. No new business was presented. After asking three times, Vice-Chairman Kopman asked for a motion to adjourn.

Motion made by Assessor Anderson; seconded by Highway Commissioner Ward to adjourn the meeting at 6:08 p.m. Motion carried.

Submitted:


Jennifer Dylík
Secretary