

Questions from the Town Hall Meeting

FINANCE DEPARTMENT

What caused the financial deficit?

Listed below are the major factors which caused the financial deficit within the general fund:

- *Declines in various revenues due to the economic decline caused by the recession. (For example – Net sales taxes have declined by 25% over the past ten years.)*
- *Increases in expenses such as pension costs and health insurance.*
- *Increased debt retirement already being paid on the Community Center Debt (2 bonds)*
- *Annual operating losses related to the Community Center.*
- *Minimal decision making to alleviate the continuing deficit over the years to combat the declines in revenues and increases in expenses.*

What are the plans to resolve the deficit?

The Board is working on a formal plan to accomplish this; however, this has not been formally approved as yet... The Finance Department has offered several scenarios which include:

- *increases in taxes,*
- *increases in other revenues,*
- *and decreases in expenses.*

No significant changes have been approved by the Board or passed by voters to have the impact that is needed to turn around the declining financial position of the Village. Major hard decisions must be made by the Board. A significant proposed idea requires the Board to go to the voters via a referendum, to increase property taxes. At this point, increases in property taxes are the only avenue that will have the dramatic impact on the budget that is needed for financial recovery of the Village.

Will taxes increase?

Voters would need to vote for an increase. With sufficient explanation of the impact not passing a referendum would have, obtaining voter support should be feasible. Financially, this is the only revenue source that can generate enough funds to attain financial stability within the Village.

Has the financial report been submitted?

Yes – The fiscal year 2014 audit has been posted on the Village's website.

Why was the Village downgraded by S&P and what does this mean for the Matteson?

It means the Village has no rating. The rating has been withdrawn. At this point, no rating is better than a non-investment grade rating.

What measures will be taken to increase the bond rating, and can residents provide any help?

Improvements to the Village's finances need to be done in order to increase the Village's bond rating. The residents can help by passing a property tax rate increase.

How much revenue and state funds are received and budget expenditures to reflect the bottom line that is remaining?

The following information was obtained from the Village's most recent audit (FY14): The two main sources of state revenue are as follows --- State sales tax, net = \$4,997,379; State income tax = \$1,815,329. Total General Fund expenditures were \$21,052,993, and \$12,141,204 of these expenditures was for public safety.

HUMAN RESOURCES

Has the Village considered other cost cutting measures such as 20% cut in salaries, furlough days, reduction in non-essential staff?

The Village has reduced personnel and benefits, limited programs and services, reorganized departments, made greater use of part-time staff, frozen salaries for non-union staff for two years, eliminated capital expenditures and infrastructure improvements, and scrubbed budgets in an attempt to close the budget gap and exercise fiscal responsibility. Since 2008, through layoffs and attrition the Village has eliminated 21 positions, which has not included firefighters or police officers, and operates the essential administration functions with minimum staffing.

Is there a residency requirement for the Village?

All union contracts (Police, Fire, and Public Works) establish boundaries within which the union members must reside. Non-union members are not required to maintain residency.

How many Police and Firefighters staff?

The Fire Department has a budgeted staff of 33 sworn personnel. With three current vacancies and the layoff 8 firefighters, the Fire Department will have a complement of 23 sworn personnel. The Police Department has a budgeted staff of 40 sworn personnel. With three vacancies and the layoff of 13 police officers, the Police Department will have a complement of 24 sworn personnel.

Will salaries be frozen?

Public Works union will receive contractual increases in the next fiscal year budget; contracts covering Police and Fire are currently under negotiations. It is undetermined at this time if non-union staff will receive increases.

Will the Village Officials take a 3% cut in salary?

There has been no discussion regarding cuts at this time.

Why was a Trustee's spouse hired recently if the Village is faced with lying off so many police and fire personnel? Could that salary be used to save a potential lay off?

Vacant position was deemed critical to providing Village services.

If Economic Development is very important to the Village, why hasn't a Director been hired?

The Village is exploring options to fill the position. Currently the Village has four seasoned and trained employees working as a team on Economic Development in addition to their other departmental responsibilities that have brought successful projects to the Village.

Did the Village consider cutting the Administration budget first?

Since 2008, through layoffs and attrition the Village has eliminated 21 positions, which has not included firefighters or police officers, and operates the essential administration functions with minimum staffing. Additionally, the non-union staff salaries were frozen for two years and their benefits reduced. None of these measures have been applied to the union members who comprise 74% of the full-time staff, which consists of the Fire, Police and Public Works, due to contractual obligations and arbitration awards. Their compensation packages and pension obligations have added an additional burden to the already strained budget.

How many police officer and fire fighters will be laid off?

The Fire Department has a budgeted staff of 33 sworn personnel. With three current vacancies and the layoff 8 firefighters, the Fire Department will have a complement of 23 sworn personnel. The Police Department has a budgeted staff of 40 sworn personnel. With three vacancies and the layoff of 13 police officers, the Police Department will have a complement of 24 sworn personnel.

Will the response time change if there is a lay off with police and fire?

Unfortunately response time will increase, however it is difficult to put an estimated average time. More so, response to all calls for service would change. There would be no response for a majority of low priority service calls (eg: alarms, noise complaints, etc.). Should there be a staff reduction in the future we will continue to provide fire suppression and emergency medical service to the residents of the Village of Matteson.

POLICE DEPARTMENT

Will there be a Sheriff on alert to help the community?

We have already reached out to the Cook County Sheriff's office and were advised that they do not have the resources to staff any of their officers in our jurisdiction or answer our calls for service. Additionally, as with any incident if additional assistance is needed from another Municipal Police Department(s), that will continue to be an option as needed.

Having layoffs how will the Village ensure the safety of its residents?

The Matteson Police Department will have to reallocate and prioritize all calls for service. We will be unable to respond to a majority of low-priority calls (eg: noise complaints, alarms) or non-in progress calls. Furthermore, many lengthy criminal investigations will need to be reprioritized to determine if it will be investigated. The majority of the Police functions will be in response to major or in-progress calls only.

FIRE DEPARTMENT

Will the Village close the Fire Station on Central & Rt. 30k, would the closure impact the safety of the schools in close proximity?

While currently negotiating with the firefighters, it would be improper for commentary regarding fire station closures and/or any other aspect of operations provided by the Fire Department. It is our goal to work with the firefighters and minimize any staff reductions that would impact our residents or schools. The State Fire Marshal's office is tasked and will continue to perform inspections and ensure that all schools comply with life safety standards, including any smoke detection or sprinkler systems within the schools. Our responses to the schools as well as to any address within our jurisdiction will be as we currently respond, with our resources as well as those of our neighboring departments will be through Mutual Aid Agreements.

Having layoffs how will the Village ensure the safety of its residents?

Again, staff reductions and the level of reductions are not set in stone and are being negotiated between the Village of Matteson and the firefighters. It is the Village's goal to maintain the current high level of service to our residents that they have come to expect. Should there be a staff reduction in the future we will continue to provide fire suppression and emergency medical service to the residents of the Village of Matteson. We will respond to all emergencies as we currently do, with our resources and those of our neighboring departments through Mutual Aid Agreements.

PUBLIC WORKS

Why is the Public Works Department only removing snow at the residents' requests?

Public Works is responsible for removing snow on all Village streets. The Village is divided into seven plow/salt routes. Our procedure consists of clearing the main thoroughfares first. Then the trucks move on to the side streets on that particular route. Each storm is handled differently. If the forecast calls for a significant amount of snow we make two passes on main streets and one pass on all side streets until the storm has ended. It is only after the storm has ended that we then open up all streets to the curb.

Can a clogged storm drain impact a resident's basement?

We work to keep all storm drains free of debris. The storm drains on the street have no impact whatsoever on backup that may occur in a residential home or business. We have several independent systems within the Village's underground infrastructure. We have storm, sanitary and water systems.

The storm drains run into an independent system/line that is not connected to homes or businesses. The other system is a water system. The water system is also an independent system, and it runs from our pumping station through water mains that have independent service lines that provide water to homes and businesses.

The third system is the sanitary system which also functions independently. Its operational process works to eliminate all waste from homes and businesses. This system from time to time can backup due tree branches in the parkway that impede/ penetrate the lines, as well a buildup of waste and toilet paper can also cause obstruction and back up.

Will the Main St. sign on Rt. 30 be repaired?

The sign on Main St. and Rt. 30 is not the responsibility of the Village of Matteson. However, we will report it to the appropriate responsible party to make sure it is taken care of.

Are there any options to lower the water cost such as changing providers?

Currently, the Village is under contract with Oak Lawn to provide Chicago water to the residents of the Village of Matteson until 2024. Concurrently, we are researching other water sources and options.

COMMUNITY DEVELOPMENT

Is the Village considering low income housing on the corner of Vollmer and Cicero near the Brookmere Subdivision?

The Village is not considering low income housing at the corner of Vollmer and Cicero Avenue.

How will the parking be accommodated once Giordano's open?

The parking provided for the site meets the requirements of our code. The code requires 46 parking spaces for the entire site and the applicant provided 53 standard parking stalls and 3 handicap accessible parking stalls. It is possible that during peak times Giordano's patrons will utilize parking spaces at the adjacent property.

ECONOMIC DEVELOPMENT

What are the plans for Lincoln Mall? Will the mall reopen? Will the closing affect our taxes?

The Village of Matteson will conduct a Real Estate listing for the mall and that agent will be our representing broker. The Village has three conceptual visions for the mall as a starting discussion for creating the vision for repurposing the Lincoln Mall area. At this time, there are no plans to open the mall as it stands today. Closing of the mall will not impact taxes; however, if one of the several taxing bodies decides to levy their tax share to increase revenue, this could create a possibility of a change.

How will the Village market the community to increase revenue and visibility to attract businesses and residents?

The Village plans to create a brand image for the Village of Matteson that will resonate throughout the community as well as the real estate industry. Residents will be involved to help create the message. Also, efforts will continue with the Economic Development team contacting and meeting with retailers and developers to share information regarding opportunities in Matteson. In addition, the Village will utilize the developers who have built in the community as ambassadors to create positive synergy about the community.

Did the Village try to attract Mariano's or any other grocery store to consider the former Dominick's space? What efforts were made?

Shortly following the announcement of Safeway closing 72 of their Dominick's stores, staff began putting strategies in place to fill the void of a 77K square foot grocery store. Our Dominick's closing was different from many other locations due to the absence of a lease. The Dominick's lease had expired and lease negotiations were in the process with Simon Properties as well as staff when the closing announcement occurred. Therefore, the Matteson site was not presented nor marketed to other potential grocery stores. The Economic Development Team efforts have been very crucial with informing developers of the Matteson Dominick's location. Over the last year, the Economic Development team has traveled great distance to ensure those developers understand the character of the community as well as the demographics, which tell a different story. Letters were immediately mailed to the grocers that announced interest in buying some of the Dominick's stores.

Following the letters staff began setting up a face to face meeting with Simon Properties (owner of shopping center) and grocers. The broker of Jones Lang LaSalle has continued to market the former Dominick's site and remains in communication with staff to ensure our collaborative efforts are not counterproductive. The broker and the Economic Development Team are currently in discussion with a couple of grocers. Those results will be shared with residents as soon as a decision has been determined.

Can the Village purchase commercial space to help attract new businesses and job creation?

The Village is not in a financial position to purchase commercial property at this time; however, the Village does participate in the Cook County Scavenger Sale program in which a municipality can acquire unclaimed commercial property with several years of delinquent property taxes.

Are there any plans to fill the Auto Mall with new tenant?

The Village markets the site as a commercial area as well as the Auto Mall. Just recently Bi-Line Trucking purchased the light industrial warehouse building in the auto mall and the Village is in the process of making South Suburban Mitsubishi their next home in the former Miller Chevrolet building.

Is the Village losing revenue from the lack of signage for businesses in the community on I-57, Rt. 30, and Cicero Avenue?

The Village of Matteson is in the process of working with the Chicago Southland Convention and Tourism Bureau, the Illinois Department of Transportation and the Matteson Business Association to establish signage on I-57 as well as other main corridors throughout the Village to promote the eateries in the community. The additional signage exposure will definitely increase revenue for the businesses.

How will the Village collect the \$10 million dollars in fines from the owner of Lincoln Mall?

The judge has ruled to close Lincoln Mall due to the lack of operating funds to maintain the mall. With the mall being inoperable, the \$10 million dollars for the remediation of the code violations are no longer valid unless the mall reopens. Additionally, the Village has a lien against the Lincoln Mall property for the \$10 million in claimed fines. The owner of the property has agreed to convey the property to the Village, or to whomever the Village selects, in satisfaction of this claim. In effect, the Village will collect what it can against the claimed fines by getting the legal title to the Lincoln Mall property.

Why are businesses leaving the community?

Majority of the stores that left the Village of Matteson were corporate decisions such as the Dominick's, which closed every Chicago store, Radio Shack is phasing out as an operating business, Sears is downsizing their portfolio and will soon be a retail dinosaur. Other communities similar to Matteson's retail landscape have experienced store closures as well. Calumet City lost Carson Pirie Scott and news reports indicate the town will be losing Target as well. Last year JCP closed several stores in the Chicago area yet our store remained open. Rather than being a sign of economic stability, the number of retail stores in the U.S. is more of a sign of retail store supply exceeding retail store demand. Retail store closings in the U.S. are no longer a reflection of poor economic health for a community. Despite store closures, the Village of Matteson has seen stable growth. There is a report on the Village's web-site that illustrate the growth of Matteson over the last several years titled Town Hall Meeting Presentation 2015.

Why were the investors for Lincoln Mall turned down?

Two firms responded to the Request for Qualifications/Proposal for Lincoln Mall. One of the firms did not meet all of the requirements within the Request for Qualifications/Proposal. The other firm submitted a proposal that did not fit the vision of the President and Board of Trustees.

How much does it cost to demolish the mall?

The Village does not have a cost figure for the demolition of the mall. However, once a sustainable project occurs, then we will be able to obtain a cost that is reflective to what is needed for the project.

What is the long-term strategic economic development plan for the Village?

The Master Plan for Economic Development and Land Use entails the long-term strategies as well as short-term for economic development. This plan can be found on the Village's web-site.

Why does the Village have several video poker places?

Any eatery establishment can seek a video gaming license offered by the Illinois Gaming Board. These establishments must have a valid liquor license as well. The Village of Matteson passed an Ordinance on September 4, 2012 allowing the use of video gaming. With the Ordinance in place, establishments with video gaming are not required to seek a gaming license from the Village.

RECREATIONAL SERVICES

Will the Village sell the old Community Center? Is it more efficient and cost saving to operate one Community Center versus two?

Currently the Village of Matteson owns the Oakwood Community Center. There is no rent or mortgage payment for the building and property. The cost of operating the center does not exceed the revenue.

Matteson still gets a lot of use out of the Matteson Oakwood Center. The Homeowner's Association, the South Suburban Special Recreation Association, Senator Mike Hastings, Matteson Historical Society, Matteson Public Library and Matteson Summer Camp use the space. We also have recurring rentals, and community programs utilizing this space. The north side of the building houses Senator Michael Hasting and The Matteson Historical Society.

In 2013 the Recreational Services Department decreased the hours of operation from 8am to 9pm to 3pm to 9pm daily to reduce the cost of operating and staffing the building. The revenue made from programs and rentals along with the lease agreement with Work study Enterprise keeps the Village from incurring additional cost to operating the facility. We would benefit further from receiving rent or subsidies for everyone who occupies or uses space in the building but the public outcry would outweigh our wishes.