

**Questions and Answers Regarding
The Village of Tinley Park
Fiscal Year 2013 Budget**

What are the expenditures and expected revenues for the 2013 budget?

The Village Board is considering approval of a budget that proposes General Fund expenditures of \$41.2 million and projects revenues and transfers of \$41.2 million. This represents less than a 1 percent increase in expenditures over last year's budget. The total fiscal 2013 expenditure budget including all activities is \$102.1 million.

Why is the Village going to spend more than last year?

The Village is always cautious in its approach to financial management, but there are rising costs that are difficult to control. These include increases in gasoline, health insurance, liability insurance and incentives that are tied to revenue generation.

The budget year ending April 30, 2012, has General Fund revenues exceeding expenses by \$2.7 million. Why was there so much money left over, and should we expect the same for the upcoming year?

This occurred because of slightly better than anticipated revenues last year, led by increased sales tax revenue, in addition to reduced expenditures in key areas, led by lower than anticipated salary and benefit costs. This was good news for the Village. However, the Village must continue to be cautious when projecting revenue because these reduced expenditures are not expected to happen again in the next fiscal year. Also, the State of Illinois owes Tinley Park approximately \$1.6 million in deferred income tax distributions and unpaid rent and utilities.

Is the budget impacted by the money the Village is spending on capital projects?

We have been able to move forward with several recent projects that were heavily funded with money received from other governments and agencies. These projects include the new 80th Avenue train station, realignment of the Harlem Avenue/175th Street intersection, extension of 183rd Street, Harlem Avenue median landscape improvements, and street lighting on 191st Street. Also, our excellent credit rating allowed us to borrow money at low interest rates to finance the expansion of the Convention Center with no increase in property taxes.

What does "fiscal year" mean? Why does the Village use a fiscal year?

A fiscal year is a 12-month period used for financial reporting of a business or a government. A fiscal year can also follow a calendar year, but a fiscal year usually indicates another 12-month period is used. The Village of Tinley Park's fiscal year runs from May 1 of the current calendar year through April 30 of the following calendar year. The Illinois Constitution and Statutes in effect when the Village was incorporated in 1892 required many local governments, including municipalities, to hold their first meetings in May and provide an annual accounting following their last meeting in April. This evolved into the fiscal year of May 1 through April 30

When will the budget be approved?

A public hearing is scheduled for April 17, and the budget will be adopted by the Village Board on April 24.