

Case Of Mismanagement

Good Evening Neighbors, Trustees and Madam President.

Tonight on behalf of homeowners of Olympia Fields, we are here to address our fragile financial state caused by poor village administration; resulting in failure to deliver on our trust and requirement for high quality Return on Investment through sustainable economic growth.

When analytics compare our village to comparable neighboring towns we clearly see that our economic development activity has been merely situational, instead of strategic and scalable.

We are here tonight to ask for your leadership action to intervene to change course while we still can to protect the reputation and economic future of Olympia Fields.

Our chief concerns tonight are:

Lack of confidence in village management acting as successful broker of our requirement for delivering high quality economic development opportunity

Threat to property values due to growing interest in sub prime real estate investments

Lack of early transparency of contractual obligations from village administration resulting in hampering of duty of thorough board review and timely resident feedback.

While other communities are enjoying high end investment such as Whole Foods, dealerships, and technology incubators we endure unwanted cell phone towers, expensive TIF supported big box stores, and the threat of section 8 affordable housing.

The following presentations will provide professional and specific analysis of the village budgets revealing unnecessary management deficiencies resulting in unprecedented risk and the immediate need for an executive closed session to discuss change of course and non-renewal of contract of chief personnel responsible for village administration.

Financials

- General Fund Budget Has Grown From \$5.3 Million To \$7.4 Million Since FY2010-2011
- VOOF's Debt Has Grown From \$2 to \$15.7 Million since 2008
- TIFs That Use Future Taxes As Collateral For General Obligation Bonds...Additional Debt
- Annual Principle & Interest On Bonds & Loan Payments Estimated At \$1.546 Million
- Annual Police Pension Obligations, Compensated Absences and Auto Capital Leases Are Estimated At Another \$1 million
- Grant & Capital Projects Since 2008 Total \$14.2 Million Not including \$38 Million Suggested By Referendum...a 1% sales tax will not fix this problem
- Staff Salaries Have Increased From \$1,082,000 to \$1,541,000 Or 52% Since 2008
- Police Expenses Have Grown From \$2,980,076 in FY2010-2011 To \$4,293,378 Budgeted For FY2016-2017...This does not cover two new officers hired for WalMart or the ones that will be added for St James

Lack Of Trust And Transparency

- Actions & Optics Continually At Odds With The Pubic Interest
- Grand Plans & Projects Have Not Improved Housing Values...Cell Towers, Affordable housing, WalMart, Dollar Store, Town Center Plan, etc
- No TV access To Public Meeting
- Minutes Are Reviewed By Administrator Before Approval
- I Will Get Back To You...Never does
- You Can Find It On The Website...Not really, last list of bills to be paid June 13, 2016
- Disingenuous...Uses an Army of consultants to overwhelm the board & public

- Total monies paid to consultants is not reflected in General Budget but is approved under Consent Agenda
- No Bid Contracts
- Never Ending Projects...Millions spent or budgeted on non-prioritized grant driven projects
- No Formal Impact Analysis Review Of Monies Spent On Events, Projects And Studies
- Second Major Tax Referendum In 8 Years For Infrastructure...
- Tax Increase of Estimated \$735,000 For \$38 million In Projects...52 year payback with no interest. Will definitely need another TAX HIKE

Misdirection

- New 1% Resolution Limiting Increase To Infrastructure...Non binding legal speak
- Affordable Housing Not Dead In Olympia Fields
- Who Is Responsible For Economic Development...The Village Administrator was hired to grow the village economic tax base. There is only \$8500 in the village budget for economic development. TIFs, potential land use development projects and commercial projects are controlled and driven by outsiders without oversight from The Village Board, the Economic Development Committee or residents. They are only included in the final approval phase
- Village Administrator Uses Consultants And Long Term Planning Grants To Drive And Justify VOOF's Directions, Policies And Agendas. While day to day issues and problems have not been completed

Poor Management

- Hired 4 new people within weeks before asking for a tax increase
- Loss \$40,000 from police department...no one prosecuted, two employees dismissed, one won a wrongful termination law suit and \$676,000
- No Performance Reviews From Top Down
- Pay Increases For All... Salaries have increased 52% in 8 years not counting police
- No Current HR Policy And Procedure Manual For The Village

Back Door Tax Increases

- Water & Sewer bills ... Overhead Transfer to general fund of \$885,000 that should be used on infrastructure
- SSAs...Targeted tax on individual neighborhoods for village responsibilities
- Red Light Cameras....\$650,000
- Vehicle Stickers...attempted
- Garbage Billing Through VOOFF...under consideration
- Asset Forfeiture Program ...used to finance village hall and police via seizure of resident and non resident property

Community And Property Values Not A Priority

- Cell phone tower and appropriate zoning
- Unwanted affordable housing plans
- Unwanted proposed rehab center...especially if tax free like St. James
- Growing Group Home problem...referred to HOAs
- Foreclosures & Squatters...no VOOFF leadership
- Lincoln & 394 Enterprise Zone map (Chicago Heights, Crete, Ford Heights, Olympia Fields, Sauk Village, South Chicago Heights and Steger
- TIFs...increased Tax Burden on residents to attract potential new businesses
 - Additional form of debt...new general obligation bond with future taxes as collateral
 - No guarantee of incremental tax revenue if Equalized Assessed Valuation continues to fall
 - Businesses get reimbursed for investment expenses at our expense
 - Taxes revenues for schools and village operation are frozen for 23 years
 - Owners of existing TIF parcels get immediate return and resident must wait 23 years

Closing Statement

Olympia Fields is a wonderful place and community to live in. If we did not believe that, we would not have made the greatest single investment in our lives, buying and living in Olympia Fields. This is a village made up of very dedicated successful people. Our residents include people who are entrepreneurs, lawyers, doctors, educators, consultants, bankers, and very civic minded people. This chorus of very successful residents have become more aware of the overwhelming evidence of the mismanagement by of our Village Administrator. They are appalled at the increasing number of back door tax increases and the lack of transparency associated with the growing village financial issues. Olympia Fields's debt has grown from \$2 million to over \$15.7 million since 2008.

We have entrusted our village reputation and image in the hands of an outsourced administration, where 95% do not live in our village. These outsiders are managing our money and determining our destiny, all without any consequences for their actions. They have misled the public and the board of trustees. A lack of accountability to the taxpayers and residents has resulted in programs and policies that reward those that have no stake in Olympia Fields.

The Administrator has further violated the residents' trust by pursuing financial programs that have grouped us with South Chicago Heights, Ford Heights and other blighted and economically depressed communities. The Village of Olympia Fields is much better than that. Public trust was further damaged, when the administrator hired 4 people just weeks prior to asking for a 1% sales tax increase and when \$40,000 went missing in the police department, turned into a \$678,000 wrongful termination law suit. Where is the accountability?

In ten years, our Village Administrator has presided over the mismanagement of issues which demonstrates that he does not have the residents, community or our property values as his highest priority. For these and other reasons, we have lost all trust and confidence in the Village Administrator. We are asking that by the next board meeting, the board of Trustees to whom the Administrator is directly accountable, give him notice that his contract will not be renewed.