

ANNUAL FINANCIAL INFORMATION DISCLOSURE

FISCAL YEAR 2021

CITY OF HARVEY  
COOK COUNTY, ILLINOIS

General Obligation Bonds, Series 2002B  
General Obligation Bonds, Series 2002C  
General Obligation Bonds, Series 2007A  
General Obligation Bonds, Series 2007B  
Hotel-Motel Tax and Sales Tax Revenue Bonds, Series 2008A

CUSIPS: 417704  
417705

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## **DEBT STRUCTURE**

### ***Summary of Outstanding Debt***

#### **Summary of Outstanding Debt (as of April 30, 2021)\***

	<u>Dated Date</u>	<u>Type of Bond</u>	<u>Original Amount</u>	<u>Amount Outstanding</u>	<u>Portion Past Due</u>	<u>Final Maturity</u>
Hotel-Motel and Sales Tax Revenue Bonds, Series 2008	8/20/08	Revenue	\$6,025,000	\$3,370,000	\$0	2028
General Obligation Bonds, Series 2007A	7/31/07	General Obligation	22,275,000	22,275,000	565,000	2032
General Obligation Bonds, Series 2007B	7/31/07	General Obligation	9,000,000	5,200,000	1,400,000	2024
General Obligation Bonds, Series 2002B	7/9/02	General Obligation	2,530,000	1,900,000	1,080,000	2022
General Obligation Bonds, Series 2002C**	12/19/02	General Obligation	1,000,000	<u>1,238,125</u>	<u>1,238,125</u>	2020
Total Bonded Indebtedness				\$33,983,125	\$4,283,125	
Less: Revenue Bonds				<u>3,370,000</u>	<u>0</u>	
Total Direct General Obligation Debt				\$30,613,125	\$4,283,125	

\*Excludes accumulations of past due interest

\*\*Holders have been paid and bonds defeased through an insurance policy from Assured Guaranty. Assured Guaranty is to be repaid by separate agreement.

### ***Installment Contracts***

The City has had no installment contracts outstanding since May 1, 2016.

## Principal Repayment Schedules

### Outstanding General Obligation Principal - By Fiscal Year

Fiscal Year	Voted General Obligation Principal					Debt Retirement*	
	2002B	2002C**	2007A	2007B	Total General Obligation Principal	Cumulative Principal Scheduled	% Scheduled
2019	\$340,000	\$540,000		\$630,000	\$1,510,000	5,845,000	17.93%
2020	360,000	<u>565,000</u>		675,000	1,600,000	7,445,000	22.83%
2021	380,000		\$565,000	725,000	1,670,000	9,115,000	27.96%
2022	400,000		705,000	785,000	1,890,000	11,005,000	33.75%
2023	<u>420,000</u>		755,000	840,000	2,015,000	13,020,000	39.93%
2024			800,000	900,000	1,700,000	14,720,000	45.15%
2025			540,000	<u>1,275,000</u>	1,815,000	16,535,000	50.71%
2026			1,940,000		1,940,000	18,475,000	56.66%
2027			2,050,000		2,050,000	20,525,000	62.95%
2028			2,160,000		2,160,000	22,685,000	69.58%
2029			2,280,000		2,280,000	24,965,000	76.57%
2030			2,410,000		2,410,000	27,375,000	83.96%
2031			2,545,000		2,545,000	29,920,000	91.77%
2032			<u>2,685,000</u>		<u>2,685,000</u>	32,605,000	100.00%
<b>Total</b>	<b>\$1,900,000</b>	<b>\$1,105,000</b>	<b>\$19,435,000</b>	<b>\$5,200,000</b>	<b>\$27,640,000</b>		

\*Starting November 1, 2018, the City has failed to make principal payments on its outstanding general obligation debt. Projections of debt retirement are therefore not an accurate depiction of payments made and should not be relied upon with respect to future payments. In April 2021, the City made a \$630,000 principal payment on its outstanding Series 2007B Bonds.

\*\*Holders have been paid and bonds defeased through an insurance policy from Assured Guaranty. Assured Guaranty is to be repaid by separate agreement.

**Outstanding Revenue Bonds Principal - By Fiscal Year**

<b>Fiscal Year</b>	<b>Revenue Bonds Principal</b>		<b>Debt Retirement</b>	
	<b>2008A</b>	<b>Total General Obligation Principal</b>	<b>Cumulative Principal Scheduled</b>	<b>% Scheduled</b>
2022	\$335,000	\$335,000	\$335,000	9.93%
2023	355,000	355,000	690,000	20.44%
2024	375,000	375,000	1,065,000	31.56%
2025	405,000	405,000	1,470,000	43.56%
2026	430,000	430,000	1,900,000	56.30%
2027	460,000	460,000	2,360,000	69.93%
2028	490,000	490,000	2,850,000	84.44%
2029	<u>525,000</u>	<u>525,000</u>	3,375,000	100.00%
<b>Total</b>	<b>\$3,375,000</b>	<b>\$3,375,000</b>		

## Overlapping Indebtedness

	% Overlap*	2021	
		<u>Outstanding</u>	<u>Overlapping</u>
City of Harvey	100.0%	\$30,613,125	\$30,613,125
<b><u>Overlapping Entities**</u></b>			
County of Cook	0.1%	3,008,881,750	3,895,471
Forest Preserve District of Cook County	0.1%	140,011,723	181,267
Metropolitan Water Reclamation District of Greater Chicago	0.1%	2,725,335	3,590
Harvey Public Library District	100.0%	5,050,000	5,050,000
School District 143 1/2	5.2%	14,750,000	772,840
School District 144	0.5%	52,061,418	245,766
School District 147	57.8%	3,780,000	2,183,781
School District 148	1.0%	19,610,136	189,301
School District 151	8.6%	12,455,000	1,075,653
School District 152 1/2	26.9%	2,988,523	803,708
Thornton Township High School 205	17.2%	32,795,000	5,649,603
Community High School 228	0.6%	50,000,000	283,195
South Suburban School District 510	7.0%	23,604,929	1,647,964
Total Overlapping Debt			<u>\$21,982,140</u>
Total Direct and Overlapping Debt			<u>\$52,595,265</u>
*Based on 2019 EAV			
**Excludes self-supporting debt			

## ***Debt Statement***

### **Statement of Bonded Indebtedness - (as of April 30, 2021)\***

		Ratio to:		Per Capita (2010 Census population 25,282)
	Amount Applicable	Equalized Assessed	Estimated Actual	
City EAV of Taxable Property Excluding TIF (2019)	\$222,015,019	100.00%	33.33%	\$8,782
Estimated Actual Value (2019)	\$666,045,057	300.00%	100.00%	\$26,345
 Total Direct General Obligation Debt	 \$30,613,125	 15.43%	 5.14%	 \$1,210.87
 Overlapping Bonded Debt				
Schools	\$12,851,811	6.48%	2.16%	508
Other	<u>9,130,328</u>	<u>4.60%</u>	<u>1.53%</u>	<u>361</u>
Total Overlapping Bonded Debt	<u>\$21,982,140</u>	<u>11.08%</u>	<u>3.69%</u>	<u>869</u>
Total Direct and Overlapping Bonded Debt	\$52,595,265	26.51%	8.84%	2,080

\*Source, Cook County Clerk, EMMA and other publicly available sources

## **CITY TAX BASE INFORMATION**

### ***City's Equalized Assessed Valuation***

Levy Year	Total <sup>(1)</sup>	Percent Change
2016	\$198,802,321	3.97%
2017	200,257,571	0.73%
2018	196,786,532	(1.73%)
2019	198,408,405	0.82%
2020	222,015,019	11.90%

(1)Excludes TIF Value

(2)Based on 2015 EAV of \$191,215,862

### **Composition of City's Equalized Assessed Valuation<sup>(1)</sup>**

Levy Year	Residential	Farm	Commercial	Industrial	Railroad	Total Valuation	Year over Year Change
2016	\$110,995,557	\$3,008	\$55,577,806	\$27,727,103	\$4,498,847	\$198,802,321	3.97% <sup>(2)</sup>
2017	109,228,930	3,893	56,656,824	30,270,694	4,097,230	200,257,571	0.73%
2018	105,278,208	3,825	56,845,110	30,089,421	4,569,968	196,786,532	-1.73%
2019	103,131,819	3,832	60,830,415	30,428,122	4,014,217	198,408,405	0.82%
2020	104,262,123	4,580	69,192,557	44,837,441	3,718,318	222,015,019	11.90%

(1) Excludes tax increment financing ("TIF") incremental EAV.  
(2) Based on 2015 EAV of \$191,215,862.  
Source: Cook County Clerk's Office.

### **Tax Rate Trend**

<u>Fund</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Corporate	\$3.2453	\$3.2217	\$3.4097	\$3.6610	\$3.3333
Bonds and Interest	2.1253	1.9961	2.0292	2.0050	2.1163
Police Pension	0.6168	0.7172	0.9575	0.8997	0.9076
Fire Pension	1.3986	1.5366	1.4814	1.6773	1.6327
Fire Protection	0.6448	0.6402	0.6775	0.6720	0.6005
Police Protection	0.7617	0.7562	0.8003	0.7938	0.7094
Total	\$8.7930	\$8.8680	\$9.3560	\$9.7090	\$9.2998

### **Tax Extensions and Collections by Tax Year**

<u>Levy/Coll. Year</u>	<u>Extension</u>	<u>Collection</u>	<u>Percent Collected</u>
2015/2016	\$16,733,064	\$9,590,816	57.32%
2016/2017	17,500,219	10,032,213	57.33%
2017/2018	17,762,819	10,366,448	58.36%
2018/2019	18,415,408	10,429,534	56.63%
2019/2020	19,267,606	10,555,779	54.79%
2019/2020	20,647,397	10,363,960	50.19%

Source: Extensions: Cook County Clerk's Office.

Collections: Cook County Treasurer's Office.

(1) As of November 16, 2021. Excludes interest.



## ***Representative Tax Rate of the City***

<u>Entity</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<b>The City</b>	<b>\$8.793</b>	<b>\$8.868</b>	<b>\$9.356</b>	<b>\$9.709</b>	<b>\$9.300</b>
County	0.533	0.496	0.489	0.454	0.453
Consolidated Elections	0.000	0.031	0.000	0.030	0.000
Cook County Forest Preserve District	0.063	0.062	0.060	0.059	0.058
Metropolitan Water Reclamation District	0.406	0.402	0.409	0.389	0.378
South Cook County Mosquito Abatement	0.017	0.016	0.017	0.018	0.017
Thornton Township	0.535	0.529	0.550	0.550	0.379
Harvey Library District	0.747	1.231	0.827	0.986	1.261
Harvey Park District	0.887	0.800	1.316	1.325	0.931
School District Number 152	3.624	5.210	5.547	5.357	5.404
High School District Number 205	6.531	6.410	6.475	6.718	5.854
South Suburban Community College District Number 510	<u>0.607</u>	<u>0.578</u>	<u>0.611</u>	<u>0.627</u>	<u>0.555</u>
Totals	\$22.743	\$24.633	\$25.657	\$26.222	\$24.590

Source: Cook County Clerk's Office

## ***Tax 10 Largest Taxpayers***

### **Largest Taxpayers Tax Year 2020\***

<u>Taxpayer Name</u>	<u>2020 EAV</u>	<u>% of 2020_ EAV<sup>(1)</sup></u>
Allied Tube & Conduit	8,182,480	3.69%
Fuchs Lubricants Co	4,736,196	2.13%
Sonia Waters	2,589,196	1.17%
Bunny Logistics Inc	2,452,550	1.10%
Heather Helth Cntr LLC	1,986,349	0.89%
Pearl Paints North America	1,975,244	0.89%
Harvey Shopping Center	1,737,226	0.78%
Natl Shopping Plazas	1,659,891	0.75%
Ingalls Health System	1,559,175	0.70%
Children Habilitation	<u>1,460,523</u>	<u>0.66%</u>
Total	\$28,338,830	12.76%

\*Based on valuation of property owned. Some or all taxes due on holdings may remain unpaid.

Source: Cook County Clerk's Office

***Retailer's Occupation, Service Occupation and Use Tax and Home Rule Tax***

State Fiscal Year ending June 30:	State Sales Tax Distributions	Annual Percentage Change
2017	\$2,174,469	2.8%
2018	2,157,244	-0.8%
2019	2,595,800	20.3%
2020	2,428,625	-6.4%
2021	2,291,643	-5.6%

Source: Illinois Department of Revenue

\*Tax distributions are based on records of the Illinois Department of revenue relating to the 1% municipal portion of the retailers occupation service occupation and use tax and home rule taxes, collected on behalf of the City, less a state administration fee. The municipal one percent includes tax receipts from the sale of food and drugs which are not taxed by the State.

\*\* The 2017 percentage is based on a 2016 sales tax of \$2,114,293.

## **FINANCIAL INFORMATION**

### ***General Fund Balance Sheet***

	<b><u>General Fund Balance Sheet</u></b>				
	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021(1)</u>
ASSETS					
Cash and Cash Equivalents	\$1,552,454	\$914,540	\$658,499	\$576,855	[Audit Not Yet Available]
Investments					
<b>Receivables</b>					
Property Taxes	14,907,902	12,267,778	13,025,689	12,896,185	
Accounts	1,394,287	2,342,130	846,779	638,780	
Utility Taxes and Franchise Fees					
Settlement Receivable		66,365			
Other	407,495	178,509	416,756	511,673	
Due from Other Governments	194,778				
Due from Other Funds					
Advances to (from) Other Funds	10,892	10,364	10,364	4,980	
Prepays/ Inventories	87,488	138,376	112,004	33,433	
TOTAL ASSETS	\$18,555,296	\$15,918,062	\$15,070,091	\$14,661,906	
Liabilities:					
Accounts Payable	\$3,635,311	\$3,006,236	\$1,889,973	\$2,866,051	
Accrued Payroll	263,020	191,519	244,147	290,515	
Deposits Payable	804,372	801,115	2,384	19,606	
Checks Paid Exceeding Cash	0	0			
Due to Other Governments	53,510	28,718	77,151	130,166	
Advances from Other Funds	58,881,315	58,953,265	59,378,214	59,789,180	
Other Payable	0	0	0	0	
TOTAL LIABILITIES	\$63,637,528	\$62,980,853	\$61,591,869	\$63,095,518	
DEFERRED INFLOWS OF RESOURCES					
Property Taxes	10,527,500	10,662,244	11,064,496	11,588,358	
Total Liabilities and Deferred Inflows	0	0	0	123,040	
	\$74,165,028	\$73,643,097	\$72,656,365	\$74,806,916	
FUND BALANCES					
Nonspendable					
Restricted	\$98,380	\$148,740	\$122,368	\$38,413	
Assigned	312,490	294,869	258,025	253,855	
Unassigned	0	0	0	0	
Total Fund Balances	-56,020,602	-58,168,644	-57,966,667	-60,437,278	
Total Liabilities, Deferred Inflows of	-\$55,609,732	-\$57,725,035	-\$57,586,274	-\$60,145,010	

Source: Audited Financial Statements of the City for years ended April 30.

## **General Fund Statement of Revenues, Expenditures and Changes in Fund Balance**

	<b>General Fund</b>				
	<b><u>Revenues and Expenditures</u></b>				
	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
REVENUES:					
Property Taxes	12,847,868	11,205,373	10,112,099	11,171,119	[Audit Not Yet Available]
Utility and Other Taxes	0	0	0	0	
Intergovernmental	6,130,190	5,825,401	6,543,626	6,906,328	
Licenses and Permits	1,051,742	1,305,118	1,423,277	901,670	
Fines and Forfeits	425,398	528,751	358,535	455,217	
Fees and Services	3,946,095	3,770,713	3,844,741	2,890,665	
Interest	2,111	11,884	11,838	9,146	
Other	117,982	139,545	209,453	140,030	
<b>TOTAL REVENUES</b>	<b>24,521,386</b>	<b>22,786,785</b>	<b>22,503,569</b>	<b>22,474,175</b>	<b>0</b>
Expenditures					
Current					
General Government	8,235,216	6,867,912	5,705,848	5,865,465	
Public Safety	15,550,835	14,421,552	14,943,748	15,693,191	
Public Works	3,508,984	3,034,343	2,999,771	2,548,748	
Community Development	83,576	63,849	95,209	4,691	
Capital Outlay	299,880	130,546	41,911	162,837	
Debt Service	0	0	0	205,010	
<b>Total Expenditures</b>	<b>27,678,491</b>	<b>24,518,202</b>	<b>23,786,487</b>	<b>24,479,942</b>	<b>0</b>
Excess of Revenue Over (Under)					
Expenditures	-3,157,105	-1,731,417	-1,282,918	-2,005,767	<b>0</b>
Other Financing Sources (Uses)					
Disposal of Capital Assets	22,450	175,380	38,338	0	
Transfers In	0	0	0	0	
Transfers Out	-918,130	-559,266	-654,219	-552,969	
<b>Total</b>	<b>-895,680</b>	<b>-383,886</b>	<b>-615,881</b>	<b>-552,969</b>	<b>0</b>
Net Change in Fund Balances	-4,052,785	-2,115,303	-1,898,799	-2,558,736	<b>0</b>
Fund Balance - Beginning	-51,556,947	-55,609,732	-55,687,475(1)	-57,586,274	-60,145,010
Fund Balance - Ending	-55,609,732	-57,725,035	-57,586,274	-60,145,010	-60,145,010

Source: Audited Financial Statements of the City for years ended April 30.

## Budget Financial Information

	General Fund Budget Twelve Months Ending				
	<u>4/30/18</u>	<u>4/30/19</u>	<u>4/30/20</u>	<u>4/30/21</u>	<u>4/30/22</u>
REVENUES:					
Property Taxes	\$8,100,000	\$8,750,000	\$8,060,000	\$8,846,800	\$8,041,812
Sales Taxes	4,440,000	4,540,000	5,040,000	4,650,100	5,320,000
Utility and Other Taxes	2,570,000	2,767,000	2,850,000	2,652,850	3,520,000
Intergovernmental	-	-	-	-	-
Licenses and Permits	-	-	-	-	-
Fines and Forfeits	515,000	385,000	570,000	316,000	435,000
Fees and Services	4,073,700	4,452,000	4,459,000	3,631,800	3,776,000
Interest	4,000	5,000	4,000	500	-
Rents	50,000	65,000	75,000	36,600	90,000
Other	<u>1,635,000</u>	<u>2,420,000</u>	<u>3,641,000</u>	<u>1,743,000</u>	<u>4,680,000</u>
Total Revenues	\$21,387,700	\$23,384,000	\$24,699,000	\$21,877,650	\$25,862,812
Expenditures					
Current:					
Mayor	\$91,668	\$91,668	\$107,894	\$99,545	\$109,176
Administrative Services	340,921	340,921	762,009	1,132,150	1,553,800
Legal Department	250,000	250,000	625,000	600,000	750,000
Aldermen	500,002	500,002	438,000	401,400	477,338
City Clerk	221,454	221,454	245,543	219,400	213,160
City Treasurer	29,743	29,743	28,900	29,005	30,192
Finance Department	759,400	759,400	502,600	625,000	875,300
Planning and Development	888,243	888,243	664,870	691,512	818,400
Police and Fire (excl. pension)	12,920,655	12,920,655	10,618,545	10,321,354	11,746,075
Pension	3,815,864	4,570,874	4,949,000	5,300,000	5,400,000
Street Department	2,974,597	2,974,597	2,635,700	3,066,350	3,551,943
Miscellaneous	5,687,944	5,687,944	3,700,000	3,600,000	4,524,000
Transfer to Hotel/ Motel	<u>552,000</u>	<u>552,000</u>	<u>555,569</u>	<u>560,000</u>	<u>550,344</u>
Total Expenditures	\$29,032,491	\$29,787,501	\$25,833,630	\$26,645,716	\$30,599,728
Excess (Deficiency) of Revenues Over (Under) Expenditures	-\$7,644,791	-\$6,403,501	-\$1,134,630	-\$4,768,066	-\$4,736,916
Source: The City.					