

VILLAGE OF DOWNERS GROVE
Report for the Village Council Meeting

11/10/2015

SUBJECT:	SUBMITTED BY:
Estimate 2015 Aggregate Tax Levy for the Village of Downers Grove	Judy Buttny Finance Director

SYNOPSIS

A motion is requested to determine the tax levy estimate upon the taxable property in the Village in accordance with State law, which requires this action no less than 20 days prior to the adoption of the aggregate tax levy. The motion additionally directs staff to prepare ordinances to abate the preliminary tax levies related to the 2015 tax levies.

STRATEGIC PLAN ALIGNMENT

The goals for 2011-2018 include *Steward of Fiscal and Environmental Sustainability*.

FISCAL IMPACT

The Village portion of the property tax levy after abatements is \$12,303,584, which is consistent with the FY2016 Budget as adopted on November 3, 2015. The total aggregate levy prior to abatements is \$26,111,393, which also includes levies for the Downers Grove Public Library and Special Service areas. The process for adopting the levy and difference between these figures is explained below.

BACKGROUND

The tax levy process requires the adoption of the estimated aggregate tax levy in advance of the following:

- Publication of Truth in Taxation Notice and Announcement of Public Hearing 11/18/15
- Public Hearing on Tax Levy 12/01/15
- Adoption of Tax Levy 12/08/15
- Abatement of Certain Debt Levies 12/08/15
- Last day to file Levy with the County 12/29/15

Annually, the Village Council is required to levy taxes for the following:

- Village operations defined as corporate/police and fire protection;
- Police and Fire pension;
- Village General Obligation (GO) bond payments;
- Library operations;
- Library General Obligation bond payments; and
- Special Services Areas.

Following the levy of taxes, the Council may *abate* or reduce the levy (reduce the property tax collections) for the specific amount for which the Village has other resources available to pay for debt service. The following dedicated revenue sources are included in the FY2016 budget and allow for the abatement of GO bond payments as shown in the table below:

- Gasoline tax revenues budgeted for bonds issued to improve Fairview Avenue;
- Water revenues budgeted for bonds issued to improve the water system;
- Fund balance in the Library Debt Service Fund available to pay for a portion of the debt service related to library improvements completed in the mid-1990's; and
- Stormwater, capital and Tax Increment Financing (TIF) fund revenues budgeted for all remaining GO Bond payments.

The estimated levy, shown before and after abatements, is presented in the table below. The Village portion of the levy after abatements is \$12,303,584. All figures presented below are consistent with the FY2015 Budget.

EAV		2015 projected EAV 4% increase
EAV Village		\$2.13 billion
Levy	2015 recommended levy before abatements	2015 recommended levy after abatements
Corporate levy	2,997,145	2,997,145
Fire Protection levy	2,850,000	2,850,000
Fire Pension	2,820,461	2,820,461
Police Pension	2,664,454	2,664,454
Capital	971,524	971,524
Debt Service:		
GO Bonds, Series 2008A	809,100	-
GO Bonds, Series 2008B	108,000	-
GO Bonds, Series 2009	1,049,475	-
GO Bonds, Series 2010A	438,150	-
GO Bonds, Series 2010B	753,200	-
GO Bonds, Series 2012	1,937,419	-
GO Bonds, Series 2013A	1,644,050	-
GO Bonds, Series 2014A	786,625	-
GO Bonds, Series 2015	516,050	-
Total Debt Service	8,042,069	-
Village Levy	20,345,653	12,303,584
Projected Village Tax Rate		0.5853
Library Operating	4,826,000	4,826,000
Library Debt Service	620,658	328,583
Special Service Area #2	247,000	247,000
Special Service Area #6	72,082	72,082
Total All Levies	26,111,393	17,777,249

**VILLAGE OF DOWNERS GROVE
COUNCIL ACTION SUMMARY**

INITIATED: Finance Director **DATE:** November 10, 2015
(Name)

RECOMMENDATION FROM: N/A **FILE REF:** _____
(Board or Department)

NATURE OF ACTION: **STEPS NEEDED TO IMPLEMENT ACTION:**

- Ordinance
 - Resolution
 - Motion
 - Other
- Motion to find and determine that the aggregate levy for the Village of Downers Grove, as defined in the Illinois Truth and Taxation Law, estimated to be necessary to be raised by taxation for 2015 upon the taxable property in Downers Grove is \$25,792,310.76. This amount is based upon an estimated levy of \$3,968,669 for corporate and police; \$2,850,000 for fire; \$2,664,454 for police pension; \$2,820,461 for fire pension; \$4,826,000 for library operating; \$620,658 for Library 2013 Series debt service; \$809,100 for Stormwater 2008A Series debt service; \$108,000 for Central Business District 2008B Series debt service; \$1,049,475 for Central Business District and Fairview Avenue 2009 Series debt service; \$438,150 for Central Business District 2010 Series debt service; \$753,200 for Central Business District 2010B Series debt service; \$1,937,418.76 for Capital Projects 2012 Series debt service; \$1,644,050 for Central Business District 2013A Series debt service; \$786,625 for Refunding Bonds 2014 Series debt service; and \$516,050 for Refunding Bonds 2015 Series.

The estimated levy for Special Service Area #2, CBD Special Service Area, is \$247,000. The estimated levy for Special Service Area #4, Green Acres Special Service Area, is \$0. The estimated levy for Special Service Area #5, Atwood Special Service Area, is \$0. The estimated levy for Special Service Area #6, Fairview Fire Protection District Special Service Area, is \$72,082. The estimated levy for Special Service Area #7, Dunham Subdivision, is \$0. The estimated levy for Special Service Area #8, Nelson Meadow Subdivision, is \$0. A public hearing will be held on these proposed levies on December 1, 2015 at 7:00 p.m. in the Village Council Chambers. The adoption of the proposed levies will be held on December 8, 2015 at 7:00 p.m. in the Village Council Chambers. Staff is also directed to prepare ordinances to abate certain 2015 tax levies.

SUMMARY OF ITEM:

Adoption of this motion will estimate the 2015 Village aggregate levy as shown above. This will be the subject of a public hearing on December 1, 2015.

RECORD OF ACTION TAKEN:
