

VILLAGE OF DOWNERS GROVE
Report for the Village Council Meeting
12/1/2015

SUBJECT:	SUBMITTED BY:
Public Hearing and first reading of ordinances for the 2015 Aggregate Tax Levy for the Village of Downers Grove	Judy Buttny Finance Director

SYNOPSIS

A public hearing is required for the 2015 Aggregate Tax Levy. The maximum levy to be considered must be published in the newspaper on November 18, 2015 to be in compliance with State law. The Council will pass ordinances establishing and abating certain tax levies on December 8, 2015. The levy must be filed with the county by December 29, 2015.

STRATEGIC PLAN ALIGNMENT

The goals for 2015-2017 include *Steward of Fiscal, Environmental and Neighborhood Sustainability*.

FISCAL IMPACT

Without the abatement of any debt, the proposed levy is estimated to be \$26,111,393. However, it is recommended that tax levy abatements totaling \$8,042,069, which would abate all Village debt, be approved, and \$292,075 of library debt abatements. Therefore, the net taxes to be raised by taxation for 2015 upon the taxable property are \$17,777,249 which includes the levy for the Village, Special Service Areas and the Public Library. The Village portion of the levy after abatements is estimated to be \$12,303,584.

BACKGROUND

The tax levy process requires the adoption of the motion presented 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 Services defined as corporate/police, fire protection, police pension, fire pension, the total amount of all General Obligation (G.O.) Bond payments due for the fiscal year;
- Library operating, Library debt; and
- all 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 that the Village has other resources available to pay for debt service. The amount to

be abated is determined by the budget when specific revenues such as gas tax are identified to pay for the Fairview Avenue debt, water revenues that are identified to pay for bonds issued to improve the water system, revenues from stormwater and capital funds, and revenues from the Tax Increment Financing (TIF) districts that are available and budgeted for debt service.

The Mayor and Village Council have the opportunity to evaluate the proposed tax levy in the context of the budget. In addition, the proposal includes the tax levy and abatements. The amounts proposed for abatement are those debt instruments for which the Village has funds other than property taxes identified to pay principal and interest obligations.

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

**PROCEDURES FOR TRUTH IN TAXATION PUBLIC HEARING
2015 TAX LEVY**

1. Mayor Opening Remarks:

I would like to call this public hearing to order. This public hearing has been called by the Village Council pursuant to the Illinois Truth in Taxation Law to consider the proposed 2015 tax levy of the Village of Downers Grove. Notice of this hearing was published in the Downers Grove Suburban Life and a copy of the notice and the proof of publication have been presented and are made a part of the official record of this hearing.

I would like to summarize the procedures which we will follow for tonight's public hearing.

1. I will ask the Village Manager to summarize the proposed 2015 tax levies.
2. I will then ask if any member of the Council wishes to make a statement or ask a question.
3. There will then be an opportunity for members of the public to make statements or comments, or to submit written statements or comments for the record.
4. I will again ask if any member of the Council wishes to make a statement or ask a question.
5. Thereafter, the hearing will be adjourned.

At this hearing, witnesses will not be sworn and a verbatim written transcript of the statements or testimony given at the hearing will not be prepared. However, a recording of the procedures will be made on Village equipment and retained until minutes of the hearing have been prepared and approved by the Village Council.

- 2. Village Manager Presentation.**
- 3. Questions or comments from the Village Council.**
- 4. Questions or comments from the public.**
- 5. Final questions or comments from the Village Council.**
- 6. Adjournment.**