

VILLAGE OF DOWNERS GROVE
Report for the Village Council Meeting
12/8/2015

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

SYNOPSIS

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.

UPDATE & RECOMMENDATION

This item was the topic of a public hearing and First Reading at the December 1, 2015, Village Council meeting. Staff recommends approval on the December 8, 2015 Active Agenda.

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 2010	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 2014	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

Tax Levy Abatement - General Obligation Bonds, Series 2010

ORDINANCE NO. _____**AN ORDINANCE ABATING A PORTION OF
THE 2015 TAX LEVY RELATED TO
THE GENERAL OBLIGATION BONDS, SERIES 2010**

WHEREAS, the Council of the Village of Downers Grove, DuPage County, Illinois, pursuant to the provisions of Article 8 of the Illinois Municipal Code, has heretofore adopted an ordinance levying taxes for the corporate purposes of the Village of Downers Grove for the fiscal year commencing on the first day of January, 2015, and ending on the thirty-first day of December, 2015, (hereinafter referred to as the "Ordinance"), which Ordinance shall, pursuant to law, be filed in the office of the County Clerk of DuPage County, Illinois; and

WHEREAS, the Ordinance provided for a levy for funds budgeted for the General Obligation Bonds, Series 2010 (Ordinance 5123 adopted February 16, 2010) in the amount of \$438,150.00; and

WHEREAS, the Village of Downers Grove has sufficient funds available in the Corporate Fund to abate a portion of the amount of tax to be levied for the General Obligation Bonds, Series 2010 and to reduce the amount of tax to be levied pursuant to the Ordinance accordingly,

NOW, THEREFORE, BE IT ORDAINED by the Council of the Village of Downers Grove, DuPage County, Illinois, as follows:

SECTION 1. That the funds available in the Corporate Fund of the Village of Downers Grove be applied to the General Obligation Bonds, Series 2010 in the amount of \$438,150.00.

SECTION 2. That the amount of \$438,150.00 levied for purposes of the General Obligation Bonds, Series 2010 be abated from the tax levy for the fiscal year commencing on the first day of January, 2015, and ending on the thirty-first day of December, 2015.

SECTION 3. That the Clerk of the Village of Downers Grove, DuPage County, Illinois, is hereby directed to file with the County Clerk of DuPage County, Illinois, a copy of this Ordinance, duly certified by said Village Clerk.

SECTION 4. That this Ordinance shall be in full force and effect from and after its passage as required by law.

SECTION 5. That all ordinances or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed.

Mayor

Passed:

Published:

Attest: _____
Village Clerk

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