

VILLAGE OF DOWNERS GROVE
Report for the Village Council Meeting
12/13/2016

SUBJECT:	SUBMITTED BY:
2016 Aggregate Tax Levy for the Village of Downers Grove	Judy Buttny Finance Director

SYNOPSIS

A public hearing is required for the 2016 Aggregate Tax Levy. The maximum levy to be considered was published in the newspaper on November 23, 2016 to be in compliance with State law. The Council will pass ordinances establishing and abating certain tax levies on December 13, 2016. The levy must be filed with the county by December 27, 2016.

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 \$26,351,102. However, it is recommended that tax levy abatements totaling \$8,186,019, which would abate all Village debt, be approved. Therefore, the net taxes to be raised by taxation for 2016 upon the taxable property are \$18,165,083 which includes the levy for the Village, Special Service Areas and the Public Library. The Village portion of the levy after abatements is proposed to be \$12,794,984.

UPDATE & RECOMMENDATION

This item was the topic of a public hearing and First Reading at the December 6, 2016, Village Council meeting. Staff recommends approval on the December 13, 2016 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 11/23/16
- Public Hearing on Tax Levy 12/06/16
- Adoption of Tax Levy 12/13/16
- Abatement of Certain Debt Levies 12/13/16
- Last day to file Levy with the County 12/27/16

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, 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.

Levy	2016 recommended levy before abatements	2016 recommended levy after abatements
Corporate levy	2,997,145	2,997,145
Fire Protection levy	2,850,000	2,850,000
Fire Pension	3,060,616	3,060,616
Police Pension	2,915,699	2,915,699
Capital	971,524	971,524
Stormwater	-	-
Debt Service:		
GO Bonds, Series 2008A	431,600	-
GO Bonds, Series 2008B	108,000	-
GO Bonds, Series 2009	1,046,575	-
GO Bonds, Series 2010	416,700	-
GO Bonds, Series 2010B	855,000	-
GO Bonds, Series 2012	1,936,819	-
GO Bonds, Series 2013A	1,814,050	-
GO Bonds, Series 2014	786,525	-
GO Bonds, Series 2015	511,650	-
GO Bonds, Series 2016	279,100	-
Total Debt Service	8,186,019	-
Village Levy	20,981,003	12,794,984
Library Operating	5,043,515	5,043,515
Special Service Area #2	247,000	247,000
Special Service Area #6	79,584	79,584
Total All Levies	26,351,102	18,165,083

VILLAGE OF DOWNERS GROVE
COUNCIL ACTION SUMMARY

INITIATED: Finance Director DATE: December 13, 2016
(Name)

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

NATURE OF ACTION:

STEPS NEEDED TO IMPLEMENT ACTION:

- Ordinance
- Resolution
- Motion
- Other

Motion to Adopt "AN ORDINANCE FOR THE LEVYING OF TAXES FOR THE FISCAL YEAR COMMENCING ON THE FIRST DAY OF JANUARY, 2016 AND ENDING ON THE THIRTY-FIRST DAY OF DECEMBER, 2016 FOR VILLAGE OF DOWNERS GROVE SPECIAL SERVICE AREA #2 (DOWNERS GROVE DOWNTOWN SERVICE AREA)", as presented



SUMMARY OF ITEM:

Adoption of this ordinance will establish the Special Service Area #2 (Downtown Special Service Area) tax levy in the amount of \$247,000.

RECORD OF ACTION TAKEN:

ORDINANCE NO. _____**AN ORDINANCE FOR THE LEVYING OF TAXES FOR THE FISCAL YEAR COMMENCING ON THE FIRST DAY OF JANUARY, 2016 AND ENDING ON THE THIRTY-FIRST DAY OF DECEMBER, 2016 FOR VILLAGE OF DOWNERS GROVE SPECIAL SERVICE AREA #2 (DOWNERS GROVE DOWNTOWN SERVICE AREA)**

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

SECTION 1. Findings. Village of Downers Grove Special Service Area #2 (Downers Grove Downtown Service Area) has been created by Ordinance 3984 and amended by Ordinance 4709, Ordinance 4739 and Ordinance 4444. Said Special Service Area #2 consists of the territory described in the aforesaid ordinances with amendments. The Village of Downers Grove is now authorized to levy taxes for special services in said Special Service Area.

SECTION 2. That the total amount of appropriations for all purposes to be collected from the tax levy of the current fiscal year in Special Service Area #2 is ascertained to be the sum of \$247,000.00.

SECTION 3. That \$247,000.00 be, and the same hereby is levied upon the taxable property, as defined in the Revenue Act of 1939 in Village of Downers Grove Special Service Area #2, and said tax to be levied for the fiscal year beginning January 1, 2016, and ending December 31, 2016.

SECTION 4. This tax is levied pursuant to Article VII, Sections 6A and 6L of the Constitution of the State of Illinois and Chapter 35, Illinois Compiled Statutes, Sec. 235/1, et seq. and pursuant to an Ordinance Establishing Village of Downers Grove Special Service Area #2.

SECTION 5. That there is hereby certified to the County Clerk of DuPage County, Illinois, the sum aforesaid, constituting said total amount and the said total amount of

\$247,000.00, which said total amount the said Village of Downers Grove Special Service Area #2 requires to be raised by taxation for the current fiscal year of said Village, and the Village Clerk, of said Village, is hereby ordered and directed to file with the County Clerk of said County on or before the time required by law, a certified copy of this Ordinance.

SECTION 6. That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION 7. That this ordinance shall be in full force and effect from and after its passage and publication in pamphlet form as provided by law.

Mayor

Passed:

Published:

Attest: _____
Village Clerk