# VILLAGE OF DOWNERS GROVE
**Report for the Village Council Meeting**
**12/5/2017**

| SUBJECT: | SUBMITTED BY: |
|---|---|
| 2017 Aggregate Tax Levy for the Village of Downers Grove | Judy Buttny<br>Finance Director |

## SYNOPSIS

The Council will pass ordinances establishing and abating certain tax levies on December 12, 2017. The levy must be filed with the county by December 26, 2017.

## STRATEGIC PLAN ALIGNMENT

The goals for 2017-2019 include *Steward of Fiscal, Environmental and Neighborhood Sustainability.*

## FISCAL IMPACT

Without the abatement of any debt, the proposed levy is estimated to be $27,315,085. However, it is recommended that tax levy abatements totaling $8,452,872, which would abate all Village debt, be approved. Therefore, the net taxes to be raised by taxation for 2017 upon the taxable property are $18,862,213, 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 $13,348,834. This levy amount is reflected in the FY18 Proposed Budget.

## 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 11/22/17
- Public Hearing on Tax Levy 12/05/17
- Adoption of Tax Levy 12/12/17
- Abatement of Certain Debt Levies 12/12/17
- Last day to file Levy with the County 12/26/17

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 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 | 2017 recommended levy before abatements | 2017 recommended levy after abatements |
|---|---|---|
| Corporate levy | 2,997,145 | 2,997,145 |
| Fire Protection levy | 2,850,000 | 2,850,000 |
| Fire Pension | 3,400,165 | 3,400,165 |
| Police Pension | 3,130,000 | 3,130,000 |
| Capital | 971,524 | 971,524 |
| Debt Service: | | |
| GO Bonds, Series 2009 | 1,045,200 | - |
| GO Bonds, Series 2010A | 544,700 | - |
| GO Bonds, Series 2010B | 966,800 | - |
| GO Bonds, Series 2012 | 1,935,319 | - |
| GO Bonds, Series 2013A | 1,839,750 | - |
| GO Bonds, Series 2014A | 791,225 | - |
| GO Bonds, Series 2015 | 512,250 | |
| GO Bonds, Series 2016 | 744,100 | |
| GO Bonds, Series 2017 | 73,528 | - |
| Total Debt Service | 8,452,872 | - |
| | | |
| **Village Levy** | **21,801,706** | **13,348,834** |
| | | |
| Projected Village Tax Rate | | 0.5571 |
| | | |
| Library Operating | 5,182,314 | 5,182,314 |
| Special Service Area #2 | 247,000 | 247,000 |
| Special Service Area #6 | 84,065 | 84,065 |
| | | |
| Total All Levies | 27,315,085 | 18,862,213 |

**ORDINANCE NO. _____**

**AN ORDINANCE ABATING A PORTION OF THE 2017 TAX LEVY RELATED TO THE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2017**

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, 2017, and ending on the thirty-first day of December, 2017, (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 Refunding Bonds, Series 2017(Ordinance 5638 adopted July 18, 2017) in the amount of $73,528.00; 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 Refunding Bonds, Series 2017 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 Refunding Bonds, Series 2017 in the amount of $73,528.00.

SECTION 2. That the amount of $73,528.00 levied for purposes of the General Obligation Refunding Bonds, Series 2017 be abated from the tax levy for the fiscal year

commencing on the first day of January, 2017, and ending on the thirty-first day of December, 2017.

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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