

VILLAGE OF DOWNERS GROVE
Report for the Village
11/13/2018

SUBJECT:	SUBMITTED BY:
Motion to Estimate 2018 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 2018 tax levies.

STRATEGIC PLAN ALIGNMENT

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

FISCAL IMPACT

This action establishes the maximum amount that the Village's tax levy cannot exceed. For this reason, it must include all potential components of the 2018 tax levy.

Those components, contained in the following table, total \$28,243,199. The process of abating, or reducing portions of the tax levy (because other sources of funding are available) will have the effect of lowering that amount to \$19,474,154 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 \$13,800,025. These figures are consistent with the FY2019 budget, which is scheduled for adoption on November 20, 2018.

Levy	2018 recommended levy before abatements	2018 recommended levy after abatements
Corporate levy	2,997,145	2,997,145
Fire Protection levy	2,850,000	2,850,000
Fire Pension	3,611,356	3,611,356
Police Pension	3,370,000	3,370,000
Capital	971,524	971,524
Debt Service:		
GO Bonds, Series 2010A	1,741,300	-
GO Bonds, Series 2010B	1,078,000	-
GO Bonds, Series 2012	1,932,919	-
GO Bonds, Series 2013A	835,375	-
GO Bonds, Series 2014	790,625	-
GO Bonds, Series 2015	512,750	
GO Bonds, Series 2016	745,150	
GO Bonds, Series 2017	1,132,926	-
Total Debt Service	8,769,045	-
Village Levy	22,569,070	13,800,025
Projected Village Tax Rate		0.5501
Library Operating	5,337,785	5,337,785
Special Service Area #2	247,000	247,000
Special Service Area #6	89,344	89,344
Total All Levies	28,243,199	19,474,154

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 11/21/18
- Public Hearing on Tax Levy 12/04/18
- Adoption of Tax Levy 12/11/18
- Abatement of Certain Debt Levies 12/11/18
- Last day to file Levy with the County 12/24/18

Annually, the Village Council is required to levy taxes for the following 1) 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, 2) Library operating and 3) 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.