

VILLAGE OF DOWNERS GROVE
Report for the Village Council Meeting
12/6/2022

SUBJECT:	SUBMITTED BY:
Motion to Estimate 2022 Aggregate Tax Levy for the Village of Downers Grove	Robin Lahey 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 2022 tax levies.

STRATEGIC PLAN ALIGNMENT

The goals for 2021-2023 include *Steward of Fiscal, 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 2022 tax levy.

Those components, contained in the following table, total \$29,564,222. 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 \$23,326,044 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 \$16,887,831. These figures are consistent with the FY2023 budget, which is scheduled for adoption on December 13, 2022.

RECOMMENDATION

UPDATE & RECOMMENDATION

This item was discussed at the November 16, 2022 Village Council meeting. Staff recommends approval at the December 6, 2022 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 11/23/22
- Public Hearing on Tax Levy 12/06/22
- Adoption of Tax Levy 12/13/22
- Abatement of Certain Debt Levies 12/13/22
- Last day to file Levy with the County 12/31/22

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, and revenues from stormwater and capital funds that are available and budgeted for debt service.

Levy	2022 recommended levy before abatements	2022 recommended levy after abatements
Corporate levy	3,501,751	3,501,751
Fire Protection levy	2,935,500	2,935,500
Fire Pension	4,467,226	4,467,226
Police Pension	5,011,830	5,011,830
Capital	971,524	971,524
Debt Service:		
GO Bonds, Series 2014	788,275	-
GO Bonds, Series 2015	516,050	-
GO Bonds, Series 2016	744,600	-
GO Bonds, Series 2019	489,200	-
GO Bonds, Series 2020	1,829,703	-
GO Bonds, Series 2022	1,870,350	-
Total Debt Service	6,238,178	-
Village Levy	23,126,009	16,887,831
Projected Village Tax Rate		0.5620
Library Operating	5,921,063	5,921,063
Special Service Area #6	117,150	117,150
Special Service Area #11	400,000	400,000
Total All Levies	29,564,222	23,326,044

VILLAGE OF DOWNERS GROVE COUNCIL ACTION SUMMARY

INITIATED: Finance Director DATE: December 6, 2022
(Name)

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

NATURE OF ACTION:

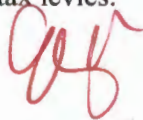
STEPS NEEDED TO IMPLEMENT ACTION:

- Ordinance
- Resolution
- Motion
- Other

Motion to find and determine that the aggregate levy for the Village of Downers Grove, as defined in the Illinois Truth in Taxation Law, estimated to be necessary to be raised by taxation for 2022 upon the taxable property in Downers Grove is \$29,564,221.50. This amount is based upon an estimated levy of \$4,473,275 for corporate and police; \$2,935,500 for fire; \$5,011,830 for police pension; \$4,467,226 for fire pension; \$5,921,063 for library operating; \$788,275 for Refunding Bonds 2014 Series debt service; \$516,050 for Refunding Bonds 2015 Series debt service; \$744,600 for Refunding Bonds 2016 Series debt service; \$489,200 for Stormwater Bonds 2019 Series debt service; \$1,829,702.50 for Refunding Bonds 2020 Series debt services, and \$1,870,350 for Facility & Stormwater Bonds 2022 Series debt services.

The estimated levy for Special Service Area #6, Fairview Fire Protection District Special Service Area, is \$117,150 and the estimate levy for Special Service Area #11, Downtown Downers Grove is \$400,000. The estimated levies are \$0 for the following Special Service Areas: Area #4, Green Acres; Area #5, Atwood; Area #7, Dunham Subdivision; Area #8, Nelson Meadow Subdivision; Area #9, 35th & Saratoga Subdivision; Area #10 Bridgepoint Downers Grove Subdivision, Area #12, Fairview Ridge Subdivision and Area #13, Kapovich Subdivision.

A public hearing was held on these proposed levies on December 6, 2022 at 7:00 p.m. in the Village Council Chambers. The adoption of the proposed levies have been scheduled for December 13, 2022 at 7:00 p.m. in the Village Council Chambers. Staff is also directed to prepare ordinances to abate certain 2022 tax levies.



SUMMARY OF ITEM:

Adoption of this motion will estimate the 2022 Village aggregate levy as shown above. This was the subject of a public hearing on December 6, 2022.

RECORD OF ACTION TAKEN:
