Village of Downers Grove

Report for the Village Council Meeting

Table 1 - Council Agenda item.

Subject	Motion to Estimate 2026 Aggregate Tax Levy for the Village of Downers Grove
Submitted By	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 2026 tax levies.

Strategic Plan Alignment

The goals for 2025-2027 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 2026 tax levy.

Those components, contained in the following table, total $34,647,300. 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 $26,938,737 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 $18,467,205. These figures are consistent with the Fiscal Year 2027 budget, which is scheduled for adoption on December 1, 2026.

Recommendation

Approval on the November 17, 2026 Active Agenda.

Background

The tax levy process requires the adoption of the motion presented in advance of the following:

- 11/20/26 - Publication of Truth in Taxation Notice and Announcement of Public Hearing.
- 12/01/26 - Public Hearing on Tax Levy.
- 12/08/26 - Adoption of Tax Levy.
- 12/08/26 - Abatement of Certain Debt Levies.
- 12/31/26 - Last day to file Levy with the County.

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.

Table 2 - 2026 recommended levy items with abatements.

Levy Items	Before abatements	After abatements
Corporate levy	$2,586,645	$2,586,645
Fire Protection levy	$2,935,500	$2,935,500
Fire Pension	$5,901,234	$5,901,234
Police Pension	$6,072,302	$6,072,302
Capital	$971,524	$971,524
Debt Service GO Bonds, Series 2014	$1,365,025	$0
Debt Service GO Bonds, Series 2015	$514,250	$0
Debt Service GO Bonds, Series 2019	$486,100	$0
Debt Service GO Bonds, Series 2020	$1,827,044	$0
Debt Service GO Bonds, Series 2022	$2,220,225	$0
Debt Service GO Bonds, Series 2026A	$1,124,119	$0
Debt Service GO Bonds, Series 2026B	$171,800	$0
Total Debt Service	$7,708,563	$0
Village Levy	$26,175,768	$18,467,205
Projected Village Tax Rate	N/A	0.4896
Library Operating	$7,815,189	$7,815,189
Special Service Area #6	$133,343	$133,343
Special Service Area #11	$523,000	$523,000
Total All Levies	$34,647,300	$26,938,737