

VILLAGE OF DOWNERS GROVE
Report for the Village Council Meeting
11/15/2016

SUBJECT:	SUBMITTED BY:
Motion to Estimate the 2016 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 2016 tax levies.

STRATEGIC PLAN ALIGNMENT

The goals for 2015-2017 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 2016 tax levy.

Those components, contained in the following table, total \$30,251,102, of which the Village levy amount is \$24,881,003. 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 \$16,694,984. The Village Council decision regarding the revenue source to fund stormwater improvements (based on the results of the advisory referendum) will also impact the final tax levy amount and is reflected in the table. If stormwater improvements continue to be funded through the Stormwater Utility, meaning that no amount is levied in property taxes to fund stormwater, then the Village's 2016 levy, after abatements, will be \$12,794,984. These figures are consistent with the FY2017 budget, which is scheduled for adoption on November 22, 2016.

Levy	2016 recommended levy before abatements (Stormwater Included)	2016 recommended levy after abatements (Stormwater Included)	2016 recommended levy after abatements (Stormwater Removed)
Corporate levy	2,997,145	2,997,145	2,997,145
Fire Protection levy	2,850,000	2,850,000	2,850,000
Fire Pension	3,060,616	3,060,616	3,060,616
Police Pension	2,915,699	2,915,699	2,915,699
Capital	971,524	971,524	971,524
Stormwater	3,900,000	3,900,000	-
Debt Service:			
GO Bonds, Series 2008A	431,600	-	-
GO Bonds, Series 2008B	108,000	-	-
GO Bonds, Series 2009	1,046,575	-	-
GO Bonds, Series 2010A	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 2014A	786,525	-	-
GO Bonds, Series 2015	511,650	-	-
GO Bonds, Series 2016	279,100	-	-
Total Debt Service	8,186,019	-	-
Village Levy	24,881,003	16,694,984	12,794,984
Library Operating	5,043,515	5,043,515	5,043,515
Special Service Area #2	247,000	247,000	247,000
Special Service Area #6	79,584	79,584	79,584
Total All Levies	30,251,102	22,065,083	18,165,083

BACKGROUND

The tax levy process requires the adoption of the estimated tax levy motion 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: 1) Village Services defined as corporate/police, fire protection, police pension, fire pension, capital/stormwater, 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.