

**VILLAGE OF DOWNERS GROVE**  
**Report for the Village Council Meeting**  
**11/22/2016**

<b>SUBJECT:</b>	<b>SUBMITTED BY:</b>
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. 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	2016 recommended levy after abatements
Corporate levy	2,997,145	2,997,145
Fire Protection levy	2,850,000	2,850,000
Fire Pension	3,060,616	3,060,616
Police Pension	2,915,699	2,915,699
Capital	971,524	971,524
Stormwater	-	-
Debt Service:		
GO Bonds, Series 2008A	431,600	-
GO Bonds, Series 2008B	108,000	-
GO Bonds, Series 2009	1,046,575	-
GO Bonds, Series 2010	416,700	-
GO Bonds, Series 2010B	855,000	-
GO Bonds, Series 2012	1,936,819	-
GO Bonds, Series 2013	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	-
<b>Village Levy</b>	<b>20,981,003</b>	<b>12,794,984</b>
Library Operating	5,043,515	5,043,515
Special Service Area #2	247,000	247,000
Special Service Area #6	79,584	79,584
<b>Total All Levies</b>	<b>26,351,102</b>	<b>18,165,083</b>

### UPDATE & RECOMMENDATION

This item was discussed at the November 15 Village Council meeting. Based on Council discussion, the \$3.9 million in revenue needed for the Stormwater Fund will not be added to the property tax levy. The total Village levy is \$12,794,984; the Library levy is \$5,043,515; the Special Service levies are \$326,584 and the debt service to be abated is \$8,186,019, for a total of \$26,351,102.

### 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.

## VILLAGE OF DOWNERS GROVE COUNCIL ACTION SUMMARY

**INITIATED:** Finance Director      **DATE:** November 22, 2016  
(Name)

**RECOMMENDATION FROM:** N/A      **FILE REF:** \_\_\_\_\_  
(Board or Department)

**NATURE OF ACTION:**      **STEPS NEEDED TO IMPLEMENT ACTION:**

<input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Other	<p>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 2016 upon the taxable property in Downers Grove is \$26,024,517.76. This amount is based upon an estimated levy of \$3,968,669 for corporate and police; \$2,850,000 for fire; \$2,915,699 for police pension; \$3,060,616 for fire pension; \$5,043,515 for library operating; \$431,600 for Stormwater 2008A Series debt service; \$108,000 for Central Business District 2008B Series debt service; \$1,046,575 for Central Business District and Fairview Avenue 2009 Series debt service; \$416,700 for Central Business District 2010 Series debt service; \$855,000 for Central Business District 2010B Series debt service; \$1,936,818.76 for Capital Projects 2012 Series debt service; \$1,814,050 for Central Business District 2013A Series debt service; \$786,525 for Refunding Bonds 2014 Series debt service; \$511,650 for Refunding Bonds 2015 Series debt service; and \$279,100 for Refunding Bonds 2016 Series debt service.</p>
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The estimated levy for Special Service Area #2, CBD Special Service Area, is \$247,000. The estimated levy for Special Service Area #4, Green Acres Special Service Area, is \$0. The estimated levy for Special Service Area #5, Atwood Special Service Area, is \$0. The estimated levy for Special Service Area #6, Fairview Fire Protection District Special Service Area, is \$79,584. The estimated levy for Special Service Area #7, Dunham Subdivision, is \$0. The estimated levy for Special Service Area #8, Nelson Meadow Subdivision, is \$0. A public hearing will be held on these proposed levies on December 6, 2016 at 7:00 p.m. in the Village Council Chambers. The adoption of the proposed levies will be held on December 13, 2016 at 7:00 p.m. in the Village Council Chambers. Staff is also directed to prepare ordinances to abate certain 2016 tax levies.

**SUMMARY OF ITEM:**

Adoption of this motion will estimate the 2016 Village aggregate levy as shown above. This will be the subject of a public hearing on December 6, 2016.

**RECORD OF ACTION TAKEN:**