

VILLAGE OF DOWNERS GROVE
REPORT FOR THE VILLAGE COUNCIL MEETING
FEBRUARY 20, 2006 AGENDA

SUBJECT:	TYPE:	SUBMITTED BY:
Ordinance – Abatement of Property Tax Levies	Resolution ✓ Ordinance Motion Discussion Only	Rita Trainor Finance Director

SYNOPSIS

An ordinance has been prepared to abate portions of the 2005 property tax levy for which the Village has available sources of revenue other than general property taxes to meet certain obligations.

FISCAL IMPACT

By abating portions of the 2005 aggregate tax levy as recommended, \$2,061,146 in property taxes that were levied by the Village Council in December 2005 will not be levied or collected. Instead, the Village will use other sources of revenue to meet the related financial obligations. The FY2006-07 Recommended Budget has been prepared with those other sources funding in place to allow the Village Council to undertake the recommended abatements. The amount of each portion of the tax levy to be abated is listed below.

UPDATE & RECOMMENDATION

This item was discussed at the February 14, 2006 Village Council Workshop. Approval is recommended on the February 20, 2006 active agenda.

BACKGROUND

On December 20, 2005, the Village Council adopted a 2005 aggregate tax levy ordinance. At the time, staff indicated that ordinances to abate portions of the levy would be brought forward in late February. DuPage County municipalities must adopt abatement ordinances by March 1.

The table below identifies the components of the aggregate tax levy that are recommended for abatement:

Portion of Tax Levy to be Abated	Amount	Source of Funding
Fairview Avenue Debt Service	\$ 273,540	Local Gasoline Tax
Downtown TIF Debt Service Series 1999	\$ 180,525	TIF Revenue
Downtown TIF Debt Service Series 2002	\$ 369,733	TIF Revenue
Downtown TIF Debt Service Series 2003A	\$ 721,915	TIF Revenue
Water Debt service 2001A	\$ 515,433	Water Fund Revenues
TOTAL	\$ 2,061,146	

These recommended abatements are consistent with the information presented at the Tax Levy Public Hearing on December 6, 2005. By approving these abatements, the Village Council will establish a 2005 tax levy with an estimated tax rate for Village Operations of \$0.4137 per \$100 of

equalized assessed valuation based on a total estimated valuation of \$2,026,641,977. The estimated 2005 tax rate is 6.2% below the 2004 rate of \$0.4393.

VILLAGE OF DOWNERS GROVE
COUNCIL ACTION SUMMARY

INITIATED: Dir. of Finance **DATE:** February 20, 2006
(Name)

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

NATURE OF ACTION:

- Ordinance
- Resolution
- Motion
- Other

STEPS NEEDED TO IMPLEMENT ACTION:

Motion to Adopt "AN ORDINANCE ABATING A PORTION OF THE 2005 TAX LEVY RELATED TO THE GENERAL OBLIGATION BONDS, SERIES 2002", as presented.

SUMMARY OF ITEM:

Adoption of this ordinance will abate the 2005 tax levy for the General Obligation Bond Series 2002 in the amount of \$369,733.00.

RECORD OF ACTION TAKEN:

ORDINANCE NO. _____

AN ORDINANCE ABATING A PORTION OF
THE 2005 TAX LEVY RELATED TO
THE GENERAL OBLIGATION BONDS, SERIES 2002

WHEREAS, the Council of the Village of Downers Grove, DuPage County, Illinois, pursuant to the provisions of Article 8 of the Illinois Municipal Code, has heretofore adopted an ordinance levying taxes for the corporate purposes of the Village of Downers Grove for the fiscal year commencing on the first day of May, 2005, and ending on the thirtieth day of April, 2006, (hereinafter referred to as the "Ordinance"), which Ordinance shall, pursuant to law, be filed in the office of the County Clerk of DuPage County, Illinois; and

WHEREAS, the Ordinance provided for a levy for funds budgeted for the General Obligation Bonds, Series 2002 (Ordinance 4439 adopted August 6, 2002) in the amount of \$369,733.00; and

WHEREAS, the Village of Downers Grove has sufficient funds available in the Corporate Fund to abate a portion of the amount of tax to be levied for the General Obligation Bonds, Series 2002 and to reduce the amount of tax to be levied pursuant to the Ordinance accordingly,

NOW, THEREFORE, BE IT ORDAINED by the Council of the Village of Downers Grove, DuPage County, Illinois, as follows:

SECTION 1. That the funds available in the Corporate Fund of the Village of Downers Grove be applied to the General Obligation Bonds, Series 2002 in the amount of \$369,733.00.

SECTION 2. That the amount of \$369,733.00 levied for purposes of the General Obligation Bonds, Series 2002 be abated from the tax levy for the fiscal year commencing on the first day of May, 2005, and ending on the thirtieth day of April, 2006.

SECTION 3. That the Clerk of the Village of Downers Grove, DuPage County, Illinois, is hereby directed to file with the County Clerk of DuPage County, Illinois, a copy of this Ordinance, duly certified by said Village Clerk.

SECTION 4. That this Ordinance shall be in full force and effect from and after its passage as required by law.

SECTION 5. That all ordinances or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed.

Mayor

Passed:

Published:

Attest: _____
Village Clerk