

VILLAGE OF DOWNERS GROVE
Report for the Village
12/1/2020

SUBJECT:	SUBMITTED BY:
Motion to Estimate 2020 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 2020 tax levies.

STRATEGIC PLAN ALIGNMENT

The goals for 2019-2021 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 2020 tax levy.

Those components, contained in the following table, total \$26,074,836. 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 \$21,698,453 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 \$15,790,288. These figures are consistent with the FY2021 budget, which is scheduled for adoption on December 1, 2020.

UPDATE & RECOMMENDATION

This item was discussed at the November 17, 2020 Village Council meeting. Staff recommends approval on the December 1, 2020 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 11/18/20
- Public Hearing on Tax Levy 12/01/20
- Adoption of Tax Levy 12/08/20
- Abatement of Certain Debt Levies 12/08/20
- Last day to file Levy with the County 12/31/20

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, revenues from stormwater and capital funds, and revenues from the Tax Increment Financing (TIF) districts that are available and budgeted for debt service.

Levy	2020 recommended levy before abatements	2020 recommended levy after abatements
Corporate levy	3,086,645	3,086,645
Fire Protection levy	2,935,500	2,935,500
Fire Pension	4,785,434	4,785,434
Police Pension	4,011,185	4,011,185
Capital	971,524	971,524
Debt Service:		
GO Bonds, Series 2012	1,215,400	-
GO Bonds, Series 2014	788,075	-
GO Bonds, Series 2015	518,450	-
GO Bonds, Series 2016	745,900	-
GO Bonds, Series 2019	486,600	-
GO Bonds, Series 2020	621,958	-
Total Debt Service	4,376,383	-
Village Levy	20,166,671	15,790,288
Projected Village Tax Rate		0.5807
Library Operating	5,553,474	5,553,474
Special Service Area #2	247,000	247,000
Special Service Area #6	107,691	107,691
Total All Levies	26,074,836	21,698,453

VILLAGE OF DOWNERS GROVE COUNCIL ACTION SUMMARY

INITIATED: Finance Director **DATE:** December 1, 2020
(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 2020 upon the taxable property in Downers Grove is \$26,074,836.30. This amount is based upon an estimated levy of \$4,058,169 for corporate and police; \$2,935,500 for fire; \$4,011,185 for police pension; \$4,785,434 for fire pension; \$5,553,474 for library operating; \$1,215,400 for Capital Projects 2012 Series debt service; \$788,075 for Refunding Bonds 2014 Series debt service; \$518,450 for Refunding Bonds 2015 Series debt service; \$745,900 for Refunding Bonds 2016 Series debt service; \$486,600.00 for Stormwater Bonds 2019 Series debt service and \$621,958.30 for Refunding Bonds 2020 Series debt services.</p>
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The estimated levy for Special Service Area #2, CBD Special Service Area, is \$247,000.00 and the estimated levy for Special Service Area #6, Fairview Fire Protection District Special Service Area, is \$107,691. The estimated levies is \$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 and Area #10 Bridgepoint Downers Grove Subdivision.

A public hearing will be held on these proposed levies on December 1, 2020 at 7:00 p.m. in the Village Council Chambers. The adoption of the proposed levies will be held on December 8, 2020 at 7:00 p.m. in the Village Council Chambers. Staff is also directed to prepare ordinances to abate certain 2020 tax levies.



SUMMARY OF ITEM:

Adoption of this motion will estimate the 2020 Village aggregate levy as shown above. This will be the subject of a public hearing on December 1, 2020.

RECORD OF ACTION TAKEN:
