



Agenda Item Summary

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Reviewed By

LKS

Agenda Item Title

Truth in Taxation Public Hearing for the Proposed Tax Year 2017 Property Tax Levy

Overview

Each year the Village Board adopts a tax levy to fund general Village operations, debt service payments, and mandatory employer contributions to the police and fire pension plans. Excluding the Oak Park Library's levy, the Fiscal Year 2018 (tax year 2017 levy) is expected to be 17.94% greater than last year's extension. According to state statute, a public hearing and additional posting is required when the increase is 5% or more.

Staff Recommendation

Hold the public hearing and receive comments.

Fiscal Impact

N/A.

Background

State statute (35 ILCS 200/18-70) requires a public hearing to be held prior to the approval of the proposed property tax levy if the proposed levy for the next tax year exceeds 105% of the current tax year's levy.

The Village portion, excluding the Oak Park Public Library, for the Fiscal Year 2018 (tax year 2016) year tax levy is a 17.94% increase from the FY 2017 (tax year 2016) extended levy. Including the Oak Park Public Library's request, the proposed tax levy is a 15.50% increase from the FY 2017 (tax year 2016) extended levy.

Excluding the Library, the Village's total levy for next year as published in the truth in taxation notice calls for an increase of \$5,433,257. The Village's total levy for FY17 was \$30,284,470 and has the potential to be \$35,717,727 for FY18.

The following items account for the primary increases to the Village's levy:

- a) Police Pension Levy increase=\$530,213
- b) Fire Pension Levy decrease=\$323,809 (for FY17, an additional \$1.5 million was levied which will not be repeated in FY18)
- c) Debt Service Levy decrease=\$490,737 (due to additional abatements)

d) General Operations Levy increase=\$5,717,592

Alternatives

Reduce expenditures and/or implement new local taxes or increase existing taxes/fees to reduce reliance on the property tax levy.

Previous Board Action

N/A

Citizen Advisory Commission Action

N/A

Anticipated Future Actions/Commitments

The Village Board will hold a public hearing on the Budget November 20, 2017 at 7:30 p.m. in Council Chambers.

Intergovernmental Cooperation Opportunities

N/A.

Performance Management (MAP) Alignment

N/A.