

Finance Committee Meeting

Tuesday, October 15, 2024 6:00 PM

Addison Public Library - Large Meeting Room 1st floor, 4 Friendship Plaza,
Addison, IL 60101

1. **Roll Call/Establishment of Quorum**

2. **Call to Order**

3. **Comments from the Public**

4. **Discussion Item: Tax Levy**

5. **Additional Discussion**

6. **Adjournment**



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**TAX LEVY
OCTOBER 2024**

Colleen Witt, Finance Director for the Village of Addison, helped me prepare the following calculations, which show that based on the Township Assessors' estimate of an 8.8% increase in the EAV, a 3% increase in the Library's tax levy will amount to an increase of \$4.93 for a home with a market value of \$350,000.

The Board has a fiduciary responsibility to ensure the library has adequate funding to fulfill our mission, achieve the objectives of our strategic plan, and successfully deliver programs and services to the community. I believe this minimal increase in our levy is imperative to ensure that responsibility is met.

TAX LEVY SUMMARY VILLAGE OF ADDISON PUBLIC LIBRARY			
WHAT EFFECT WILL THE 2024 TAX LEVY HAVE ON MY TAXES?			
			Estimating an 8.8% increase in EAV
		2023 RATE	PROPOSED 2024 RATE
	MARKET VALUE	\$321,691	\$350,000
X (TIMES)	CLASSIFICATION FACTOR	33.33%	33.33%
= (EQUALS)	ASSESSED VALUATION	\$107,220	\$116,655
X (TIMES)	STATE EQUALIZER	1.0000	1.0000
= (EQUALS)	EQUALIZED VALUE	\$107,220	\$116,655
- (MINUS)	HOMEOWNERS' EXEMPTION	\$6,000	\$8,000
= (EQUALS)	EQUALIZED ASSESSED VALUATION	\$101,220	\$108,655
/ (DIVIDED BY)	100	\$1,012	\$1,087
X (TIMES)	LIBRARY TAX RATE	0.3907	0.3685
= (EQUALS)	LIBRARY TAX BILL (3%)	\$395.47	\$400.39
TOTAL VILLAGE & PUBLIC LIBRARY TAX BILL		\$395.47	\$400.39
	INCREASE IN TAX BILL		\$4.93

I have also attached the library board meeting minutes for the last five years, which were basis for the tax levy information I provided for the Shape of Addison last year. The tax levy increase amounts I provided at last month's board meeting came from reports prepared at the Village for tax levy hearings, which were based on the actual extensions. Once the County applies their formulas to capture the dollar amount we have levied for and we factor in new growth in the EAV, the actual amount levied and revenue received is a different figure than the amount levied.

To illustrate one example of the discrepancy in the two ways of calculating I have also attached the Village document for the 2020 levy, showing that what the library submitted and what was presented to the Village Board (and the County) for the library that year was a 0% increase, but resulted in a 1.07% increase based on the actual extension as shown in the Village's calculation as reported on the following page, from their 2022 report.

If you would like more specific examples to review or would like me to provide more than five years' worth of data, I am happy to do so.

VILLAGE OF ADDISON
 SCHEDULE OF TAX LEVY EXTENSIONS
 FROM LEVY YEAR 2011 THROUGH LEVY YEAR 2017

EXHIBIT 2

	EAV	EAV	EAV	EAV	ESTIMATED EAV		EATIMATED Rate
Dollar Increase	960,651,383	952,983,530	980,650,193	1,056,052,138	1,132,917,108	* See Below	ASSUMING
% Increase	-70,761,029	-7,667,853	19,998,810	103,068,608	152,266,915		7.28% Increase in EAV

MAXIMUM LEGAL RATES		2013 LEVY FOR FY 15	2014 LEVY FOR FY 16	2015 LEVY FOR FY 17	2016 LEVY FOR FY 18	2017 LEVY FOR FY 19	DIFF	
VILLAGE OF ADDISON								
CORPORATE FUND	N/A	4,040,500	4,074,005	4,545,314	4,552,641	4,700,000	147,359	0.4149
POLICE PENSION FUND*	N/A	2,280,586	2,745,545	2,771,318	3,043,542	3,015,000	(28,542)	0.2661
SUB-TOTAL CORP		6,321,086	6,819,550	7,316,632	7,596,183	7,715,000	118,817	0.6810
BOND & INTEREST (2004/2012)	N/A	638,911	637,953	641,475	635,744	630,300	(5,444)	0.0556
BOND & INTEREST (2010)	N/A	267,944	270,240	272,490	272,462	159,845	(112,617)	0.0141
BOND & INTEREST (2017A/201C)	N/A	0	0	0	0	93,150	93,150	0.0082
SUB-TOTAL B & I		906,855	908,193	913,965	908,205	883,295	(24,910)	0.0780
TOTAL VILLAGE TAX LEVY		7,227,941	7,727,743	8,230,597	8,504,388	8,598,295	93,907	0.7590
ANNUAL % CHANGE		7.10%	6.91%	6.51%	3.33%	1.10%	-98.91%	
RATE PER \$100 EAV		0.7524	0.8109	0.8393	0.8053	0.7590	(0.0463)	
without debt		8.16%	7.89%	7.29%	3.82%	1.56%	-98.46%	

ADDISON PUBLIC LIBRARY								
LIBRARY	0.2500	4,141,377	4,300,419	4,591,846	4,759,948	4,741,510	(18,438)	0.4185
IMRF	N/A	247,791	247,698	255,865	257,580	257,500	(80)	0.0227
SOCIAL SECURITY	N/A	151,748	152,430	76,465	101,342	101,000	(342)	0.0089
AUDIT	N/A	2,881	2,858	980	5,278	7,500	2,222	0.0007
LIABILITY INSURANCE	N/A	26,892	30,486	1,961	1,056	15,000	13,944	0.0013
UNEMPLOYMENT IN	N/A	4,802	4,763	3,921	4,223	1,500	(2,723)	0.0001
WORKMANS COMP	N/A	12,486	13,338	20,587	24,280	28,000	3,720	0.0025
More for TIF							0	0.0000
CAPITAL IMPROVEMENT	N/A	0	0	0	0		0	0.0000
TOTAL LIBRARY LEVY		4,587,977	4,751,992	4,951,625	5,153,707	5,152,010	-1,697	0.4548
ANNUAL PERCENTAGE CHANGE		3.085%	3.575%	4.201%	4.081%	-0.033%		
RATE PER \$100 EAV		0.4776	0.4986	0.5049	0.4880	0.4548	(0.0333)	

TOTAL TAX LEVY		11,815,918	12,479,735	13,182,222	13,658,095	13,750,305	92,210	1.2137
ANNUAL PERCENTAGE CHANGE		5.51%	5.62%	5.95%	3.61%	0.68%		
RATE PER \$100 EAV		1.2300	1.3095	1.3442	1.2933	1.2137	(0.0796)	

WITHOUT DEBT		10,909,063	11,571,542	12,268,257	12,749,890	12,867,010		1.1357
		0.05968	0.06073	0.06021	0.03926	0.00919		
			11,454,515.79	12,150,118.75	12,881,669.20	13,387,385.00	(520,375.00)	
			^per county limit WITHOUT DEBT	^per county limit WITHOUT DEBT	^per county limit WITHOUT DEBT			

		EAV Estimation				Est +7.5%	
		EAV 2013	EAV 2014	EAV 2015	EAV 2016	Est EAV 2017	
Based on feedback from each Township Assessors' Office as to the % Changes they project.	Add	782,519,563	778,861,280	800,879,618	866,951,768	931,973,151	
	Add New Const					2,400,000	
	BL	178,131,820	174,122,250	179,770,575	189,100,370	198,149,957	
	BL New Constr					394,000	
		960,651,383	952,983,530	980,650,193	1,056,052,138	1,132,917,108	0.073

VILLAGE OF ADDISON
 SCHEDULE OF TAX LEVY EXTENSIONS
 FROM LEVY YEAR 2018 THROUGH LEVY YEAR 2022

EXHIBIT 2

Assume 3.5% EAV increase
 Overall 2.5% increase including Library
 Library approved for 2.99% increase
 This is the first year we have aggregate refunds from the 2021 levy that are included in the calculations

		EAV	EAV	EAV	EAV	ESTIMATED EAV		EATIMATED Rate
Dollar Increase		1,193,812,106	1,265,737,906	1,308,308,708	1,363,387,488	1,411,106,050	See Below	ASSUMING
% Increase		52,843,172	71,925,800	42,570,802	97,649,582	47,718,562		3.5% Increase in EAV
		4.63%	6.02%	3.36%	4.21%	3.50%		
MAXIMUM LEGAL RATES		2018 LEVY FOR FY 20	2019 LEVY FOR FY 21	2020 LEVY FOR FY 22	2021 LEVY FOR FY 23	2022 LEVY FOR FY 24	DIFF	
VILLAGE OF ADDISON								
CORPORATE FUND	N/A	5,151,299	5,354,071	5,408,548	5,408,558	5,869,597	461,039	0.4160
AGGREGATE REFUNDS					28,631		(28,631)	
POLICE PENSION FUND*	N/A	3,234,037	3,494,702	4,185,280	4,215,594	3,967,622	(247,972)	0.2812
SUB-TOTAL CORP		8,385,336	8,848,774	9,593,828	9,652,783	9,837,219	184,436	0.6971
BOND & INTEREST (2004/2012)	N/A	633,670	0	0	0	0	-	0.0000
BOND & INTEREST (2010)	N/A	161,897	0	0	0	0	-	0.0000
BOND & INTEREST (2017A/201)	N/A	93,823	255,617	261,791	267,778	264,830	(2,948)	0.0188
BOND & INTEREST (2020)			197,517	236,675	239,402	239,203	(199)	0.0170
SUB-TOTAL B & I		889,390	453,134	498,466	507,180	504,033	(3,147)	0.0357
SUBTOTAL VILLAGE TAX LEVY		9,274,726	9,301,908	10,092,294	10,159,963	10,341,252	181,289	
Less- Aggregate Refunds		0	0	0	-28,631	0		
TOTAL VILLAGE TAX LEVY		9,274,726	9,301,908	10,092,294	10,131,332	10,341,252	1.78%	0.7328
ANNUAL % CHANGE		6.79%	0.29%	8.50%	0.39%	2.07%		
RATE PER \$100 EAV		0.7769	0.7349	0.7714	0.7452	0.7328	(0.0124)	
without debt		7.60%	5.53%	8.42%	0.32%	2.21%		
ADDISON PUBLIC LIBRARY								
LIBRARY	0.2500	4,838,530	5,192,057	5,239,776	5,266,766	5,407,500	140,734	0.3832
IMRF	N/A	264,961	101,259	23,550	61,352	75,000	13,648	0.0053
SOCIAL SECURITY	N/A	103,836	126,574	202,788	220,869	230,000	9,131	0.0163
AUDIT	N/A	8,355	10,126	9,158	9,544	5,600	(3,944)	0.0004
LIABILITY INSURANCE	N/A	25,064	40,504	56,257	55,899	60,000	4,101	0.0043
UNEMPLOYMENT IN	N/A	2,387	2,531	2,617	2,727	4,500	1,773	0.0003
WORKMANS COMP	N/A	20,290	5,063	2,617	2,727	5,500	2,773	0.0004
AGGREGATE REFUNDS					14,997		(14,997)	
SUBTOTAL LIBRARY LEVY		5,263,423	5,478,114	5,536,763	5,634,880	5,788,100	153,220	0.4102
Less- Aggregate Refunds		0	0	0	-14,997	0		
TOTAL LIBRARY LEVY		5,263,423	5,478,114	5,536,763	5,619,883	5,788,100		
ANNUAL PERCENTAGE CHANGE		1.06%	4.08%	1.07%	1.50%	2.99%		
RATE PER \$100 EAV		0.441	0.4328	0.4232	0.4133	0.4102	(0.0031)	
SUBTOTAL TAX LEVY		14,538,149	14,780,021	15,629,056	15,794,844	16,129,352	334,508	
Less- Aggregate Refunds		0	0	0	-43,628	0		
TOTAL TAX LEVY		14,538,149	14,780,021	15,629,056	15,751,215	16,129,352		1.1430
ANNUAL PERCENTAGE CHANGE		4.64%	1.66%	5.74%	0.78%	2.40%		
RATE PER \$100 EAV		1.2178	1.1677	1.1946	1.1585	1.1430	(0.0155)	
WITHOUT DEBT & AGGREGATE REFUNDS		13,648,759	14,326,887	15,130,590	15,244,035	15,625,319	381,284	1.1073
		0.04982	0.04968	0.05610	0.00750	0.02501		
		<i>Per County Limit</i>	<i>Per County Limit</i>	<i>Per County Limit</i>	<i>Per County Limit</i>	16,006,237.26	(380,918.26)	

EAV Estimation

Based on feedback from each Township Assessors' Office as to the % Changes they project.		PROJ INCREASE	EAV 2018	EAV 2019	EAV 2020	EAV 2021	EAV 2022
Add	3.50%		988,764,842	1,046,592,596	1,083,223,337	1,132,342,935	1,171,974,938
Add New Const			0		5,500,000	0	
BL	3.50%		205,047,264	219,145,310	226,815,396	231,044,553	239,131,112
BL New Constr							
			1,193,812,106	1,265,737,906	1,315,538,733	1,363,387,488	1,411,106,050
				0.060	0.039	0.036	0.035