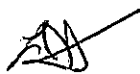


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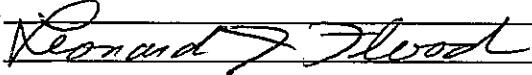
VILLAGE OF LOMBARD
REQUEST FOR BOARD OF TRUSTEES ACTION
For Inclusion on Board Agenda

Resolution or Ordinance (Blue) *Waiver of First Requested*
Recommendations of Boards, Commissions & Committees (Green)
X Other Business (Pink)

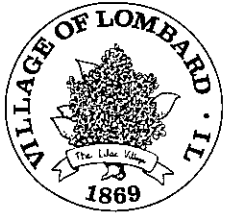
TO: PRESIDENT AND BOARD OF TRUSTEES
FROM: William T. Lichter, Village Manager
DATE: March 29, 2004 (COW)(B of T) April 1, 2004
TITLE: 2003 Property Tax Levy Rate Reallocation Report
SUBMITTED BY: Leonard J. Flood, Director of Finance 

BACKGROUND/POLICY IMPLICATIONS:

A motion to concur with the recommendation of the Director of Finance as contained in the attached report regarding the Village's 2003 Property Tax Levy. The deadline for advising the Country Clerk regarding any reallocation is Monday, April 5. The information was received on Monday, March 29, 2004.

Review (as necessary):
Village Attorney X _____ Date _____
Finance Director X _____ Date _____
etung Village Manager X  Date 3/29/04

NOTE: All materials must be submitted to and approved by the Village Manager's Office by 12:00 noon, Wednesday, prior to the Agenda Distribution.



To: William T. Lichter
Village Manager

From: Leonard J. Flood
Director of Finance

Date: March 29, 2004

Subject: 2003 Property Tax Levy Rate Reallocation

Today, we received the 2003 Property Tax Rates for the Village of Lombard from DuPage County. In order to comply with the Property Tax Extension Limitation Act (Tax Cap), the Village has been advised that it must reduce its 2003 levy, as extended by the County Clerk, by \$82,462 (**Attachment A**).

The 2003 Property Tax Levy filed in December 2003 totaled \$6,413,220. To that amount, the County Clerk added approximately 1% or \$69,269 to the total for what is called "loss and costs" which represents the amount expected to be uncollectible. This amount is added in accordance with the provisions of state statute. Therefore, the Village's levy as extended totaled \$6,482,489. However, due to the limitations of the property tax cap, the Village must now reduce the levy as extended by \$82,462.

The County Clerk reported that the Village's 2003 EAV was \$1,230,774,479, an increase of \$77,387,450 or 6.71% over the prior year. At the time the levy was prepared, the estimated 2003 EAV was \$1,217,451,488, which was \$13,322,991, or 1.08% lower than reported. The increase in EAV due to new growth and annexations totaled \$20,384,200 as compared to the estimate of \$22,700,273. The Village's base EAV increased by \$76,664,060 or 6.8% over the prior year. The original estimate projected an increase in the base EAV of \$59,677,216 or 5.3%. **Attachment B** provides a historical comparison of EAV growth over the last 10 years.

The Village's 2003 tax rate will be **.5200** per \$100 of EAV. That is .0169 or 2.42% lower than the prior year. **Attachment C** provides the Village's tax rate history for the last 10 years. The Village's 2003 tax rate is approximately 12% lower than it was 10 years ago.

I recommend that the entire reduction of \$82,462 be made proportionally across all levies. The net impact on revenues across all funds in the FYE 2005 Proposed Village Budget is only \$13.193 and may be made up entirely by prior period collections. This recommendation will be on the April 1 agenda for Village Board consideration and approval.

c. Finance Committee
Department Heads
Tim Sexton, Assistant Director of Finance
Rhonda Heabel, Management Analyst

2003 TAX LEVY EXTENSION/ PROPORTIONAL REDUCTION

2003 EAV

1,230,774,479

VILLAGE LEVY

COUNTY CLERK'S EXTENSION

CAP WITH CLERK'S

ATTACHMENT A

VILLAGE

FUND DESCRIPTION	VILLAGE LEVY		COUNTY CLERK'S EXTENSION		CAP WITH CLERK'S		DIFFERENCE	
	AMOUNT	RATE	AMOUNT	RATE	AMOUNT	RATE	AMOUNT	RATE
CORPORATE	2,385,110	0.1958	2,409,856	0.1933	2,379,087	-0.0025	(30,769)	
IMRF	490,620	0.0403	496,002	0.0398	489,848	-0.0005	(6,154)	
FIREMEN'S PENSION	1,156,900	0.0950	1,169,236	0.0938	1,154,466	-0.0012	(14,769)	
POLICEMEN'S PENSION	1,311,610	0.1077	1,325,544	0.1063	1,308,313	-0.0014	(17,231)	
LIABILITY INSURANCE	176,800	0.0146	179,693	0.0144	177,232	-0.0002	(2,462)	
PUBLIC BENEFIT	304,360	0.0250	307,694	0.0247	304,001	-0.0003	(3,692)	
SOCIAL SECURITY	587,820	0.0483	594,464	0.0477	587,079	-0.0006	(7,385)	
TOTAL	6,413,220	0.5267	6,482,489	0.5200	6,400,027	-0.0067	(82,462)	

ATTACHMENT B

Historical Comparison of EAV Growth 1994-2003

	Base EAV	Inc. over PY	New Construction	% of Base	Annexations	% of Base	Total % of Base	Total EAV	Inc. over PY
Actual 1994	737,378,360	4.5%	12,277,770	1.7%	1,841,440	0.2%	1.9%	751,497,570	4.8%
Actual 1995	776,287,348	5.3%	7,747,807	1.0%	596,380	0.1%	1.1%	784,631,535	4.4%
Actual 1996	805,568,355	3.8%	11,428,980	1.4%	205,310	0.0%	1.4%	817,202,645	4.2%
Actual 1997	836,786,792	3.9%	10,572,480	1.3%	846,400	0.1%	1.4%	848,205,672	3.8%
Actual 1998	872,161,787	4.2%	11,504,040	0.3%	6,605,830	0.8%	2.1%	890,271,657	5.0%
Actual 1999	912,051,407	4.6%	15,462,265	1.7%	1,248,290	0.1%	1.8%	928,761,962	4.3%
Actual 2000	959,725,030	5.2%	19,464,418	2.0%	1,086,440	0.1%	2.1%	980,275,888	5.5%
Actual 2001	1,032,615,161	7.6%	16,802,620	1.6%	484,760	0.0%	1.7%	1,049,902,541	7.1%
Actual 2002	1,133,736,219	9.8%	15,814,040	1.4%	2,498,990	0.2%	1.6%	1,152,049,249	9.7%
Actual 2003	1,210,390,279	6.8%	14,797,760	1.2%	5,586,440	0.5%	1.7%	1,230,774,479	6.8%
Average Inc. Last 5 years (1)		5.7%		1.3%		0.2%	1.5%		5.6%

Note (1) Average includes Actual Years 1999-2003.

ATTACHMENT C

**VILLAGE OF LOMBARD
HISTORICAL TAX RATE INFORMATION
1994-2003**

LEVY YEAR	TOTAL TAX RATE (1)	VILLAGE ONLY	VILLAGE SHARE OF TOTAL
1994	6.9470	0.5907	8.50%
1995	6.7709	0.5871	8.67%
1996	6.6077	0.5862	8.87%
1997	6.6330	0.5917	8.92%
1998	6.6639	0.5853	8.78%
1999	6.5501	0.5805	8.86%
2000	6.4565	0.5776	8.95%
2001	6.3126	0.5670	8.98%
2002	5.9530	0.5335	8.96%
2003	TBD	0.5200	TBD

NOTE (1) This table is based on tax code 6011. There are 30 tax codes in Lombard and each receives a different property tax bill depending on whether the area is included within a given taxing district's boundaries. This tax code was selected as an example only.