

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

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

TO: President and Village Board of Trustees

FROM: David A. Hulseberg, Village Manager *dah*

DATE: November 19, 2010 (COW)(B of T): December 2, 2010

TITLE: Ordinances Providing for the Levy and Assessment of Taxes for the Fiscal Year beginning June 1, 2010 and ending May 31, 2011 for the Village of Lombard

SUBMITTED BY: Timothy Sexton, Director of Finance

BACKGROUND/POLICY IMPLICATIONS:

The 2010 property tax levy was presented to the Finance Committee at their meeting on November 16, 2010. The staff report on the proposed 2010 Tax Levy is attached. The ordinance attached to this item is currently in accordance with the increases that are allowed under the Property Tax Extension Limitation Act (tax cap). The Finance Committee will hold a special meeting to review additional information before voting on the proposed 2010 Tax Levy. If the Finance Committee's recommendation is different from the attached ordinance, an alternate ordinance will be provided at the Village Board meeting for consideration. The Finance Committee will provide a recommendation to the President and Board of Trustees at their regular meeting on December 2, 2010.

Waiver of first reading is requested in order to file the 2010 tax levy ordinances with the DuPage County Clerk as required by law.

REVIEW (as needed):

Village Attorney XX _____ Date _____
Finance Director XX *Timothy Sexton* _____ Date 11/18/10
Village Manager XX *David A. Hulseberg* _____ Date 11/22/10

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

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To: Finance Committee
From: Timothy Sexton, Director of Finance
Date: November 16, 2010
Subject: Proposed 2010 Property Tax Levy

INTRODUCTION

The 2010 Proposed Property Tax Levy for the Village of Lombard is presented for your review and recommendation to the Village Board. The recommendation is summarized on **Attachment A** and is explained in detail in this report. The tax levy has been prepared in accordance with the requirements of the Property Tax Extension Limitation Act (Tax Cap) and the Truth in Taxation Act.

EAV ASSUMPTIONS

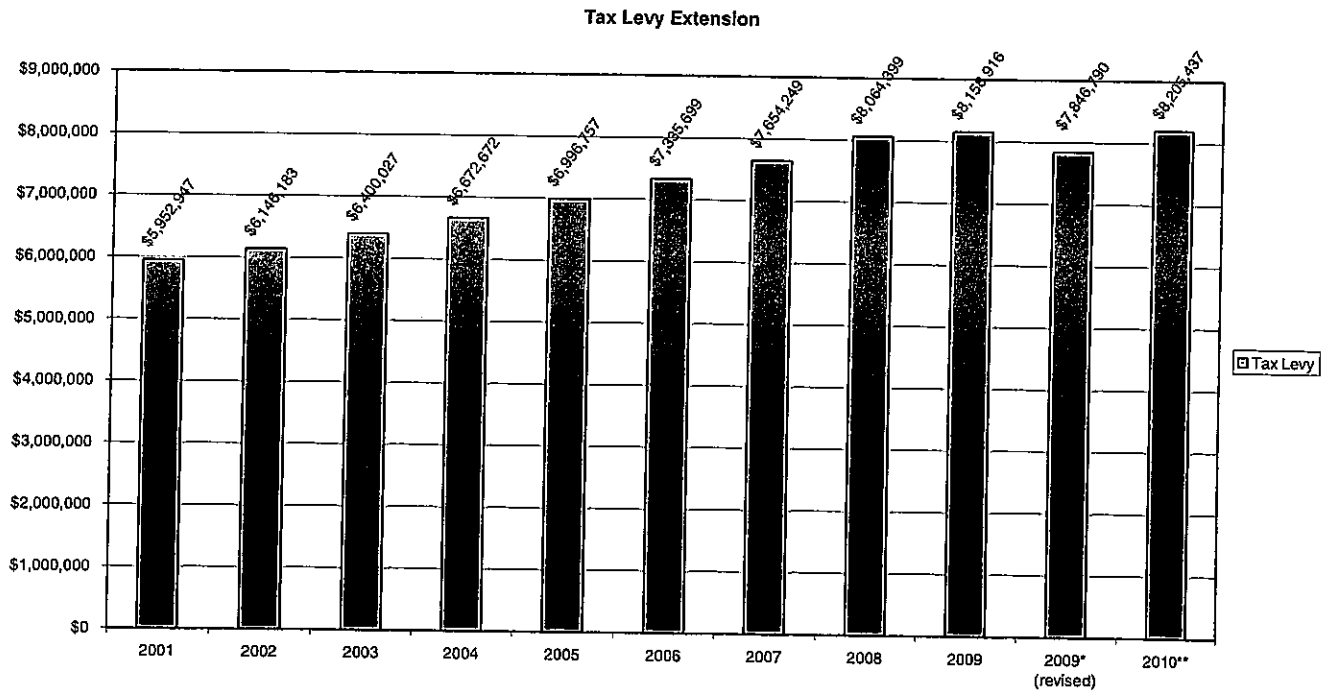
The following is a comparison of the projected 2010 estimated Equalized Assessed Valuation (EAV), including increases in both the base EAV as well as increases due to new construction/annexations for the Village of Lombard, as compared to the 2009 actual EAV.

	2010 Est	2009 Actual	Increase over Prior Year	
			Incr. Over PY	Percent
Base EAV	\$1,625,826,540	\$1,736,937,384	-\$111,110,844	-6.83%
New Construction/ Annexations	\$10,197,990	\$15,030,870	-\$4,832,880	-47.39%
Total	<u>\$1,636,024,530</u>	<u>\$1,751,968,254</u>	<u>-\$115,943,724</u>	<u>-7.09%</u>

Attachment B shows a history of EAV growth in the Village over the last ten years. The York Township assessor estimated a 7% decrease to the 2010 base EAV.

2010 PROPOSED PROPERTY TAX LEVY

The Village's tax levy is made up of two component areas: the Corporate Levy and Special Levies. The Village has not had a bonded debt tax levy since 1994. For 2010, the total proposed tax levy for the Village of Lombard is \$8,205,437, an increase of \$358,647 or 4.57% over the prior year's extended levy. **Attachment C** compares the 2009 extended levy to the 2010 proposed levy in detail. Below is a ten-year comparison of property tax extensions.



*\$312,126 was transferred from the Village's aggregate tax extension base when the Plum Library was converted to a Library District

**2010 is the proposed levy amount prior to extension

SPECIAL LEVIES:

POLICE AND FIREFIGHTERS' PENSION FUNDS:

Since 1992, the Village has used an independent actuary to determine the annual tax levy requirements for both the Police and Firefighters' Pension Funds. The Village's actuary, Mr. Timothy Sharpe, has completed the annual actuarial analysis for the Police and Firefighters' Pension Funds. Copies of the actuarial reports for June 1, 2010 are available upon request.

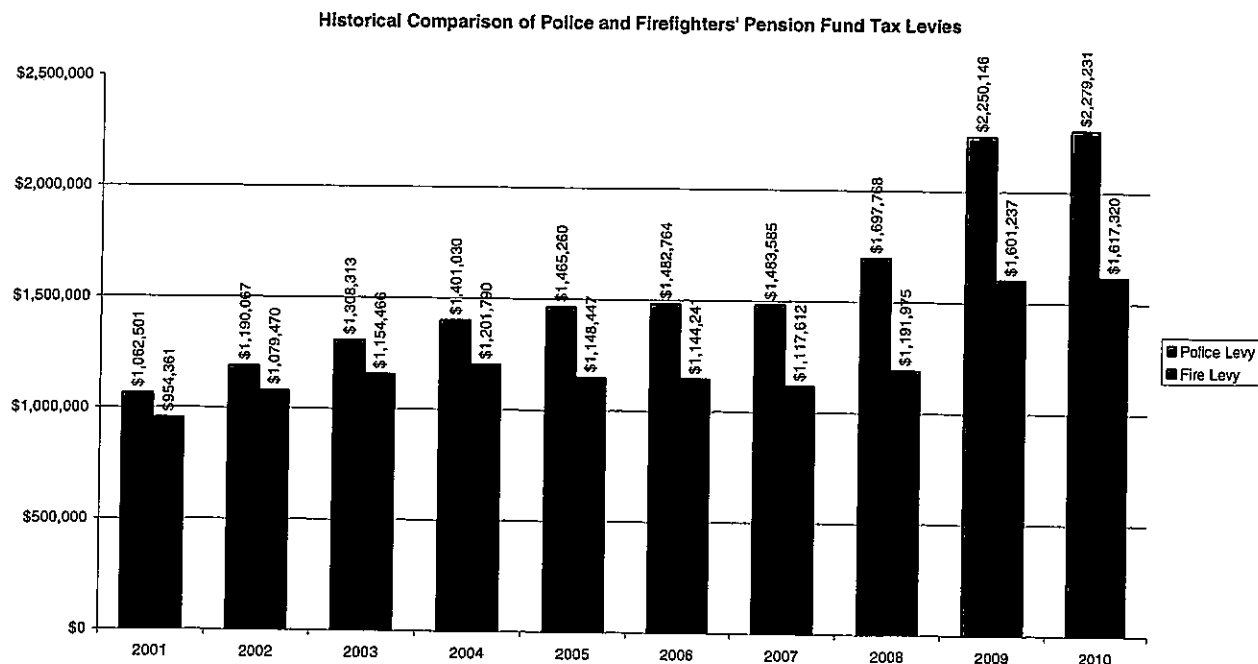
The actuarial analysis indicates that the tax levy requirement for the Police Pension Fund for 2010 is \$2,279,231, an increase of \$15,688 or .69% over the prior year's extended levy. The Police Pension FYE 2010 investments earned 14.17%. However, the fund is still recovering from the FYE 2009 investment losses, which were -12.11% compared with the actuarial assumed rate of return of 7.50%.

The tax levy requirement for the Firefighters' Pension Fund for 2010 is \$1,617,320, an increase of \$5,509 or .34% more than the prior year's extended levy. The Firefighters' Pension FYE 2010 investments earned 12.48%. However, the fund is still recovering from the FYE 2009 losses, which were -9.30% compared with the actuarial assumed rate of return of 7.50%. In addition, there was one disability awarded during FYE 2010. In July 2004, the Illinois legislature passed a new firefighters' pension bill to expand pension benefits for firefighters. Included in this legislation was a provision that exempted from the tax cap any increases in the tax levy due to the new benefits of this legislation. Therefore, of the \$1,617,320 tax levy for the Firefighters' Pension Fund, \$1,458,117 is included in the calculation for the tax cap, and \$159,203 is exempt from the tax cap. This is an increase of \$97,884, or 160%, over last years extended levy of \$61,319.

The Police and Firefighters' Pension Funds will see a net combined increase of \$21,197 or .55% over last year's extended levy. A comparison of the annual requirements for this year and last year is shown on **ATTACHMENT D**.

The annual actuarially determined tax levy requirement for the Police Pension Fund, expressed as a percentage of payroll, decreased from 39.42% for 2009 to 38.86% for 2010. The Firefighters' Pension Fund tax levy requirement, expressed as a percentage of payroll, decreased from 31.58% for 2009 to 30.50% for 2010.

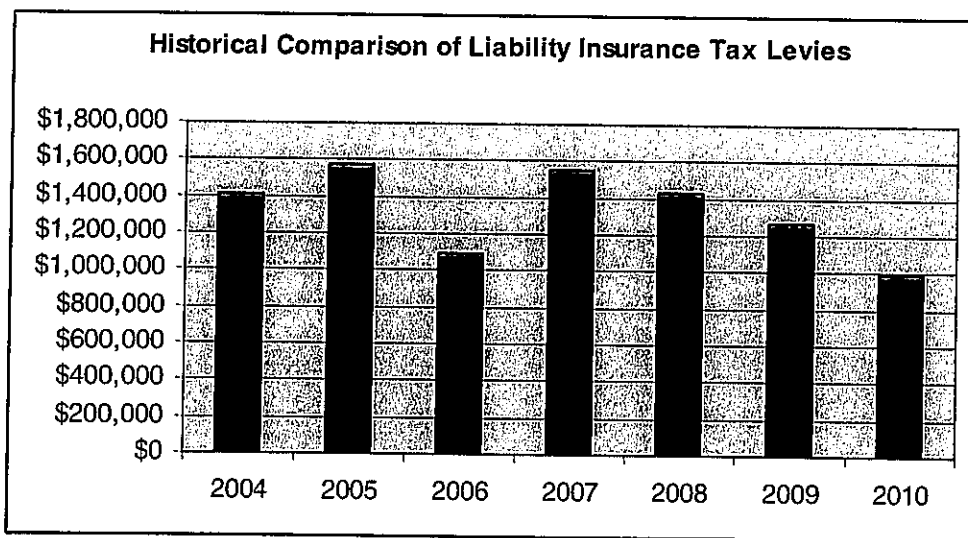
The chart below displays a history of the Police and Firefighters' Pension Fund tax levies over the past ten years. The Village's overall tax levy has increased since 2001 by \$2,252,490 in actual dollars or 37.84% in ten years. As depicted in the chart below, the combined levies for the Police and Firefighters' Pension Funds alone have increased by \$1,879,689 or 93.20% in the same period. The net effect is that 83% of new tax levy dollars over and above the 2001 levels are going to fund the increases in the Police and Firefighters' Pension Fund levies.



LIABILITY INSURANCE:

The 2010 Proposed Tax Levy for Liability Insurance is \$996,971, or \$267,950 less than the 2009 levy. The Village has an actuarial study conducted every other year in order to determine the Village's reserve requirements for Liability Insurance. The study performed this year determined the reserve requirements to be \$2,422,288 as of 12/31/11. In addition, the Village's financial policies require that an additional 10% of expenditures, or \$175,102, be maintained to cover additional unanticipated insurance costs or reserve requirements. Therefore, in addition to the actuarially determined reserve requirements of \$2,422,288, an additional \$175,102 should be reserved, bringing the required account balance to \$2,597,390. The levy amount needed to maintain this account balance is \$996,971, which is \$267,950 or 21.18% below last year's levy.

The reason for the decrease in the levy this year is that the Village had low claims in FYE 2010, leading to a higher account balance than anticipated. To put the current year tax levy into perspective, the chart below shows tax levies for 2004-2010.



*2010 is the proposed levy amount prior to extension

IMRF/SOCIAL SECURITY:

ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF): The Village's contribution rate, expressed as a percentage of payroll, increased from 10.36% in 2009 to 11.40% in 2010. The Village has received information from IMRF that indicates that the Village's rate for 2011 will increase from 11.40% to 13.48%. In addition, staff has estimated the Village's 2012 rate to be 13.98%. The IMRF costs for next year are estimated at \$751,494, an increase of \$54,754 or 7% over last year's levy for the Village's portion of IMRF. Last year's tax levy also included the Libraries portion of IMRF. The estimated increase in the 2011 rate is the main reason for the increase in IMRF costs.

SOCIAL SECURITY/MEDICARE: The 2010 proposed levy for Social Security/Medicare is \$531,722. This is a \$100,176, or 16% decrease under the amount levied last year for the Village's portion. Last year's tax levy also included the Libraries portion of Social Security/Medicare. This decrease is attributed mainly to reduced budgets for regular and overtime salaries.

The contribution rate for the Village expressed as a percentage of payroll is 6.20% for Social Security and 1.45% for Medicare, for a total of 7.65%. This amount, combined with the 13.48% of payroll for IMRF, means that the total pension cost for non-sworn Village personnel, expressed as a percentage of payroll, is 21.13% as compared to 38.86% for sworn Police and 30.50% for sworn Fire personnel. For sworn Police and Fire personnel hired after 1986, the Village also contributes 1.45% for Medicare in addition to the pension costs above.

Attachment E shows the historical comparison of IMRF, Social Security and Medicare rates and wage bases since the 2001 tax levy year. Over the last ten years, combined levies for these levies have increased by \$307,857 or 31.56% as compared to the increases in the combined Police and Firefighters' Pension Fund levies of \$1,879,689 or 93.20% over the same period.

PUBLIC BENEFIT:

State statute provides that the Village can levy to the maximum rate of \$.05/\$100 of EAV for the Public Benefit Fund to pay for a portion of the Village's share of special assessment projects. The amount of this year's Public Benefit levy is \$818,012.

CORPORATE LEVY:

General Corporate Levy: The 2010 proposed General Corporate Levy totals \$1,210,687, an increase of \$744,663 or 60% over last year's extended levy.

There are two major factors resulting in this increase in the Corporate Levy. First, the overall levy increased 4.57% over the prior year, due to the CPI increase of 2.7% and the new growth for the year. Secondly, there is a decrease in the Liability Insurance levy for the reasons previously discussed.

TAX RATES:

The tax cap limits our base tax levy increase over the prior year's extended levy to 5% or the national CPI as reported for December prior to adoption of the levy. For tax year 2010 the December 2009 national CPI was 2.7%. We also levy for new construction and annexations that are expected to add an additional .6% in 2010. In addition, the fire pension levy that is exempt from the tax cap is increasing by \$97,884. These bring our total increase allowed to 4.57%. This addition for new growth benefits the Village only for the first year it goes on the tax rolls. Next year this amount is rolled into our prior year's extension, which is capped by the CPI increase.

Based on this proposed levy, tax rates for the Village next year are expected to increase from .4622/\$100 of EAV to .4918/\$100 of EAV. As mentioned earlier, the Firefighters' Pension Fund is now allowed to levy for the additional costs associated with the July 2004 fire pension legislation, with these costs being exempt from the tax caps. So in addition to the tax cap levy of .4918/\$100 of EAV, the Firefighters Pension Fund will also levy .0097/\$100 of EAV, making the total Village levy .5015/\$100 of EAV.

For the typical homeowner with a \$300,000 house, the Village's share of the tax bill on that property is expected to increase slightly to approximately \$476.

A ten-year comparison of tax rates can be found in **Attachment F**. As this comparison indicates, the projected 2010 property tax rate for the Village of Lombard of .5015/\$100 of EAV is .0655/\$100 of EAV or 11.55% lower than it was ten years ago.

IMPACT OF THE PROPERTY TAX EXTENSION LIMITATION ACT:

The proposed 2010 Property Tax Levy for the Village of Lombard has been developed in order to comply with the provisions of the Property Tax Extension Limitation Act. An increase due to new growth of .6% has been provided for in the calculations. However, if this new growth estimate or the increase in the current tax base EAV is not realized, it may be necessary to reduce our levy at a later date. Toward the end of March 2011, the DuPage County Clerk will notify us if we are required to reduce our tax levy further as a result of our final extended 2010 tax levy. At that time we will be given the opportunity to decide if we want proportional reductions in all levies or if the reduction (if any) should come from one or more levies as selected by the Village Board. This decision, if necessary, would be made next spring by the Village Board.

TRUTH IN TAXATION CALCULATION:

For purposes of complying with the statutory requirements of the Truth in Taxation Act, we must compare our 2009 Aggregate Extended Levy to our 2010 Proposed Levy. If the amount of the increase in the levy is 5% or greater, a public hearing must be held by the Village Board. The 2009 Aggregate Extended Levy for the Village was \$8,158,916. The 2010 proposed levy for the Village is \$8,205,437, an increase of \$358,647 or 4.57%. Therefore, a public hearing is not required.

The Finance Committee's recommendation on the 2010 Property Tax Levy will be on the agenda for Village Board consideration and approval with waiver of first reading at their December 2, 2009 meeting.

**ATTACHMENT A
PROPOSED VILLAGE OF LOMBARD PROPERTY TAX LEVY
TAX YEAR 2010**

2.7% CPI

.6% NEW GROWTH ESTIMATE

ASSUMPTIONS		
AGGREGATE EXTENSION FOR 2009 TAX YEAR (Excl Fire Pension-Exempt from Tax Cap)	VILLAGE	\$7,785,471
	FIRE PENSION-EXEMPT	\$61,319
	TOTAL	\$7,846,790
2010 PROJECTED BASE EAV		\$1,625,826,540
2010 PROJECTED "NEW GROWTH"		\$10,197,990
2010 TOTAL PROJECTED EAV		\$1,636,024,530

2010 PROPOSED LEVIES	AMOUNT	RATE
CORPORATE	1,210,687	0.0740
POLICE PENSION	2,279,231	0.1393
PUBLIC BENEFIT	818,012	0.0500
FIREFIGHTERS' PENSION-SUBJECT TO TAX CAP	1,458,117	0.0891
IMRF	751,494	0.0459
LIABILITY INSURANCE	996,971	0.0609
SOCIAL SECURITY	531,722	0.0325
TOTAL (VILLAGE ONLY)	8,046,234	0.4918
FIREFIGHTERS' PENSION-EXEMPT FROM TAX CAP	159,203	0.0097
TOTAL (VILLAGE ONLY)-INCL ADD'L FIRE LEVY	8,205,437	0.5015

GRAND TOTAL-EXEMPT FROM TAX CAP	159,203	0.0097
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GRAND TOTAL-SUBJECT TO TAX CAP	8,046,234	0.4918
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TRUTH-IN-TAXATION CALCULATION

CURRENT YEAR PROPOSED LEVY	8,205,437
PRIOR YEAR EXTENDED LEVY	7,846,790
INCREASE IN LEVY	<u>358,647</u>
PERCENTAGE INCREASE IN LEVY	<u>4.57%</u>

PUBLIC HEARING REQUIRED	NO
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ATTACHMENT B

**Historical Comparison of EAV Growth
2001-2010**

	Base EAV	Inc. over PY	New Construction	% of Base	Annexations	% of Base	Total % of Base	Total EAV	Inc. over PY
Actual 2001	1,032,615,161	5.3%	16,802,620	1.6%	484,760	0.0%	1.7%	1,049,902,541	7.1%
Actual 2002	1,133,736,219	8.0%	15,814,040	1.4%	2,498,990	0.2%	1.6%	1,152,049,249	9.7%
Actual 2003	1,210,390,279	5.1%	14,797,760	1.2%	5,586,440	0.5%	1.7%	1,230,774,479	6.8%
Actual 2004	1,314,201,845	6.8%	21,918,090	1.7%	2,967,450	0.2%	1.9%	1,339,087,385	8.8%
Actual 2005	1,396,561,379	4.3%	15,522,320	1.1%	2,259,590	0.2%	1.3%	1,414,343,289	5.6%
Actual 2006	1,510,622,046	6.8%	18,944,540	1.3%	2,214,480	0.1%	1.4%	1,531,781,067	8.3%
Actual 2007	1,611,611,152	5.2%	29,522,890	1.8%	0	0.0%	1.8%	1,641,134,041	7.1%
Actual 2008	1,747,757,097	6.5%	19,814,840	1.1%	936,560	0.1%	1.2%	1,768,508,497	7.8%
Actual 2009	1,736,937,384	-1.8%	15,652,330	0.9%	-621,460	0.0%	0.9%	1,751,968,254	-0.9%
Estimate 2010	1,625,826,540	-7.2%	10,000,000	0.6%	197,990	0.0%	0.6%	1,636,024,530	-6.6%
Average Inc. Last 5 years (1)		4.2%		1.2%		0.1%	1.3%		5.6%

Note (1) Average includes Actual Years 2005-2009.

ATTACHMENT C

COMPARISON OF 2009 PROPERTY TAX LEVY AS EXTENDED
 vs.
 2010 PROPERTY TAX LEVY AS PROPOSED

VILLAGE	2009 EXTENDED LEVY		2010 PROPOSED LEVY		INCREASE/DECREASE	
	RATE	AMOUNT	RATE	AMOUNT	RATE	AMOUNT
CORPORATE	0.0266	466,024	0.0740	1,210,687	178.20%	744,66
POLICE PENSION	0.1292	2,263,543	0.1393	2,279,231	7.83%	15,68
PUBLIC BENEFIT	0.0498	872,480	0.0500	818,012	0.40%	-54,46
FIREFIGHTERS' PENSION-SUBJECT TO TAX CAP	0.0885	1,550,492	0.0891	1,458,117	0.71%	-92,37
IMRF	0.0513	898,760	0.0459	751,494	-10.46%	-147,26
LIABILITY INSURANCE	0.0722	1,264,921	0.0609	996,971	-15.60%	-267,95
SOCIAL SECURITY	0.0446	781,378	0.0325	531,722	-27.13%	-249,65
TOTAL VILLAGE SUBJECT TO TAX CAP	0.4622	8,097,597	0.4918	8,046,234	6.41%	-51,36
FIREFIGHTERS' PENSION-NOT SUBJECT TO TAX CAP	0.0035	61,319	0.0097	159,203	178.03%	97,88
TOTAL VILLAGE LEVY	0.4657	8,158,916	0.5015	8,205,437	7.70%	46,521

ATTACHMENT D

**COMPARISON OF ANNUAL TAX LEVY REQUIREMENTS
FOR POLICE AND FIREFIGHTERS' PENSION FUNDS
TAX YEAR 2009 vs. 2010**

	<u>A</u>	<u>B</u>	<u>C</u>	
	<u>2009 Extended TAX LEVY</u>	<u>ACTUARY AS OF 6/1/10</u>	<u>INC./(DEC.) OVER 2009</u>	
			<u>AMOUNT</u>	<u>PERCENT</u>
POLICE PENSION FUND	\$2,263,543	\$2,279,231	\$15,688	0.69%
FIREFIGHTERS' PENSION FUND				
Subject to Tax Cap	\$1,550,492	\$1,458,117	(\$92,375)	-5.96%
Exempt from Tax Cap	\$61,319	\$159,203	\$97,884	159.63%
TOTAL FIREFIGHTERS' PENSION FUND	<u>\$1,611,811</u>	<u>\$1,617,320</u>	<u>\$5,509</u>	<u>0.34%</u>
TOTAL	<u>\$3,875,354</u>	<u>\$3,896,551</u>	<u>\$21,197</u>	<u>0.55%</u>

NOTES:

A. Amount levied and extended by the County Clerk for the 2009 Village Tax Levy.

B. Updated Actuarial Valuations based on membership data and asset information as of 5/31/10. The actuarial assumptions and actuarial cost methods used were the same as used last year.

C. Increase in 2010 tax levy request over 2009 extended levy.

	<u>2009</u>		<u>2010</u>	
	<u>AS LEVIED</u>	<u>PERCENT OF PAYROLL</u>	<u>AS LEVIED</u>	<u>PERCENT OF PAYROLL</u>
<u>POLICE PENSION FUND</u>				
Employer's Share of Normal Cost	\$797,774	13.97%	\$829,068	14.13%
Annual Amount Required to Amortize Unfunded Liability over 40 years Subsequent to 7/1/93 as a Level % of Pay	<u>\$1,452,372</u>	<u>25.44%</u>	<u>\$1,450,163</u>	<u>24.72%</u>
Annual Actuarial Requirement as a Percentage of Payroll	<u>\$2,250,146</u>	<u>39.42%</u>	<u>\$2,279,231</u>	<u>38.86%</u>
<u>FIREFIGHTERS' PENSION FUND</u>				
Employer's Share of Normal Cost	\$820,476	16.18%	\$844,547	15.93%
Annual Amount Required to Amortize Unfunded Liability over 40 years Subsequent to 7/1/93 as a Level % of Pay	<u>\$780,761</u>	<u>15.40%</u>	<u>\$772,773</u>	<u>14.58%</u>
Annual Actuarial Requirement as a Percentage of Payroll	<u>\$1,601,237</u>	<u>31.58%</u>	<u>\$1,617,320</u>	<u>30.50%</u>

**ATTACHMENT E
ANALYSIS OF IMRF FUND
IMRF/SOCIAL SECURITY/MEDICARE
RATES, WAGE BASES & TAX LEVIES
CALENDAR YEARS 2002 - 2011**

IMRF				
CALENDAR YEAR	EMPLOYER'S CONTRIBUTION	EMPLOYEE'S CONTRIBUTION	WAGE BASE	
2002	6.14%	4.50%	NONE	
2003	6.55%	4.50%	NONE	
2004	8.71%	4.50%	NONE	
2005	9.61%	4.50%	NONE	
2006	10.74%	4.50%	NONE	
2007	10.08%	4.50%	NONE	
2008	10.18%	4.50%	NONE	
2009	10.36%	4.50%	NONE	
2010	11.40%	4.50%	NONE	
2011	13.48%	4.50%	NONE	

SOCIAL SECURITY/MEDICARE					
CALENDAR YEAR	EMPLOYER'S CONTRIBUTION	EMPLOYEE'S CONTRIBUTION	WAGE BASE		
			SS	MEDICARE	
2002	7.65%	7.65%	\$84,900	Unlimited	
2003	7.65%	7.65%	\$87,000	Unlimited	
2004	7.65%	7.65%	\$87,900	Unlimited	
2005	7.65%	7.65%	\$90,000	Unlimited	
2006	7.65%	7.65%	\$94,200	Unlimited	
2007	7.65%	7.65%	\$97,500	Unlimited	
2008	7.65%	7.65%	\$102,000	Unlimited	
2009	7.65%	7.65%	\$106,800	Unlimited	
2010	7.65%	7.65%	\$106,800	Unlimited	
2011	7.65%	7.65%	\$106,800	Unlimited	

Property Tax Levies (IMRF, SS & Medicare combined)				
TAX LEVY YEAR	TAX LEVY*	INC./(DEC.) OVER PY		
		AMOUNT	PERCENT	
2001	\$975,359	\$48,999	5.29%	
2002	\$978,072	\$2,713	0.28%	
2003	\$1,076,927	\$98,855	10.11%	
2004	\$1,145,970	\$69,043	6.41%	
2005	\$1,265,837	\$119,867	10.46%	
2006	\$1,396,984	\$131,147	10.36%	
2007	\$1,486,868	\$89,884	6.43%	
2008	\$1,536,834	\$139,850	10.01%	
2009	\$1,668,399	\$181,531	12.21%	
2010	\$1,283,216	-\$253,618	-16.50%	

Total increase		
2001-2010	\$307,857	31.56%
Avg. Annual Inc.	\$30,786	3.16%

*2001-2009 as extended; 2010 prior to extension

ATTACHMENT F

**VILLAGE OF LOMBARD
HISTORICAL TAX RATE INFORMATION
2001-2010**

LEVY YEAR	TOTAL TAX RATE (1)	VILLAGE ONLY	VILLAGE SHARE OF TOTAL
2001	6.3126	0.5670	8.98%
2002	5.9530	0.5335	8.96%
2003	6.3134	0.5200	8.24%
2004	6.1595	0.4983	8.09%
2005	6.1611	0.4947	8.03%
2006	6.0824	0.4789	7.87%
2007	6.0154	0.4664	7.75%
2008	5.8555	0.4560	7.79%
2009	6.0421	0.4657	7.71%
2010	TBD	0.5015	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.

ORDINANCE _____

**AN ORDINANCE PROVIDING FOR THE LEVY AND ASSESSMENT OF
TAXES FOR THE FISCAL YEAR BEGINNING JUNE 1, 2010, AND
ENDING MAY 31, 2011, FOR THE VILLAGE OF LOMBARD,
DUPAGE COUNTY, STATE OF ILLINOIS**

BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF LOMBARD, DUPAGE COUNTY, ILLINOIS as follows:

Section 1: That the total amount of appropriation for all corporate purposes legally made to be collected from the tax levy of the current fiscal year beginning June 1, 2010, and ending May 31, 2011 of the Village of Lombard is hereby ascertained to be the sum of EIGHT MILLION TWO HUNDRED FIVE THOUSAND FOUR HUNDRED THIRTY SEVEN DOLLARS (\$8,205,437).

Section 2: EIGHT MILLION TWO HUNDRED FIVE THOUSAND FOUR HUNDRED THIRTY SEVEN DOLLARS (\$8,205,437) being the total of appropriations heretofore legally made, which are to be collected from the tax levy of the current fiscal year of the Village of Lombard, beginning June 1, 2010 and ending May 31, 2011 for all corporate purposes of said Village of Lombard for the Public Benefit Fund, for the Liability Insurance Fund, for the Illinois Municipal Retirement Fund, for the Social Security Fund, for the Police Pension Fund, for the Firefighters' Pension Fund, and General Corporate Fund, as budgeted for the current fiscal year by the Annual Budget Ordinance of the Village of Lombard for the fiscal year beginning June 1, 2010 and ending May 31, 2011, said Ordinance passed by the President and Board of Trustees of the Village of Lombard at the legally convened meeting of December 2, 2010, be and the same is hereby levied upon all the taxable property in the Village of Lombard subject to taxation for the current fiscal year. The specific amounts as levied for the various funds heretofore named being included herein by being placed in the separate columns under the heading "TO BE RAISED BY TAX LEVY" which appears over the same, the tax being so levied being for the current fiscal year of said Village, and for the said appropriation to be collected for said tax levy, the total of which has been ascertained as aforesaid, and being as set forth in Sections 3 to 9, inclusive, as follows:

Section 3: There is hereby authorized a tax levy in the amount of NINE HUNDRED NINETY SIX THOUSAND NINE HUNDRED SEVENTY ONE DOLLARS (\$996,971) for Liability Insurance purposes, and detailed as follows:

1230	LIABILITY INSURANCE	AMOUNT BUDGETED	TO BE RAISED BY TAX LEVY
711110	Salaries & Benefits	\$ 161,280	\$ 161,280
733140	Operating Supplies	1,400	1,400
755320	Training & Travel	1,000	1,000
755340	Dues & Subscriptions	1,450	1,450
755680	Legal Services	500	500
755685	Claims Admin. Services	37,930	37,930
755690	Brokerage Services	38,850	38,850
755695	Risk Management Services	22,940	22,940
755870	Retained Losses	731,621	731,621
	Total	<u>\$ 996,971</u>	<u>\$ 996,971</u>

Section 4: There is hereby authorized a tax levy in the amount of SEVEN HUNDRED FIFTY ONE THOUSAND FOUR HUNDRED NINETY FOUR DOLLARS (\$751,494) for the Illinois Municipal Retirement Fund purposes and detailed as follows:

<u>1010</u>		<u>AMOUNT</u>	<u>TO BE RAISED</u>
<u>IMRF</u>		<u>BUDGETED</u>	<u>BY TAX LEVY</u>
711630	IMRF Village	\$ 612,290	\$ 612,290
334740	IMRF Reserve	139,204	139,204
Total		<u>\$ 751,494</u>	<u>\$ 751,494</u>

Section 5: There is hereby authorized a tax levy in the amount of FIVE HUNDRED THIRTY ONE THOUSAND SEVEN HUNDRED TWENTY TWO DOLLARS (\$531,722) for the Social Security purposes and detailed as follows:

<u>1010</u>		<u>AMOUNT</u>	<u>TO BE RAISED</u>
<u>SOCIAL SECURITY</u>		<u>BUDGETED</u>	<u>BY TAX LEVY</u>
711530	Social Security-Village	\$ 340,210	\$ 340,210
711570	Medicare-Village	191,512	191,512
Total		<u>\$ 531,722</u>	<u>\$ 531,722</u>

Section 6: There is hereby authorized a tax levy in the amount of TWO MILLION TWO HUNDRED SEVENTY NINE THOUSAND TWO HUNDRED THIRTY ONE DOLLARS (\$2,279,231) for the Police Pension Fund, and detailed as follows:

<u>7100</u>		<u>AMOUNT</u>	<u>TO BE RAISED</u>
<u>POLICE PENSION FUND</u>		<u>BUDGETED</u>	<u>BY TAX LEVY</u>
712100	Police Pension Payments	\$2,873,530	\$ 2,279,231
Total		<u>\$2,873,530</u>	<u>\$ 2,279,231</u>

Section 7: There is hereby authorized a tax levy in the amount of ONE MILLION SIX HUNDRED SEVENTEEN THOUSAND THREE HUNDRED TWENTY DOLLARS (\$1,617,320)** for the Firefighters' Pension Fund, and detailed as follows:

<u>7200</u>	<u>FIREFIGHTERS' PENSION FUND</u>	<u>AMOUNT BUDGETED</u>	<u>TO BE RAISED BY TAX LEVY</u>
712200	Fire Pension Payments	\$1,472,620	\$ 1,472,620
733620	Administrative Exp-Pension Fund	90,000	90,000
605200	Pension Reserve	54,700	54,700
	Total	<u>\$1,617,320</u>	<u>\$1,617,320**</u>

** Of the total tax levy in the amount of ONE MILLION SIX HUNDRED SEVENTEEN THOUSAND THREE HUNDRED TWENTY DOLLARS (\$1,617,320) for the Firefighters' Pension Fund, ONE MILLION FOUR HUNDRED FIFTY EIGHT THOUSAND ONE HUNDRED SEVENTEEN DOLLARS (\$1,458,117) is subject to the Property Tax Extension Limitation Act (Tax Cap), and ONE HUNDRED FIFTY NINE THOUSAND TWO HUNDRED THREE DOLLARS (\$159,203) is exempt from the Property Tax Extension Limitation Act (Tax Cap) pursuant to Public Act 93-689.

Section 8: There is hereby authorized a tax levy in the amount of EIGHT HUNDRED TWELVE THOUSAND TWELVE DOLLARS (\$812,012) for Public Benefit purposes, and detailed as follows:

<u>6810</u>	<u>PUBLIC BENEFIT FUND</u>	<u>AMOUNT BUDGETED</u>	<u>TO BE RAISED BY TAX LEVY</u>
788100	SA Bonds-Principal & Interest	\$ 745,960	\$ 745,960
459160	Public Benefit Reserve	66,052	66,052
	Total	<u>\$ 812,012</u>	<u>\$ 812,012</u>

Section 9: There is hereby authorized a tax levy in the amount of ONE MILLION TWO HUNDRED TEN THOUSAND SIX HUNDRED EIGHTY SEVEN DOLLARS (\$1,210,687) for the General Corporate Fund, and detailed as follows:

<u>1010</u>	<u>GENERAL CORPORATE FUND HEALTH INSURANCE</u>	<u>AMOUNT BUDGETED</u>	<u>TO BE RAISED BY TAX LEVY</u>
711330	Blue Cross/Blue Shield Plan	\$1,195,230	\$ 1,195,230
711350	Life and AD & D Insurance	23,580	15,457
711370	BC/BS Blue Advantage HMO	727,170	0.00
	Total	<u>\$1,945,980</u>	<u>\$ 1,210,687</u>

SUMMARY OF THE TOTAL AMOUNT TO BE
RAISED BY TAX LEVY

LIABILITY INSURANCE	\$996,971
ILLINOIS MUNICIPAL RETIREMENT FUND	751,494
SOCIAL SECURITY	531,722
POLICE PENSION FUND	2,279,231
FIREFIGHTERS' PENSION FUND-SUBJECT TO TAX CAP	1,458,117
PUBLIC BENEFIT FUND	818,012
GENERAL CORPORATE FUND	<u>1,210,687</u>
TOTAL TO BE RAISED BY TAX LEVY- SUBJECT TO TAX CAP	8,046,234
FIREFIGHTERS' PENSION FUND-EXEMPT FROM TAX CAP – PURSUANT TO PUBLIC ACT 93-689	<u>159,203</u>
TOTAL TO BE RAISED BY TAX LEVY	<u>\$8,205,437</u>

Section 10: The total amount of EIGHT MILLION TWO HUNDRED FIVE THOUSAND FOUR HUNDRED THIRTY SEVEN DOLLARS (\$8,205,437) ascertained as aforesaid and detailed in Sections 3 through 9 inclusive herein, be, and the same is hereby levied and assessed on all property subject to taxation within the Village of Lombard, according to the value of said property as that same is assessed and equalized for State and County purposes for the current year.

Section 11: This LEVY ORDINANCE is adopted pursuant to the procedures as set forth in the Illinois Municipal Code and Illinois Pension Code.

Section 12: There is hereby certified to the County Clerk of DuPage County, Illinois, the several sums aforesaid, constituting said total amount and the said total amount of EIGHT MILLION TWO HUNDRED FIVE THOUSAND FOUR HUNDRED THIRTY SEVEN DOLLARS (\$8,205,437).

Section 13: The Village Clerk of said Village of Lombard is hereby ordered and directed to file with the County Clerk of DuPage County a certified copy of this Ordinance, prior to the last Tuesday in December, 2010.

Section 14: The validity or invalidity of any section of this Ordinance shall not affect the validity or invalidity of any other section.

Section 15: This Ordinance shall be in full force and effect from and after its passage and approval as provided by law.

Passed on first reading this ____ day of _____, 2010.

First reading waived by action of the Board of Trustees this ____ day of _____, 2010.

Passed on second reading this ____ day of _____, 2010.

Ayes: _____

Nays: _____

Absent: _____

Approved this ____ day of _____, 2010.

William J. Mueller
Village President

ATTEST:

Brigitte O'Brien
Village Clerk

APPROVAL AS TO FORM:

Thomas Bayer
Village Attorney

CERTIFICATE OF COMPLIANCE
WITH THE TRUTH IN TAXATION ACT

I, **WILLIAM J. MUELLER**, the duly qualified and acting presiding officer of the **VILLAGE OF LOMBARD**, DuPage County, Illinois, do hereby certify that the 2010 tax levy of said **VILLAGE**, attached hereto, was adopted in full compliance with the provisions of the Illinois "Truth in Taxation Act," (35 ILCS 200/18-55 et seq.).

IN WITNESS WHEREOF, I have placed my official signature this 2nd day of December, 2010.

Village President

