

M E M O R A N D U M

TO: Chief Administrative Officer

FROM: City Comptroller

RE: Truth in Taxation Property Tax Resolution and Timetable
For Passage of 2004 Tax Levy Payable in 2005 (REVISED)

DATE: December 1, 2004

State Truth-in-Taxation Law requires that the City make a determination of the maximum amount that is being considered to be levied. If this amount is above a 5% increase, then notice must be given to the public on the City's intent to possibly adopt this levy and a public hearing held for comment.

The Cunningham Township Assessor has revised her estimate that our assessed value will now increase 13.8% rather than the original estimate of 12.3%. This is made up of the following items:

- Increase in taxable value of current properties + 8.6%
- Decrease in taxable value of current properties
Due to new state mandated exemptions increases - 2.8%
- Net Increase to current homeowners + 5.8%
- Additions due to new construction + 3.1%
- Additions due to Carle + 4.9%

If we want to preserve the possibility of making a levy that would maintain the City's 1.3120 rate (equal to Champaign), we must pass a resolution that includes an increase of at least 13.8%. To be safe, I have prepared the attached resolution at an increase of 15.8%. This is only determining a ceiling or maximum amount. The City will automatically lower the levy amount such that the rate of 1.3120 will be achieved.

At this time, \$18,781,673 in additional assessed value for Carle has been added and Carle has not filed an appeal. It is possible that taxes will be extended on this amount, but probably unlikely that they will ever be collected by the City. Therefore, we must contemplate a levy with this amount. Otherwise, the City would end up losing approximately \$248,000 from our normal levy. Unlike Provena, Carle is not in a TIF. Therefore, their status does impact our levy.

A suggested timetable for passage of the property tax levies follows:

- Council 12/6, Attached Truth in Taxation Resolution Approved
- Public Hearing Held on Monday, 12/27
- On 12/27, after the Public Hearing, a Special Meeting of the City Council to approve levy ordinances and Abatement Resolution
- Ordinances must be filed with County Clerk no later than Tuesday, December 28, 2004

Recommendation. Approval of the attached resolution.

RESOLUTION NO. 2004-10-030R

A RESOLUTION
DETERMINING THE AMOUNTS OF MONEY
NECESSARY TO BE RAISED BY THE TAX LEVY (REVISED)

(2004)

WHEREAS, An Act to provide procedures for public notice and hearing on tax and levy increases, approved and effective July 29, 1981, and known and cited as "The Truth in Taxation Act" (35 ILCS 200/18-55 et seq.), as amended, (the "Act"), requires taxing districts, including the City of Urbana, to disclose by publication and hold a public hearing on their intention to adopt an aggregate levy in amounts more than 105% of the property taxes extended or estimated to be extended, including any amount abated by the taxing district prior to such extension, upon the levy of the preceding year; and

WHEREAS, section 4 of the Act requires the corporate authority of each taxing district, not less than twenty (20) days prior to the adoption of its aggregate levy (the "Levy"), to determine the amounts of money, exclusive of any portion of that Levy attributable to the cost of conducting any election required by the general election law ("Election Costs"), estimated to be necessary to be raised by taxation for that year upon the taxable property in its district; and

WHEREAS, if the estimate of the corporate authority required to be made as provided in section 4 of the Act is more than 105% of the amount extended or estimated to be extended, including any amount abated by the corporate authority prior to such extension, upon the levy of the preceding year, exclusive of Election Costs, section 6 of the Act requires the corporate authority to give public notice of and hold a public hearing on its intent to adopt a levy which is more than 105% of the extensions, including any amount abated, exclusive of Election Costs, for the preceding year.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF URBANA, ILLINOIS, as follows:

(a) That the amounts of money, exclusive of Election Costs, estimated and proposed to be raised by the Levy for the current year upon the taxable property in the City of Urbana is \$5,812,393.

(b) That the aggregate amount of property taxes for the City of Urbana, extended or estimated to be extended, including any amount abated by the corporate authority prior to such

extension, upon the levy of the preceding year, exclusive of Election Costs, was \$5,019,338.

(c) That the amounts estimated and proposed for the current year Levy are hereby determined to be 115.8% of the amounts extended or estimated to be extended for the preceding year.

2004. PASSED by the City Council this ____ day of _____,

AYES:

NAYS:

ABSTAINED:

Phyllis D. Clark, City Clerk

2004. APPROVED by the Mayor this ____ day of _____,

Tod Satterthwaite, Mayor

CITY OF URBANA
2004 LEVY INFORMATION

levy rate = \$1.3120

		CURRENT AMOUNT	LAST YR. AMOUNT	2 YRS AGO AMOUNT	% CHANGE				
					1 YR.	2 YRS.	3 YRS.	5 YRS.	10 YRS.
GENERAL	\$	1,497,534	\$ 1,125,143	\$ 1,044,460	26.4%	18.1%	7.8%	1.0%	-2.0%
PENSIONS	\$	2,096,700	\$ 1,881,104	\$ 1,679,479	11.5%	12.4%	13.4%	11.8%	25.8%
SUBTOTAL, BEFORE LIBRARY	\$	3,518,944	\$ 3,006,247	\$ 2,723,939	17.1%	14.6%	11.0%	6.3%	4.9%
LIBRARY	\$	2,117,772	\$ 2,013,091	\$ 1,935,468	5.2%	4.7%	5.4%	6.1%	6.6%
TOTAL	\$	5,712,006	\$ 5,019,338	\$ 4,659,407	12.3%	10.5%	8.7%	6.2%	5.5%
CITY TAX RATE/300\$ A/V		1.3120	1.3120	1.3178	0.0%	-0.2%	-0.5%	-1.1%	-1.5%
EQUALIZED ASSESSED VALUE	\$	435,366,340	\$382,571,476	\$353,574,662	12.3%	5.4%	9.3%	7.8%	8.5%
% INCR. ASSESSED VALUE		13.8%	8.20%	8.98%					
% INCR. DUE ANNEXATIONS, & NEW CONSTRUCTION		8.00%	2.90%	3.50%					
% INCR. DUE INCREASE IN VALUE CURRENT PROPERTY		5.80%	5.30%	5.48%					
\$125,000 HOMEOWNER PAYS TO CITY	\$	610.00	\$ 577.00	\$ 549.08	4.3%				
OVERALL TAX RATE FOR URBANA HOMEOWNER (assumes rest of overlapping governments keep their rate same)		8.5188	8.5188	8.6193	0.0%	-0.6%	-2.4%	-1.6%	-0.4%
CHAMPAIGN:									
CITY TAX RATE		1.3120	1.3120	1.3120	0.0%	0.0%	0.0%	0.6%	-1.1%
OVERALL TAX RATE		7.6551	7.6551	7.6984	0.0%	-0.3%	-1.3%	-1.1%	0.4%
ASSESSED VALUE	\$	1,037,471,042	\$974,151,213	\$917,869,006	6.5%	6.5%	13.5%	10.8%	10.1%