

M E M O R A N D U M

TO: Mayor Prussing and Members of the Urbana City Council
FROM: City Comptroller *Am E.*
RE: Truth in Taxation Property Tax Resolution and Timetable
For Passage of 2012 Property Tax Levy Payable in 2013
DATE: October 5, 2012

The first step in the property tax levy process is approval of the attached resolution which determines the maximum amount that might be levied. If this amount is above a 5% increase over last year, then notice a notice and public hearing is required.

Based on information from the Cunningham Township Assessor, I estimate that the assessed value of the City will decrease 1.5%. In 2012, A/V decreased 1.9%. New property added to the tax rolls will account for an increase of 1%, meaning current homeowners on average will pay .5% less to the City of Urbana in property tax than last year (assuming the City levies the same tax rate of \$1.31).

Because we cannot be certain of exactly how much our assessed value will increase, I have prepared the resolution with a 4.5% increase. Because this resolution only determines a ceiling or maximum amount, it is necessary to include this artificially high amount. This amount will allow the City to decide exactly what rate is desired when the Tax Levy Ordinance and Tax Levy Resolution are approved in November.

Also included in this amount are \$ that will be levied against Carle, which is being held in a special account for possible refund.

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

- Committee 10/8, Truth in Taxation Resolution Presented
- Council 10/15, Truth in Taxation Resolution Approved
(Resolution must be approved at least 20 days prior to tax levy ordinance approval)
- No notice of Hearing is required this year. If required, must be published in newspaper no less than 7 days or more than 14 days from hearing
- No Public Hearing required this year. If required, public hearing can be anytime before tax levy is approved
- Committee 11/12, Property Tax Levy Ordinance and Resolution Presented
- Council Meeting 11/19, Property Tax Levy Ordinances approved
- Property Tax Levy Ordinance must be approved, signed and filed with County Clerk no later than Tuesday, December 4, 2012

Recommendation. Approval of the attached resolution.

RESOLUTION NO. 2012-32/283T

A RESOLUTION
DETERMINING THE AMOUNTS OF MONEY
NECESSARY TO BE RAISED BY THE TAX LEVY (2012)

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 \$8,057,661.

(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 \$7,710,681.

(c) That the amounts estimated and proposed for the current year Levy are hereby determined to be 104.5% of the amounts extended or estimated to be extended for the preceding year.

PASSED by the City Council this ____ day of _____, 2012.

AYES:

NAYS:

ABSTAINED:

Phyllis D. Clark, City Clerk

APPROVED by the Mayor this ____ day of _____, 2012.

Laurel Lunt Prussing, Mayor