

ORDINANCE NUMBER 18- 01

**AN ORDINANCE OF THE VILLAGE OF EAST DUNDEE, COOK AND KANE COUNTIES, ILLINOIS REPEALING ORDINANCE 04-04 AND AMENDING CHAPTER 35 OF THE VILLAGE OF EAST DUNDEE VILLAGE CODE REGARDING A VOLUNTARY LIMIT ON THE ANNUAL PERCENTAGE OF INCREASE IN THE PROPERTY TAX LEVY TO BE EXTENDED BY THE VILLAGE OF EAST DUNDEE AND REGARDING VOLUNTARY LIMITATIONS ON THE ISSUANCE OF BONDS PAYABLE FROM THE VILLAGE OF EAST DUNDEE'S GENERAL PROPERTY TAX LEVY
(Home Rule Property Tax Cap and Bond Limitations Policy)**

WHEREAS, the Village of East Dundee ("Village") is a home rule unit of local government pursuant to Section 6 of Article VII of the Constitution of the State of Illinois, and has the authority to exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the President and Board of Trustees of the Village ("Corporate Authorities") passed and approved Ordinance No. 04-04 entitled "An Ordinance Establishing A Voluntary Limit On The Annual Percentage Of Increase In The Tax Levy To Be Extended By The Village Of East Dundee In The Event The Electors Approve The Village's Home Rule Referendum At The March 16, 2004 General Election (Home Rule Property Tax Cap)" on February 16, 2004; and

WHEREAS, Ordinance No. 04-04 expresses the intent of the Corporate Authorities to duplicate and follow certain of the provisions of the Illinois Property Tax Extension Limitation Law, 35 ILCS 200/18-185, *et seq.* ("PTELL"), and to bind the Village to PTELL's provisions, as set forth therein, for so long as the Village remains a home rule unit of local government; and

WHEREAS, the Corporate Authorities have determined that it best serves the public's health, safety and welfare to repeal Ordinance No. 04-04 and to amend Chapter 35 of the Village of East Dundee Village Code ("Village Code") with the addition of codified provisions regarding the intent of the Corporate Authorities to duplicate and follow the provisions of the PTELL, and to bind the Village to PTELL's provisions, as set forth herein, for so long as the Village remains a home rule unit of local government, and to further limit and restrict the Village's authority to issue new bonds payable from the Village's general property tax levy;

NOW THEREFORE BE IT ORDAINED BY THE VILLAGE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF EAST DUNDEE, COOK AND KANE COUNTIES, ILLINOIS, AS FOLLOWS:

SECTION 1: Each Whereas paragraph above is incorporated by reference into this Section and made a part hereof as material and operative provisions of this

Ordinance.

SECTION 2: Ordinance No. 04-04 is hereby repealed.

SECTION 3: Chapter 35 of the Village Code is hereby amended by creating a new Section 35.15, entitled "Home Rule Property Tax Cap and Bond Limitations Policy," which shall read in its entirety as follows:

"(A) *Applicability and Purpose.* This Section 35.15 shall apply only if the Village of East Dundee is a home rule unit. If the Village is not a home rule unit, this Section 35.15 shall not apply. The purpose of this Section 35.15 is to restrict the Village's authority to levy property taxes and issue bonds payable from the Village's general property tax levy. As set forth in this Section, the Village is limited in the amount of property taxes it may increase its levy over the prior year to the lesser of Five Percent (5%) or the Consumer Price Index. However, the Village reserves the right in this Section, as set forth below, to base future property tax levies on the maximum amount it could have levied in each year, regardless of whether or not the Village actually levied that maximum amount.

(B) *Definitions.* For purposes of this section, the following words and phrases have the following meanings:

(1) **AGGREGATE LEVY.** The annual levy of property taxes by the Village for all purposes, with the exception of:

(a) Amounts levied for the specific purposes of special service areas and special assessments;

(b) Amounts levied for payments of debt service prior to the effective date of this ordinance unit; and

(c) Other amounts excluded from the aggregate levy under the PTELL or other State statute.

(2) **BONDS.** Any instrument evidencing the obligation to pay money authorized or issued by or on behalf of the Village under applicable law, including without limitation, bonds, notes, installment or financing contracts, certificates, tax anticipation warrants or notes, vouchers, and any other evidences of indebtedness.

(3) **CONSUMER PRICE INDEX.** The consumer price index for all urban consumers (CPI-U) for the Midwest Region for all items, published by the United States Department of Labor.

(4) **LEVY CAP.** The amount of the aggregate levy for the year preceding the effective date of this ordinance, increased each year thereafter by: (i) the lesser of Five Percent (5%) or the percentage increase in the annualized Consumer Price Index from December of two (2) years prior to the current levy year to December of one (1) year prior to the current year levy year, and (ii) "new property" and "recovered tax increment value," as both are defined in the PTELL.

(5) **PTELL.** The Illinois Property Tax Extension Limitation Law, as amended from time to time.

(C) **Tax Cap.** The Village shall not certify to the Cook County Clerk or to the Kane County Clerk an aggregate levy in one year that exceeds the levy cap. Nothing in this ordinance shall be construed to impair any contract executed, or obligation incurred, prior to the effective date of this ordinance.

(D) **Limitations on New Bonds.** After the effective date of this ordinance, the Village shall not issue bonds that are payable from the Village's general property tax levy in an amount greater than the limit in Section 8-5-1 of the Illinois Municipal Code, 65 ILCS 5/8-5-1, as amended from time to time. The limitations herein do not apply to bonds that are payable from incremental property taxes, special service area levies, special assessment levies, or any other revenue source, except for the Village's general property tax levy."

SECTION 4: If any Section, paragraph or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such Section, paragraph or provision shall not affect any of the remaining provisions of this Ordinance.

SECTION 5: All ordinances or parts of ordinances in conflict herewith are, to the extent of such conflict, hereby repealed.

SECTION 6: This Ordinance shall be in full force and effect forthwith upon its adoption, approval and publication in pamphlet form as provided by law.

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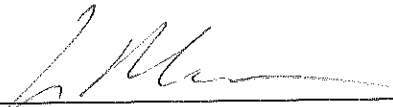
PASSED this 5th day of February, pursuant to a roll call vote as follows:

AYES: Trustees Lynam, Selep, Hall, Mahony and Andresen

NAYES: Ø

ABSENT: Trustee Wood

APPROVED by me this 5th day of February, 2018.



Lael Miller, Village President

ATTEST:



Katherine Holt, Village Clerk

Published in pamphlet form this 5th day of February, 2018, under the authority of the Village President and Board of Trustees.

Recorded in the Village records on February 8, 2018.

TOTAL VILLAGE DEBT			
General Obligation Debt	Project	Amount Issued	Outstanding Principal (4.30.18 Estimate)
GO Bond Series 2012A	1) Stormwater Detention Pond 2) Aquisition of River Haven Property 3) Construction of Water Main 4) Van Buren Avenue and Christina Drive Road Improvements	\$4,865,000	\$4,205,000
GO Bond Series 2012B	1) Grant to J.D. Byrider Redevelopment Project (\$520,500) 2) Loan for J.D. Byrider Redevelopment Project (\$1,735,000) to be paid by J.D. Byrider	\$2,360,000	\$1,855,000
Limited General Obligation Tax Incremental Revenue Bond Series 2012	1) Gat Guns Redevelopment Project (\$5.5 milion) and Required Reserve Funds	\$7,000,000	\$5,280,000
GO Bond Series 2015	1) Police Station Redevelopment Project 2) Acquisition of Summit School Properties 3) Downtown Redevelopment Project (Road Improvements, Crosswalks, Lighting, Burying ComEd Lines) 4) Downtown Lift Station 5) Downtown Water Main Improvements	\$5,450,000	\$5,450,000
GO Bond Series 2016	1) Pay off the Line of Credit for the Police Station 2) 311 Barrington Avenue Parking Lot 3) Summit School Roofing Project	\$2,865,000	\$2,865,000
Total General Obligation Debt Issued and Outstanding		\$22,540,000	\$19,655,000
Other Debt:	Project:	Amount Issued	Outstanding Principal (4.30.18 Estimate)
IEPA Loan 1997	Wastwater Treatment Plant	\$5,900,000	\$0
IEPA Loan 2005, Funded by Village of West Dundee	Wastwater Treatment Plant Improvements	\$7,200,000	\$3,759,414
IEPA Loan 2010	Wastwater Treatment Plant Improvements	\$3,414,000	\$2,534,027
East Dundee Fire Protection District Loan	Purchase of Fire Station for Police Station Redevelopment Project	\$2,000,000	\$1,600,000
Total Other Debt Issued and Outstanding		\$18,514,000	\$7,893,441
Total Debt Issued and Outstanding		\$41,054,000	\$27,548,441