



REGULAR AGENDA ITEM NO. 8.C.

FOR COUNCIL: November 18, 2024

WARD IMPACTED: City-Wide Impact

SUBJECT: Consideration and Action on Approving the 2024 Tax Levy Estimate for the Bloomington Public Library, as requested by the Bloomington Public Library.

RECOMMENDED MOTION: The proposed Tax Levy Estimate be approved in the amount of \$6,827,275.

STRATEGIC PLAN LINK:

Goal 1. Financially Sound City Providing Quality Basic Services

STRATEGIC PLAN SIGNIFICANCE:

Objective 1a. Budget with adequate resources to support defined services and level of services

BACKGROUND: The calculation of the property tax rate is produced by taking the tax levy, a fixed amount, and dividing that by the Equalized Assessed Value ("EAV"). The final EAV will not be produced until January 1st, 2025, therefore, the City must adopt its levy based on preliminary estimates.

Tax Formula: Requested Levy / Preliminary EAV = Tax Rate

The City of Bloomington and Bloomington Public Library use the preliminary EAV provided by the McLean County Supervisor of Assessments for the upcoming tax year. This year the preliminary EAV, as of October 11th, was \$2,484,313,944. That is a \$236.2M increase over the prior year's final EAV of \$2,248,095,820. The City anticipates some EAV challenges to be successful prior to the final EAV being set, as well as some adjustments to properties exempt from value increases, and therefore proposes reducing the EAV to \$2,469,313,944 (a reduction of approximately \$15M) – for purposes of providing this Estimate. That estimate total results in a \$221.2M - 9.84% increase in EAV over the 2023 final.

Bloomington Public Library Levy Request of \$6,827,275:

The Library proposes a decrease in the rate for this year's Levy. See *FIN 2B 2024 Tax Levy Estimate* (attached) for historical details. The final EAV will determine the final rate.

An increase in preliminary EAV will enable the Library to capture \$247,275 in revenue which is a 3.76% increase from the prior year's levy, as compared to the overall 9.84% increase in estimated EAV increase. If approved, this will result in a rate reduction.

The Library relies primarily on the tax levy as its source of funding. It does not benefit from economically driven revenues such as sales taxes. Therefore, to maintain consistent service, the Library's levy must at a minimum keep pace with inflation.

2024 Proposed Tax Levy Rate Calculations:

Bloomington Public Library:

Levy Request of \$6,827,275 / EAV of \$2,469,313,944 = .27648% (prior year = .29269%)
(Rate reduction of .01612%)

Tax Levy Procedure:

According to the Illinois Property Tax Code Division 2 Truth in Taxation (35ILCS 200/18-60), the City must formally adopt an estimated tax levy not less than 20 days prior to the adoption of the final tax levy. 35ILCS 200/18-85 requires said estimate to be compared to the prior year's aggregate levy (excluding amounts for bond debt service) and if a 5% increase exists then a public hearing in addition to a public notice must occur. A public notice related to this hearing must be published not more than 14 days, nor less than 7 days prior to the date of the hearing.

The final tax levy ordinance must be passed by a vote of the Council and a certified copy, thereof, filed with the County Clerk on or before the last working Tuesday in December which is December 31st. Therefore, the adoption of the 2024 Tax Levy Ordinance is recommended to be placed on the Council's December 9th, 2024 meeting agenda.

The final EAV will be completed by January 1st, 2025. The tax rate generated is later applied to individual property owner's tax bills on April 1st, 2025, and bills are sent out on May 1st due by June 1st and September 1st.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: N/A

FINANCIAL IMPACT: The Bloomington Public Library Board of Trustees and Finance recommends the Council adopt the tax levy *estimate* of \$6,827,275 for the Bloomington Public Library.

Respectfully submitted for consideration.

Prepared by: Jeanne Hamilton, Library Director

ATTACHMENTS:

[FIN 2B 2024 Bloomington Public Library Tax Levy Estimate](#)