

To: President and Members of the Munster Town Council

From: Wendy Mis, Clerk-Treasurer

Date: March 7, 2022

Re: Ordinance 1860: Re-establishment of CCD Fund (4402)

The Town Council adopted Resolution 1054 on May 21, 1984 establishing the Cumulative Capital Development Fund (4402). Through the years, the CCD Fund has been re-established a number of times, most recently on June 5, 2017, under Ordinance 1718. At that time, the tax rate was set at \$0.05 per \$100 of assessed valuation. Over time, the rate has eroded and is currently \$0.0470 per \$100 of assessed valuation. Re-establishing the fund will allow the Town to set the rate back to the maximum of \$0.05 per \$100 of assessed valuation.

Under the current rate, the Town was certified to receive \$851,849 in property taxes. Once the current assessed valuation abstract is released, that amount will be reduced. It will be further reduced based by the circuit breaker.

Re-establishing the fund would raise the rate by \$0.003 per \$100 of assessed valuation. A rough estimate of the increase to the certified levy is \$54,373. The increase will happen for property taxes payable in 2023.

The procedure for re-establishing the CCD Fund requires a public hearing, the adoption of an ordinance by the Town Council, submission of documents to the DLGF, and publication of a Notice of Adoption. Publication of the Notice of Adoption starts a thirty-day remonstrance period in which taxpayers can file an objecting petition with the Lake County Auditor. If there is no remonstrance, the DLGF will issue their determination. If there is a successful remonstrance, the DLGF will conduct a hearing then issue their decision.

The public hearing is scheduled for April 4, 2022. Ordinance 1860 has been drafted to comply with the procedure. Completed submissions are due to the DLGF by May 31, 2022 for the 2023 budget cycle.

RECOMMENDED ACTION:

Hear Ordinance 1860 on first reading and schedule second reading and public hearing for April 4, 2022.