



---

## COMMITTEE ACTION SUMMARY SHEET

**MEETING DATE:** March 13, 2025

**TOPIC** Reconsideration of Method of Calculation of Annual DDA Public Infrastructure Fund Contributions

### BACKGROUND BRIEF:

Committee Member McClary is requesting that the Committee rescind its motion adopted on February 27, 2025, regarding its recommendation to the Village Council and DDA Board on the method of calculating the annual contributions from the DDA to the Public Infrastructure Fund and adopt a new recommendation.

After further review and consideration of the method proposed by the Committee, McClary determined that the proposed method incorrectly inflated the base year tax revenues, reduced future years' contributions, and results in extremely complicated and repetitive calculations to determine the contributions. McClary is recommending that actual contributions be based on the amounts billed by the Assessor to taxpayers in July and December for the DDA captured revenue. These final figures would be available in January of each year for the current fiscal year and would allow an accurate contribution by the DDA to the Public Infrastructure Fund by June 15 each year for the current fiscal year.

### SUMMARY OF PREVIOUS COMMITTEE ACTION:

02/27/2025 – The Committee adopted a motion to recommend to Village Council and the DDA Board a tax sharing agreement where the DDA contributes to the Public Infrastructure Fund the required contribution no later than December 31 for the prior fiscal year and that calculation be based on the actual tax revenue.

### FINANCIAL IMPACT:

None

### RECOMMENDED MOTION:

#1 - To rescind the Committee motion previous adopted on February 27, 2025, to recommend to Village Council and the DDA Board a tax sharing agreement where the DDA contributes to the Public Infrastructure Fund the required contribution no later than December 31 for the prior fiscal year and that calculation be based on the actual tax revenue.

#2 - To recommend to Village Council and the DDA Board that the DDA contribution to the DDA Public Infrastructure Fund for fiscal years 2023-24 and 2024-25 be made in the total amount of \$142,467.16 (\$50,183.08 for FY 2023-24 and \$92,284.08 for FY 2024-25) and that the Village Manager shall be responsible for calculating the estimated contributions annually for budgeting purposes for the ensuing fiscal year based on the post-Board of Review taxable value within the DDA District and estimated millage rate capture for all affected taxing units. The Village Manager will calculate and report to the Village Council and DDA Board not later than April 15 each year the actual required contribution for that fiscal year based on the difference between total amount billed by the Assessor in July and December to taxpayers within the DDA District for the captured tax revenue and the total tax revenue captured by the DDA in FY 2022-23 (\$896,787.17) multiplied by 75% as illustrated in the Village Manager's calculation worksheets. The DDA shall deposit the required contribution no later than June 15 each year for the current fiscal year.