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03/8/18

CHRONOLOGY FOR ANNUAL FINANCIAL ORDINANCES

2018-2019 FISCAL YEAR

I. District Libraries

The chronology in this outline is intended to assist District Libraries follow the steps preliminary to the filing of the annual Levy Ordinance.

Applicable Statutes include:

- a) The Municipal Budget Law (50 ILCS 330/1 et seq.);
- b) The Public Library District Act (75 ILCS 16/1-1 et seq.);
- c) The Truth in Taxation Law (TITA) (35 ILCS 200/18-55 et seq.);
- d) The Revenue Act (35 ILCS 200/18-10 et seq.);
- e) The Property Tax Extension Limitation Law (PTELL) (the "tax cap") (35 ILCS 200/18-185 et seq.).

II. City/Village Libraries

City Libraries and Village Libraries should confer with City/Village representatives to confirm the time frame for providing the Library's levy for incorporation in the City/Village Levy Ordinance.

Reminder: The Local Library Act was amended effective August 22, 2017. Per P.A. 100-245, the Library Board must submit to the City/Village, not less than 60 days prior to the date for the certification of the City/Village tax levy, a "statement of financial requirements of the library."

The relevant language from P.A. 100-245 provides as follows:

The board of trustees of a municipal library shall also submit to the city council, board of trustees or board of town trustees, along with the Illinois State Library, a statement of financial requirements of the library for the ensuing fiscal year for inclusion in the appropriation of the corporate authority, and of the amount of money which, in the judgment of the board of library trustees, will be necessary to levy for library purposes in the next annual tax levy ordinance. This statement shall be submitted no less than 60 days prior to when the tax levy must be certified under subsection (b) of Section 18-15 of the Property Tax Code.

(75 ILCS 5/4-10)

As stated above, communication with City/Village representatives is important to confirm the time frame for providing to the City/Village the Library's "financial requirements."

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**WE RECOMMEND ADOPTING A FINANCIAL ORDINANCE
CALENDAR NOT LATER THAN JUNE, 2018.**

**Adopting a calendar assures compliance with deadlines
for publication, public hearings, and filings.**

A Budget and Levy Calendar is attached.

DISTRICT LIBRARIES

SUGGESTED SEQUENCE OF EVENTS

STATUTORY DEADLINE

- A. Adopt Ordinance for
“Building and Maintenance Tax”
(.02% special tax). July - November
(see Note on p.7)

NOTE: THIS ORDINANCE AND A PUBLIC NOTICE
MUST BE PUBLISHED WITHIN 15 DAYS AFTER THE
ORDINANCE IS ADOPTED.

This tax is subject to a backdoor
referendum – see Note on page 7.

We recommend adoption after July 1, 2018 and before
November 1, 2018 per backdoor referendum requirements.

- B. Adopt a tentative Budget
and Appropriation Ordinance and
set a date for a public hearing to discuss
the tentative Budget and Appropriation
Ordinance.¹ August 25, 2018

The hearing may not coincide
with any hearing required under TITA.

- C. Publish notice of the public hearing
on the tentative Budget and
Appropriation Ordinance. August 25, 2018

The notice must be published at least
30 days prior to the hearing.²

- D. Conduct the public hearing concerning
the tentative Budget and Appropriation
Ordinance. September 25, 2018

- E. After the public hearing on the tentative
Budget and Appropriation Ordinance, adopt
the Budget and Appropriation Ordinance in
final form.³ September 25, 2018

- F. Publish a certified copy of the Budget October 25, 2018

1 The tentative Budget and Appropriation Ordinance must be posted and available for public inspection.
50 ILCS 330/3

2 50 ILCS 330/3

3 The Public Library District Act provides that the Budget and Appropriation Ordinance shall be adopted no later
than the 4th Tuesday in September. 75 ILCS 16/30-85(a)

and Appropriation Ordinance.

SUGGESTED SEQUENCE OF EVENTS

STATUTORY DEADLINE

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|----|--|-------------------|
| G. | File with the County Clerk a certified copy of the Budget and Appropriation Ordinance (within 30 days after adoption). ⁴ | October 25, 2018 |
| H. | Adopt and file with the County Clerk a Certified Estimate of Revenues by Source. ⁵ | October 25, 2018 |
| I. | Adopt a Resolution To Determine Estimate of Funds Needed. This Resolution should be adopted even if further compliance with TITA is not required. ⁶ Also, set a date for a TITA public hearing if a hearing is required. The TITA hearing may not coincide with the hearing on the tentative Budget and Appropriation Ordinance. ⁷ | November 14, 2018 |

The TITA hearing will not take place until after publishing notice of the hearing (see the following Paragraph J).

- | | | |
|----|--|---|
| J. | Publish notice of the TITA hearing not less than seven (7) days no more than fourteen (14) days prior to the hearing. ⁸ | Publication date depends on hearing date (7 to 14 days) |
|----|--|---|

4 35 ILCS 200/18-50

5 This should be a separate document even if the same information is incorporated in the Budget and Appropriation Ordinance. 35 ILCS 200/18-50

6 This Resolution must be adopted not less than 20 days prior to the adoption of the Levy Ordinance. 35 ILCS 200/18-60. Accordingly, the statutory deadline is 20 days prior to the first Tuesday in December (the last day for adoption of the Levy Ordinance). We recommend adoption of the Resolution much earlier, however, for assistance in determining whether compliance with TITA is necessary.

NOTE: The relevant Statute does not require passage of a written Resolution. The Statute requires that the Board make a “determination” of the funds estimated to be necessary. The Statute does not specify the procedure for making this “determination”, i.e., via Ordinance, Resolution, Motion, etc. Our recommendation is that, given the importance of compliance with TITA and establishing a “paper trail”, the Library’s “determination of funds estimated to be necessary” be done via a written Resolution.

NOTE: The “tax cap” laws did not change the need to comply with TITA and TITA’s public hearing requirements.

7 35 ILCS 200/18-70

8 35 ILCS 200/18-80

SUGGESTED SEQUENCE OF EVENTS

STATUTORY DEADLINE

- | | | |
|----|--|-------------------|
| K. | Conduct the TITA public hearing. | December 4, 2018 |
| L. | Adopt the Levy Ordinance no sooner than seven (7) days after publication of the Budget and Appropriation Ordinance and no sooner than 20 days after adoption of the Resolution To Determine Estimate of Funds Needed. ⁹ | December 4, 2018 |
| M. | On or before the last Tuesday of December ¹⁰ file with the County Clerk a certified copy of the Levy Ordinance with the following certifications: | December 25, 2018 |
| | 1. Certification of Authenticity (by the District Secretary); | |
| | 2. Certification of Compliance with TITA or Certificate of Inapplicability of TITA (by the District President). County Clerks request that you attach a copy of the "black border notice" if a TITA publication was made. | |

9 The Levy Ordinance must be enacted by the first Tuesday in December. (75 ILCS 16/30-85(b))

10 The Levy Ordinance filing deadline is the last Tuesday of December. (75 ILCS 16/30-85(c))

To avoid any problem with filing and County Clerk holiday schedules, we recommend filing at least one week before Tuesday, December 25, 2018.

NOTES

I. TRUSTEE ELECTION REMINDER

The next election at which Library Trustees will be elected is the Consolidated Election to be held on Tuesday, April 2, 2019.

II. CALENDAR

When setting up your financial ordinance calendar, be careful about Saturdays, Sundays and holidays for filings, Board meetings, and newspaper publications. We recommend using non-holiday weekdays.

III. ORDINANCES

The Public Library District Act provides that:

“Every ordinance shall contain an effective date, which shall be no later than 60 days after the enactment.”¹¹

“Every ordinance shall be posted in a public area of the district library building within 3 days after the date of enactment and shall remain posted for 14 days.”

IV. FRONT DOOR REFERENDA

If you anticipate going to referendum (e.g., bond issue, rate increase), there are deadlines established by the Illinois Election Code concerning certification of a referendum.

If you plan a referendum, please confirm the applicable deadlines/filing dates.

The next referendum date possibilities are November 6, 2018 (General Election) and April 2, 2019 (Consolidated Election).

Election calendar reminder:

Even numbered years:

- a. Third Tuesday in March (General Primary)
- b. First Tuesday after the first Monday in November (General Election).

Odd number years:

First Tuesday in April (Consolidated Election)¹²

¹¹ An Ordinance may recite “This Ordinance is effective immediately.”

¹² The Consolidated Election may be postponed if there is a conflict with Passover (10 ILCS 5/2A-1).

V. .02% SPECIAL TAX - BUILDING & MAINTENANCE

The period from July-November is the timeframe to adopt the special .02% tax for “Building & Maintenance” and publish notice of the adoption.

Per backdoor referendum regulations, for the 2018-2019 fiscal year we recommend the Ordinance be adopted and published before November 1, 2018.

The date of a prospective referendum to be included in the notice to be published is April 2, 2019.

A. Preliminary Comments

We recommend adopting the .02% Ordinance prior to adoption of the Levy Ordinance. This makes it clear the Board intended to incorporate in the Levy its prior action to levy the .02% tax. The Levy Ordinance should incorporate the .02% tax.

The relevant Statute refers to adoption of “an ordinance” and also uses the word “resolution”. An ordinance should be used.

B. Election Dates

The consolidated election schedule no longer provides for an election in November of odd numbered years. Accordingly, the dates for a potential backdoor referendum (“prospective referendum” in the Notice to be published) are:

- a. Even numbered years: March and November;
- b. Odd numbered years: April only.

For the 2018-2019 fiscal year (Levy Ordinance filed in the Fall, 2018), the date of the prospective referendum is April 2, 2019.¹³

If the voters disapprove the .02% tax at an April 2, 2019 referendum, the Board must abate that portion of the levy applicable to the .02% tax. The County, in turn, will modify the levy (the levy which was filed in the fall of 2018).

In any event, the Board will know within 30 days after publication of the Notice if a referendum on April 2, 2019 is necessary and can plan accordingly.

¹³ It is possible to use November 6, 2018 as the date for a possible backdoor referendum. The timetable per Election Code requirements is such that the Ordinance would have to be passed and the Notice published in early July, 2018. We recommend passing the Ordinance and publishing the Notice in August, September, or October, 2018.

C. No Backdoor Referendum Petition Filed

As a practical matter, the outcome of a referendum is moot if no backdoor referendum is sought within 30 days after publication of the Notice.

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A Budget and Levy Calendar is attached.

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**BUDGET AND LEVY CALENDAR
2018-2019 FISCAL YEAR**

<u>Action</u>	<u>Dates</u>
A. Adopt Building and Maintenance Tax Ordinance (.02%)	_____, 2018 (recommend August, September or October, 2018)
B. Publish backdoor referendum notice for Building and Maintenance Tax (.02%) (within 15 days of adoption)	_____, 2018 (recommend August, September or October, 2018)
C. Prepare a tentative Budget and Appropriation Ordinance and set a public hearing date	_____, 2018 (before 8/25/18) (July is recommended)
D. Publish notice of the public hearing on the tentative Budget and Appropriation Ordinance. Note: The notice must be published at least 30 days before the public hearing.	_____, 2018 (before 8/25/18)
E. Conduct the public hearing on the tentative Budget and Appropriation Ordinance and adopt the Budget and Appropriation Ordinance in final form	_____, 2018 (before 9/25/18)
F. Publish a certified copy of the Budget and Appropriation Ordinance	_____, 2018 (before 10/25/18)
G. File with the County Clerk a certified copy of the Budget and Appropriation Ordinance	_____, 2018 (before 10/25/18)
H. Adopt and file with the County Clerk a Certified Estimate of Revenue by Source	_____, 2018 (before 10/25/18)
I. Adopt a Resolution To Determine Estimate of Funds Needed and, if necessary, set a date for a T.I.T.A. hearing	_____, 2018 (before 11/14/18)
J. Publish notice of the T.I.T.A. hearing (7-14 days prior to hearing)	_____, 2018
K. Conduct the public hearing pursuant to T.I.T.A.	_____, 2018 (before 12/4/18)
L. Adopt the Levy Ordinance	_____, 2018 (before 12/4/18)
M. File with the County Clerk a certified copy of the Levy Ordinance and certification of compliance with T.I.T.A.	_____, 2018 (before 12/25/18)