

THE TOWN OF DUNE ACRES

Re-Establishment of the Cumulative Capital Development (CCD) Fund *Frequently Asked Questions*

The Town Council is re-establishing the 2020 CCD property tax rate and holding public hearings as required by statute. Why?

While public officials of other communities have systematically addressed their CCD property tax rate over the years, Dune Acres began moving incrementally forward in 2017.

How does the Dune Acres CCD rate and levy compared to surrounding communities?

TOWN UNIT	2018	2018	2019	2019	2020 Projected	
	CCD RATE	Tax Levy	CCD RATE	Tax Levy	CCD RATE	Tax Levy
Chesterton	0.0400	\$276,825	0.0400	\$280,038		
Burns Harbor	0.0400	\$224,774	0.0400	\$230,919		
Porter	0.0400	\$90,966	0.0400	\$90,328		
Beverly Shores	0.0400	\$75,034	0.0400	\$74,112		
Ogden Dunes	0.0350	\$50,746	0.0350	\$52,178		
Dune Acres	0.0275	\$28,791	0.0258	\$26,796	0.035	\$36,350

A CCD rate of **.0350** per \$100 assessed valuation is being proposed for budget year 2020, which represents an overall increase of .0092 over the current rate.

How much will my tax bill change?

Because an increase in the CCD levy is tied to the TAX RATE, the amount each homeowner will pay varies, depending on the property's Net Assessed Valuation. Sample projections:

SAMPLE #1, **\$300,000** Net Assessed Valuation

	<u>Tax Rate per \$100</u>	<u>CCD Paid</u>	<u>Increase over Current</u>
Current CCD:	0.0258	\$ 77.00	
Proposed CCD:	0.0350	\$105.00	+ \$28.00 per year

SAMPLE #2, **\$500,000** Net Assessed Valuation

	<u>Tax Rate per \$100</u>	<u>CCD Paid</u>	<u>Increase over Current</u>
Current CCD:	0.0258	\$129.00	
Proposed CCD:	0.0350	\$175.00	+ \$46.00 per year

SAMPLE #3, **\$900,000** Net Assessed Valuation

	<u>Tax Rate per \$100</u>	<u>CCD Paid</u>	<u>Increase over Current</u>
Current CCD:	0.0258	\$232.00	
Proposed CCD:	0.0350	\$315.00	+ \$83.00 per year

Dune Acres homeowners may estimate how the new CCD rate will impact their property tax bill as follows:

$$(\text{Property NET Assessed Valuation} / 100) \times .0092 = \text{CCD re-establishment impact}$$

Your NET Assessed Valuation may be found on your tax bill. (it is the gross value, minus all deductions)

How will additional CCD funds be used?

Every year, the Council reviews capital needs throughout town and allocates dollars for selected projects. There may be building-related needs associated with the Security Office, Town Hall or Clubhouse such as replacing a furnace, roof, or broken window. In any given year, our Parks Commissioner may be authorized to utilize CCD monies to replace broken playground equipment, make repairs to the tennis courts, or purchase a new ice rink liner. And in some years, when general fund snow plowing expenses are particularly high, the CCD fund may be used for road repairs.

The Town's capital improvement needs always exceed available resources. While the proposed CCD increase will not meet every capital demand, the Council is committed to its responsibility of protecting revenue sources and making the challenging decisions regularly required by town government officials.

Public Hearing:

March 19, 2019

7:00 PM

Dune Acres Town Hall