

AGENDA
THE CITY OF ST. CHARLES
GOVERNMENT OPERATIONS COMMITTEE
ALD. STEVE WEBER, CHAIR
MONDAY, OCTOBER 20, 2025
IMMEDIATELY FOLLOWING THE CITY COUNCIL MEETING
CITY COUNCIL CHAMBERS – 2 EAST MAIN STREET

- 1. Call to Order**
- 2. Roll Call**
- 3. Administrative**
- 4. Omnibus Vote.** Items with an asterisk (*) are considered to be routine matters and will be enacted by one motion. There will be no separate discussion on these items unless a council member/citizen so requests, in which event the item will be removed from the consent agenda and considered in normal sequence on the agenda.
- 5. Finance**
 - a. Recommendation to approve the Preliminary Estimate of 2025 Property Tax Levy.
- 6. Public Comment**
- 7. Additional Items from Mayor, Council or Staff**
- 8. Executive Session**
 - Pending, Probable or Imminent Litigation – 5 ILCS 120/2(c)(11)
 - Property Acquisition – 5 ILCS 120/2(c)(5)
 - Collective Bargaining – 5 ILCS 120/2(c)(2)
 - Review of Executive Session Minutes – 5 ILCS 120/2(c)(21)
 - Personnel – 5 ILCS 120/2(c)(1)
- 9. Adjournment**

ADA Compliance

Any individual with a disability requesting a reasonable accommodation in order to participate in a public meeting should contact the ADA Coordinator, Jennifer McMahon, at least 48 hours in advance of the scheduled meeting. The ADA Coordinator can be reached in person at 2 East Main Street, St. Charles, IL, via telephone at (630) 377 4446 or 800 526 0844 (TTY), or via e-mail at jmcmahon@stcharlesil.gov. Every effort will be made to allow for meeting participation. Notices of this meeting were posted consistent with the requirements of 5 ILCS 120/1 et seq. (Open Meetings Act).

 CITY OF ST. CHARLES ILLINOIS • 1834	AGENDA ITEM EXECUTIVE SUMMARY		Agenda Item number: 5						
	Title:	Recommendation to Approve the Preliminary Estimate of the 2025 Property Tax Levy							
	Presenter:	Bill Hannah, Director of Finance							
Meeting: Government Operations Committee Date: October 20, 2025									
Proposed Cost: \$-0-		Budgeted Amount: \$ N/A	Not Budgeted: ☐						
TIF District: None									
Executive Summary (if not budgeted, please explain): <u>Background</u> The City is required to prepare a formal, preliminary estimate of its property tax levy each year. This formal estimate provides the basis for the Truth in Taxation notice. The actual tax levy ordinance will be presented for approval at the December 1, 2025 City Council meeting after the official public hearing is held on that same evening. Property taxes comprise about 24% of the City's budgeted revenues for the General Fund and fund core City services and required pension contributions. The 2025 property tax levy provides partial, but critical funding for the upcoming FY 2026-27 City General Fund Budget. <u>Last Year's 2024 Levy/Extension</u> <table> <tr> <td>General Levy:</td> <td>\$14,865,417 (Actual extension)</td> </tr> <tr> <td>Bonds/Debt Levy:</td> <td><u>\$ 9,385,587</u> (Abated in its entirety)</td> </tr> <tr> <td>TOTAL:</td> <td>\$24,251,004</td> </tr> </table> As indicated above, property taxes for the City's general obligation bonds were abated and paid with other General Fund, TIF or utility fund revenue sources from the water, sewer or electric utilities. <u>2025 Levy Considerations</u> A key component of the tax levy is the annual actuarial valuation done for the Police Pension Fund and the Firefighters Pension Fund, as the recommended amounts for City funding are incorporated into the operating tax levy. The actuarial valuations done for both funds were completed and measured as of April 30, 2025, and resulted in an increase in the City's required contribution as follows: • The Police Pension Fund contribution from the levy is increasing \$29,709 to \$4,517,937 • The Firefighter's Pension Fund contribution from the levy is increasing \$235,967 to \$3,240,259 In summary, the required City property tax contributions for police and fire pension funding are increasing \$265,676 over last year. The City also takes into account trends in operating expenditures such as personnel and other operating costs when considering a levy for 2025. Trends in the consumer price index are also factored, as those changes drive upcoming cost increases that the City anticipates incurring. The CPI for 2024 was 2.9% and the average change in CPI over the last four years has been 4.95%.				General Levy:	\$14,865,417 (Actual extension)	Bonds/Debt Levy:	<u>\$ 9,385,587</u> (Abated in its entirety)	TOTAL:	\$24,251,004
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Bonds/Debt Levy:	<u>\$ 9,385,587</u> (Abated in its entirety)								
TOTAL:	\$24,251,004								

2025 Estimated Levy Recommendation

The overall recommended increase in the General Levy for 2025 is 3.99% over last year's extensions. The breakdown can be summarized below into the different components compared to last year.

2025 Levy Estimate

	Property Tax Extensions	Proposed	2025-2024	
<u>General/Other Purposes</u>	<u>2024</u>	<u>Levy 2025</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Corporate	2,842,882	3,000,000	157,118	5.53%
Fire Protection	1,925,006	2,000,000	74,994	3.90%
Police Protection	1,925,006	2,000,000	74,994	3.90%
Mental Health Board	680,003	700,000	19,997	2.94%
Total General Purpose	7,372,897	7,700,000	327,103	4.44%
<u>Pension</u>				
Police Pension	4,488,228	4,517,937	29,709	0.66%
Fire Pension	3,004,292	3,240,259	235,967	7.85%
Total Pension	7,492,520	7,758,196	265,676	3.55%
Total	14,865,417	15,458,196	592,779	3.99%

Bond and Interest Payments 8,285,265
**(To be Abated and Ultimately
Not Included in the Levy)**

Total Levy (Before Abatement of Debt Service) 23,743,461

Summary

The 2025 estimated property tax levy as presented would result in a typical increase of \$1 to \$2 a month for a home with a value of \$300,000 to \$400,000, taking into account new construction EAV estimated to be added to the city's tax base. This will vary based on EAV assessment changes for different properties in the City.

Attachments (please list):

None

Recommendation/Suggested Action (briefly explain):

Recommendation to Approve the Preliminary Estimate of 2025 Property Tax Levy