



**AGENDA ITEM EXECUTIVE SUMMARY**

Agenda Item number: 6a

Title:

**Seeking a Motion to Approve an Ordinance Abating a Portion of the 2021 Property Tax Heretofore Levied for the City of St. Charles**

Presenter:

Colleen Lavery, Assistant Finance Director

Meeting: Government Operations Committee

Date: January 3, 2022

Proposed Cost: \$ N/A

Budgeted Amount: \$

Not Budgeted:

**Executive Summary** *(if not budgeted please explain):*

Staff is requesting the Council to approve the attached ordinance abating the debt service portion of the 2021 property tax levy. The property tax levied for the various General Obligation (GO) Bond Debt issues have traditionally been abated. The principal and interest payments on the City's GO bond issues will be paid from revenue sources other than property tax. Specifically, the debt will be paid with the usage fees charged for utility services, increment generated by the Tax Increment Financing (TIF) Districts as well as revenue collected in the General Fund.

The abatement of the debt service portion of the levy is consistent with City practices and in adherence with the discussion held in conjunction with the presentation of the 2021 property tax levy. The attached ordinance abates \$10,855,111 from the levy and results in a total 2021 property tax levy request in the amount of \$13,721,364.

The final estimated assessed value (EAV) figures from the counties are unavailable and therefore we cannot finalize the tax levy or calculate the precise tax rate at this point. The EAV should be available toward the end of March or early in April allowing staff to calculate the final rate.

**Attachments** *(please list):*

**Abatement Ordinance**

**Recommendation/Suggested Action** *(briefly explain):*

**Seeking a Motion to Approve an Ordinance Abating a Portion of the 2021 Property Tax Heretofore Levied for the City of St. Charles**

**City of St. Charles, Illinois**  
**Ordinance No. \_\_\_\_\_**

**An Ordinance Abating a Portion of the Tax Heretofore Levied for the  
City of St. Charles, Kane and DuPage Counties, Illinois.**

**Presented and Passed by the  
City Council on \_\_\_\_\_**

**WHEREAS**, the City Council of the city of St. Charles, Kane and DuPage Counties, Illinois, did on the 20th day of December, 2021, adopt an Ordinance entitled:

**"ANNUAL TAX LEVY ORDINANCE" of the City of St.  
Charles, Kane and DuPage Counties, Illinois";**

and

**WHEREAS**, a duly certified copy of said Ordinance was filed with the County Clerks of Kane and DuPage Counties, Illinois, in 2021; and

**WHEREAS**, revenue the city of St. Charles has received from other sources will be sufficient to pay expenditures without any funds for debt service purposes being levied as set forth in said Annual Tax Levy Ordinance;

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY  
OF ST. CHARLES, KANE AND DUPAGE COUNTIES, ILLINOIS, AS FOLLOWS:**

Section 1. That the tax heretofore levied in said Annual Tax Levy Ordinance, such tax being levied to pay the city's annual debt service expenditures for general obligation bonds, be abated by that amount representing revenue the city has received from other sources, which will be sufficient to pay expenditures for said general obligation bonds. The purposes for which such

tax was so levied in said ordinance and the amount so levied for each purpose, the amount of such tax so levied which is to be abated for each purpose, and the remainder of such tax so levied which is to be extended for each purpose are as follows:

<b>PURPOSE OF LEVY</b>	<b>TAX LEVIED IN SAID ORDINANCE</b>	<b>AMOUNT TO BE ABATED</b>	<b>REMAINDER OF LEVY TO BE EXTENDED</b>
Fire Pension	\$2,580,360	\$0	\$2,580,360
Police Pension	\$3,870,554	\$0	\$3,870,554
Police Protection	\$1,865,000	\$0	\$1,865,000
Fire Protection	\$1,865,000	\$0	\$1,865,000
Mental Health	\$611,615	\$0	\$611,615
Corporate	\$2,928,835	\$0	\$2,928,835
GO Bond Series 2011 A	\$351,050	\$351,050	\$0
GO Bond Series 2011 C	\$473,850	\$473,850	\$0
GO Bond Series 2011 D	\$321,350	\$321,350	\$0
GO Bond Series 2012 A	\$753,975	\$753,975	\$0
GO Bond Series 2012 B	\$1,147,750	\$1,147,750	\$0
GO Bond Series 2013 A	\$894,200	\$894,200	\$0
GO Bond Series 2013 B	\$356,086	\$356,086	\$0
GO Bond Series 2015 A	\$193,243	\$193,243	\$0
GO Bond Series 2016 A	\$554,650	\$554,650	\$0

GO Bond Series 2016 B	\$1,443,750	\$1,443,750	\$0
GO Bond Series 2016 B TIF Bonds	\$304,389	\$304,389	\$0
GO Bond Series 2018	\$1,498,668	\$1,498,668	\$0
GO Bond Series 2019	\$1,056,250	\$1,056,250	\$0
GO Bond Series 2020 A	\$831,700	\$831,700	\$0
GO Bond Series 2020 B	<u>\$674,200</u>	<u>\$674,200</u>	<u>\$0</u>
Total	<u>\$24,576,475</u>	<u>\$10,855,111</u>	<u>\$13,721,364</u>

Section 2. That forthwith upon the passage of this Ordinance the City Clerk shall file a certified copy of this Ordinance with the County Clerks to ascertain the rate necessary to produce the remainder of the tax heretofore levied and as shown herein above and to extend the same for collection on the tax books against all of the taxable property situated within the city in connection with other taxes levied in 2021 for general corporate purposes and other purposes shown above, and for 2021 such annual tax shall be computed, extended and collected in the same manner as now or hereinafter provided by law for the computation, extension and collection of taxes for general corporate purposes and other purposes shown above, and when collected such taxes shall be used solely for the purpose of paying each of aforementioned specific purposes.

Section 3. That this Ordinance shall be in full force and effect forthwith upon its passage.

NOW THEREFORE, be it ordained by the Mayor and City Council of the City of St. Charles, Kane and DuPage Counties, Illinois.

PRESENTED to the City Council of the City of St. Charles, Illinois this \_\_\_\_ day of January, 2022.

PASSED by the City Council of the City of St. Charles, Illinois, the \_\_\_\_ day of January, 2022.

APPROVED by the Mayor of the City of St. Charles, Illinois this \_\_\_\_ day of January, 2022.

\_\_\_\_\_  
Lora Vitek, Mayor

ATTEST:

\_\_\_\_\_  
CITY CLERK

COUNCIL VOTE:

Ayes:  
Nays:  
Absent:  
Abstain: