



AGENDA ITEM EXECUTIVE SUMMARY

Agenda Item number: 7c

Title:

Recommendation Approve an Ordinance Abating a Portion of the 2020 Property Tax Heretofore Levied for the City of St. Charles

Presenter:

Chris Minick, Finance Director

Meeting: Government Operations Committee

Date: January 4, 2021

Proposed Cost: \$ N/A

Budgeted Amount: \$

Not Budgeted:

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

Consistent with prior direction and policy, staff is requesting the Council to approve the attached ordinance abating the debt service portion of the 2020 property tax levy. The principal and interest payments on the City’s general obligation bond issues are traditionally paid from general revenue sources of the City other than property tax revenues. The property tax levies for the GO Bond Series have traditionally been abated.

The abatement of the debt service portion of the levy is consistent with discussion held in conjunction with the presentation of the 2020 property tax levy. The ordinance attached abates \$10,836,271 from the levy and results in a total property tax levy request in the amount of \$13,069,216 for levy year 2020 as presented in December.

We do not have the final EAV numbers from the counties and therefore we cannot finalize the tax levy or calculate the precise tax rate at this point. The numbers should be available toward the end of March or early in April and Staff will finalize the 2020 property tax levy at that time.

Attachments *(please list):*

Abatement Ordinance

Recommendation/Suggested Action *(briefly explain):*

Seeking a Motion to Approve an Ordinance Abating a Portion of the 2020 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 7th day of December, 2020, 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 2020; 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:

PURPOSE OF LEVY	TAX LEVIED IN SAID ORDINANCE	AMOUNT TO BE ABATED	REMAINDER OF LEVY TO BE EXTENDED
Fire Pension	\$2,530,046	\$0	\$2,530,046
Police Pension	\$3,756,438	\$0	\$3,756,438
Police Protection	\$1,750,000	\$0	\$1,750,000
Fire Protection	\$1,750,000	\$0	\$1,750,000
Mental Health	\$631,106	\$0	\$631,106
Corporate	\$2,651,626	\$0	\$2,651,626
GO Bond Series 2011 A	\$354,275	\$354,275	\$0
GO Bond Series 2011 C	\$478,375	\$478,375	\$0
GO Bond Series 2011 D	\$326,675	\$326,675	\$0
GO Bond Series 2012 A	\$757,575	\$757,575	\$0
GO Bond Series 2012 B	\$1,141,350	\$1,141,350	\$0
GO Bond Series 2013 A	\$894,200	\$894,200	\$0
GO Bond Series 2013 B	\$357,466	\$357,466	\$0
GO Bond Series 2015 A	\$192,818	\$192,818	\$0
GO Bond Series 2016 A	\$555,875	\$555,875	\$0

GO Bond Series 2016 B	\$1,446,025	\$1,446,025	\$0
GO Bond Series 2016 B TIF Bonds	\$289,280	\$289,280	\$0
GO Bond Series 2018	\$1,491,293	\$1,491,293	\$0
GO Bond Series 2019	\$1,057,250	\$1,057,250	\$0
GO Bond Series 2020 A	\$824,114	\$824,114	\$0
GO Bond Series 2020 B	<u>\$669,700</u>	<u>\$669,700</u>	<u>\$0</u>
Total	<u>\$23,905,487</u>	<u>\$10,836,271</u>	<u>\$13,069,216</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 2020 for general corporate purposes and other purposes shown above, and for 2020 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, 2021.

PASSED by the City Council of the City of St. Charles, Illinois, the ____ day of January, 2021.

APPROVED by the Mayor of the City of St. Charles, Illinois this ____ day of January, 2021.

Raymond P. Rogina, Mayor

ATTEST:

CITY CLERK

COUNCIL VOTE:

Ayes:

Nays:

Absent:

Abstain: