



**AGENDA ITEM EXECUTIVE SUMMARY**

Agenda Item number: IA-B

Title:

**Public Hearing and Seeking a Motion to Approve the Ordinance Levying Taxes for the 2021 Levy Year for the City of St. Charles**

Presenter:

Heather McGuire, City Administrator

Meeting: Public Hearing

Date: December 20, 2021

Proposed Cost: \$-0-

Budgeted Amount: \$ N/A

Not Budgeted:

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

As discussed at the November 1 and 15 City Council meetings, this year's operating tax levy contemplates a 4.99% increase in order to generate revenue consistent with inflationary increases.

The levy amount presented incorporates the amount necessary for principal and interest payments on the City's general obligation bond issues. It is anticipated that the debt service property tax levies will be abated in their entirety. The City has historically made these principal and interest payments from the general revenue stream rather than the property tax revenue stream. The amounts presented below are after the abatement process is completed. This abatement process lowers the property tax bills of City residents and the amount of property taxes paid to the City. Without the abatement, the City's tax levy would be increased by \$ 10,855,111 for payment of principal and interest on the City's bonds.

The levy amount represents an approximate 2.81% increase from the prior year operating and debt service levies. The debt service levy must be included in the estimate, although the City has traditionally abated debt service from non-property tax revenue streams. As a result, the \$10,855,111 reflected as debt service will be removed from the final 2021. This will result in a proposed 4.99% actual increase to the City's tax levy after debt abatement.

The dollar amount of the estimated 2021 operations levy (\$13,721,364) has been increased by \$652,154 (4.99%), operations plus debt levy is \$24,576,475.

The 2021 levy estimate as presented (after debt abatement) would result in a 4.99% increase to the City portion of the tax bill for the average resident assuming a corresponding 2.84% increase to EAV. This would equate to an increase of approximately \$40.00 annually for the owner of a property with a market value of \$300,000 or \$3.34 per month.

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

**2021 Tax Levy Ordinance**

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

**Motion to Approve the Ordinance Levying Taxes for the 2021 Tax Levy Year for the City of St. Charles.**

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

**Annual Tax Levy Ordinance**

**WHEREAS**, the City Council of the city of St. Charles, Kane and DuPage Counties, did on the 5th day of April 2021, pass the annual budget for said City of St. Charles;

**WHEREAS**, said budget was duly considered and heard by public hearing on the 5th day of April 2021, in accordance with the provision of the Illinois Revised Statutes, Chapter 24, Article 8, Division 2, Paragraph 9.4 and 9.9.

**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 there be and is hereby levied upon all the taxable property within the corporate limits of said City of St. Charles, Illinois, subject to taxation for the year 2021, the total sum of \$24,576,475 (Twenty Four Million, Five Hundred and Seventy Six Thousand, Four Hundred and Seventy Five Dollars) for the following specific purposes mentioned in said budget and in the respective sums to follow to wit:

	<u><b>AMOUNT BUDGETED</b></u>	<u><b>AMOUNT LEVIED</b></u>
A. Fire Pension Fund: Municipal normal cost as per Illinois State Statute Chapter 108-1/2 Sections 4-118 & 4-120 and giving consideration to the actuarial valuation of the fund, the present annual amount required to finance the fund on an actuarial basis and to arrive at a fully funded financial position at the end of the period specified in Section 4-118.	\$2,580,360.	
<b>Total Amount Levied</b>		<u><b>\$2,580,360.</b></u>

	<b><u>AMOUNT BUDGETED</u></b>	<b><u>AMOUNT LEVIED</u></b>
B. Police Pension Fund: Municipal normal cost as per Illinois State Statute Chapter 108-1/2 Sections 3-125 and 3-127 and giving consideration to the actuarial valuation of the fund, the present annual amount required to finance the fund on an actuarial basis and to arrive at a fully funded financial position at the end of the period specified in Section 3-127.	\$3,870,554.	
<b>Total Amount Levied</b>		<b><u>\$3,870,554.</u></b>
C. Police Protection: Regular Salaries	\$7,332,173.	
<b>Total Amount Levied</b>		<b><u>\$1,865,000.</u></b>
D. Fire Protection: Fire Operations Regular Salaries	\$4,570,337.	
<b>Total Amount Levied</b>		<b><u>\$1,865,000.</u></b>
E. Mental Health: Total amount of contract for services determined necessary to provide support to local qualifying agencies for community mental health	\$611,615.	
<b>Total Amount Levied</b>		<b><u>\$611,615.</u></b>

		<b><u>AMOUNT BUDGETED</u></b>	<b><u>AMOUNT LEVIED</u></b>
F.	Corporate		
	City Administration		
	Personal Services	\$ 477,004.	
	Accounting		
	Personal Services	\$ 999,075.	
	Information Services		
	Personal Services	\$1,742,623.	
	Human Resources		
	Personal Services	\$ 813,311.	
	<b>Total Amount Levied</b>		<b><u>\$2,928,835</u></b>
H.	Bonds & Interest		
	2011 A Bond Issue	351,050	
	2011 C Bond Issue	473,850	
	2011 D Bond Issue	321,350	
	2012 A Bond Issue	753,975	
	2012 B Bond Issue	1,147,750	
	2013 A Bond Series	894,200	
	2013 B Bond Series	356,086	
	2015A Bond Series	193,243	
	2016A Bond Series	554,650	
	2016B Bond Series	1,443,750	
	2016B TIF Bonds	304,389	
	2018 GO Bond Series	1,498,668	
	2019 GO Bond Series	1,056,250	
	2020A GO Bond Series	831,700	
	2020B GO Bond Series	674,200	
	Total	\$10,855,111.	
	<b>Total Amount Levied – Bonds and Interest</b>		<b><u>\$10,855,111.</u></b>

**RECAPITULATION**

	<b><u>AMOUNT LEVIED</u></b>
A. Fire Pension Fund	\$2,580,360
B. Police Pension Fund	\$3,870,554
C. Police Protection	\$1,865,000
D. Fire Protection	\$1,865,000
E. Mental Health	\$611,615
F. Corporate	\$2,928,835
G. Bonds & Interest	\$10,855,111
<b>TOTAL TAX LEVY</b>	<b>\$24,576,475</b>

**SECTION 2.** The amounts budgeted and not expressly itemized and carried forward in this Tax Levy Ordinance will be paid out of monies from sources other than the Tax Levy.

**SECTION 3.** The City Clerk of the City of St. Charles is hereby directed to file a duly certified copy of this ordinance with the County Clerk of Kane County and DuPage County, along with such other certification as may be required.

**SECTION 4.** This ordinance shall take effect and be in full force from and after its passage and approval as provided by law.

**PRESENTED** to the City Council of the City of St. Charles, Illinois, this 20th day of December, 2021.

**PASSED** by the City Council of the City of St. Charles, Illinois, this 20th day of December, 2021.

**APPROVED** by the Mayor of the City of St. Charles, Illinois, this 20th day of December, 2021.

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Lora Vitek, Mayor

ATTEST:

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CITY CLERK

COUNCIL VOTE:

Ayes:

Nays:

Absent:

Abstain: