



## AGENDA ITEM EXECUTIVE SUMMARY

Title:	Motion to Approve Estimated Amount of 2015 Property Tax Levy in the Amount of \$20,783,199
Presenter:	Chris Minick, Finance Director

*Please check appropriate box:*

	Government Operations		Government Services
	Planning & Development	X	City Council (11/02/2015)
	Public Hearing		

Estimated Cost:	N/A	Budgeted:	YES		NO	
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If NO, please explain how item will be funded:

**Executive Summary:**

The City needs to prepare a preliminary estimate of property tax revenue each year. The estimate should be announced at a public meeting and passed by the Corporate Authorities. State statutes further require a public hearing regarding the property tax levy. Staff will make a complete presentation of the proposed property tax levy prior to the public hearing. Tonight's requested action merely sets the amounts to be used in the notice of publication of the public hearing and does not obligate the City to a specific tax levy amount. The amount of the levy can be changed from the preliminary estimate until finalized in the spring of 2016. The value on which the tax rate is figured (EAV) of the City is estimated to increase by approximately 3% for the 2015 tax levy.

The levy amount presented represents a 2.86% decrease from the prior year, due to a decrease in the debt service portion of the levy primarily related to the restructuring of the debt related to the First Street TIF and payoff of bond issues. Although the debt service levy must be included in this estimate, the City has traditionally abated this amount and paid for bond debt service from non-property tax revenue streams. Staff anticipates a similar process for the 2015 levy. If this occurs, the \$8.047 million amount reflected as debt service will be removed from the final 2015 levy to be collected in 2016.

The dollar amount of the operations levy is consistent with the prior year. CPI/inflation for the 2015 tax levy was measured at 0.80%. Non-home rule units are required to limit the increase in their levy to CPI. As a home rule community, the City has no such restriction. For 2015, the City has taken the conservative measure of holding the amount of the operational tax levy at the **same level** since the 2009 levy.

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

Summary Comparison of 2014 and Estimated 2015 Levies

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

Motion to approve estimated amount of 2015 Property Tax Levy in the amount of \$20,783,199.

<i>For office use only:</i>	<i>Agenda Item Number:</i> 1A
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**City of St Charles**  
**2015 Property Tax Levy**  
**Comparison of Estimated 2015 and 2014 Tax Levies**  
**October, 2015**

	<u>As Estimated 2015</u>	<u>Actual 2014</u>	
<b>Equalized Assessed Valuation</b>	<u><b>\$ 1,338,722,296</b></u>	<u><b>\$ 1,299,730,384</b></u>	<b>(1)</b>
<b>Change in EAV</b>	<u><b>3.00%</b></u>		
<b>The estimated property tax levy consists of:</b>			
<b>Operations:</b>	<b>\$ 12,055,117</b>	<b>\$ 12,055,117</b>	
<b>Debt Service:</b>	<b>\$ 8,047,163</b>	<b>\$ 8,939,034</b>	<b>(2)</b>
<b>Special Service Areas</b>	<u><b>\$ 680,919</b></u>	<u><b>\$ 400,133</b></u>	
<b>Total Estimated Tax Levy</b>	<u><b>\$ 20,783,199</b></u>	<u><b>\$ 21,394,284</b></u>	
<b>Change In Levy Amounts</b>	<u><b>-2.86%</b></u>		

**(1) 2015 Amounts are estimated.**

**(2) - Note that the City traditionally abates all debt service levies for General Obligation Bonds outstanding. These amounts are paid from general City revenue streams. These amounts were abated for the 2014 tax levy but are included for comparison purposes. It is anticipated that these amounts will be abated as part of the 2015 levy.**

