



**CITY OF URBANA  
COMMITTEE OF THE WHOLE SPECIAL  
MEETING**

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**DATE:** Monday, November 10, 2025  
**TIME:** 7:00 PM  
**PLACE:** 400 South Vine Street, Urbana, IL 61801

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**AGENDA**

*Chair: Grace Wilken, Ward 6*

- A. Call to Order and Roll Call**
- B. Approval of Minutes of Previous Meeting**
- C. Additions to the Agenda**
- D. Presentations and Public Input**
- E. Staff Report**
- F. New Business**
  - 1. Resolution No. 2025-11-090R: A Resolution Estimating the Tax Levy (Fiscal Year 2025-2026) – HR/F**
- G. Council Input and Communications**
- H. Adjournment**

All City meetings are broadcast on Urbana Public Television and live-streamed on the web. Details on how to watch are found on the UPTV webpage located at <https://www.urbanail.gov/executive-department/page/urbana-public-television>.

## PUBLIC INPUT

The City of Urbana welcomes Public Input during open meetings of the City Council, the City Council's Committee of the Whole, City Boards and Commissions, and other City-sponsored meetings. Our goal is to foster respect for the meeting process, and respect for all people participating as members of the public body, city staff, and the general public. The City is required to conduct all business during public meetings. The presiding officer is responsible for conducting those meetings in an orderly and efficient manner. Public Input will be taken in the following ways:

### Email Input

Public comments must be received prior to the closing of the meeting record (at the time of adjournment unless otherwise noted) at the following: [citycouncil@urbanail.gov](mailto:citycouncil@urbanail.gov). The subject line of the email must include the words "PUBLIC INPUT" and the meeting date. Your email will be sent to all City Council members, the Mayor, City Administrator, and City Clerk. Emailed public comments labeled as such will be incorporated into the public meeting record, with personal identifying information redacted. Copies of emails will be posted after the meeting minutes have been approved.

### Written Input

Any member of the public may submit their comments addressed to the members of the public body in writing. If a person wishes their written comments to be included in the record of Public Input for the meeting, the writing should so state. Written comments must be received prior to the closing of the meeting record (at the time of adjournment unless otherwise noted).

### Verbal Input

Protocol for Public Input is one of respect for the process of addressing the business of the City. Obscene or profane language, or other conduct that threatens to impede the orderly progress of the business conducted at the meeting is unacceptable.

Public comment shall be limited to no more than five (5) minutes per person. The Public Input portion of the meeting shall total no more than two (2) hours, unless otherwise shortened or extended by majority vote of the public body members present. The presiding officer or the city clerk or their designee, shall monitor each speaker's use of time and shall notify the speaker when the allotted time has expired. A person may participate and provide Public Input once during a meeting and may not cede time to another person, or split their time if Public Input is held at two (2) or more different times during a meeting. The presiding officer may give priority to those persons who indicate they wish to speak on an agenda item upon which a vote will be taken.

The presiding officer or public body members shall not enter into a dialogue with citizens. Questions from the public body members shall be for clarification purposes only. Public Input shall not be used as a time for problem solving or reacting to comments made but, rather, for hearing citizens for informational purposes only.

In order to maintain the efficient and orderly conduct and progress of the public meeting, the presiding officer of the meeting shall have the authority to raise a point of order and provide a verbal warning to a speaker who engages in the conduct or behavior proscribed under "Verbal Input". Any member of the public body participating in the meeting may also raise a point of order with the presiding officer and request that they provide a verbal warning to a speaker. If the speaker refuses to cease such conduct or

behavior after being warned by the presiding officer, the presiding officer shall have the authority to mute the speaker's microphone and/or video presence at the meeting. The presiding officer will inform the speaker that they may send the remainder of their remarks via e-mail to the public body for inclusion in the meeting record.

**Accommodation**

If an accommodation is needed to participate in a City meeting, please contact the City Clerk's Office at least 48 hours in advance so that special arrangements can be made using one of the following methods:

- Phone: 217.384.2366
- Email: [CityClerk@urbanil.gov](mailto:CityClerk@urbanil.gov)



## MEMORANDUM TO THE MAYOR AND CITY COUNCIL

**Meeting:** November 10, 2025, Special Committee of the Whole  
**Subject:** A Resolution Estimating the Tax Levy

### Summary

#### *Action Requested*

Forward this resolution establishing an estimated property tax levy of \$12,053,950 for 2025 for approval at the City Council Meeting on November 17.

#### *Brief Background*

The first step in the property tax levy process is approval of an estimated tax levy, which establishes the total amount of taxes the City Council plans to levy. The estimated levy is used to determine whether the City is required to provide public notice and hold a public hearing prior to approving the final tax levy. The City Council must approve an estimated levy at least 20 days prior to adoption of the final levy. The recommended estimated levy is \$12,053,950, which is 107.57% of the 2024 extended levy. The City is required to provide notice and hold a public hearing because the increase is 5% or more. After abatements, this levy will maintain the current \$1.3499 City property tax rate.

### Relationship to City Services and Priorities

#### *Impact on Core Services*

The City levies taxes for “corporate purposes” (the General Operating Fund), the Library, and Police and Fire pensions. The levies for specific purposes are approved by the City Council when the final tax levy Ordinance is approved.

#### *Strategic Goals & Plans*

Property tax revenues may be used to support a variety of City services, including those related to Mayor & City Council goals.

#### *Previous Council Actions*

The City Council approves a property tax levy annually. Since the 2018 tax levy, the City tax rate has generally been maintained at \$1.3499 per \$100 of EAV.

The City Council approved updated Financial Policies related to tax levies for police and fire pensions on June 18, 2018 ([2018-06-023R](#)). Staff may recommend a new funding policy to Council for the next tax levy as information from the pension actuary becomes available.

### Discussion

*Additional Background Information*

Levies for Police and Fire Pension Funds are based on the funding plan approved by the City Council in the City’s Financial Policies. The benefits are dictated by State statute and the current funding policy reflects a balanced approach to covering the City’s long-term pension obligations while avoiding higher costs that could arise from failing to address unfunded liabilities and affect the City’s ability to provide services in the long-term. Pursuant to State law, 8.12% of the total funding requirement will be met by using personal property replacement tax (PPRT) revenues. The total funding requirements and portions from PPRT are detailed below. These figures are based on draft actuarial reports, which depend upon preliminary financial statements. Any changes in the financial statements prior to completion of the audit could result in changes to the funding requirements, which would be reflected in the final tax levy Ordinance provided to the City Council.

|                                | <b>Police Pension Fund</b> | <b>Fire Pension Fund</b> |
|--------------------------------|----------------------------|--------------------------|
| Funding requirement per policy | \$3,071,184                | \$1,776,340              |
| PPRT portion (8.12%)           | (\$249,380)                | (\$144,239)              |
| Levy amount for 2025           | \$2,821,804                | \$1,632,101              |

For the Library, the Mayor recommends a levy of \$4,950,117, which is an increase of about 13.32% over the 2024 tax levy. Property tax revenue is responsible for the majority of recurring revenues for the Library General Fund. This increase is needed to allow the Library to maintain current services, based upon the FY2026 budget, which was prepared following the same guidance provided to City departments.

Remaining revenues generated by property taxes would be allocated to the General Operating Fund, where they would be used to pay for basic City services, such as police and fire protection, and public works services. The recommended levy for corporate purposes is \$2,649,928. This is a decrease of about 6.17% from the 2024 extended tax levy. When the final levy is extended, this component of the levy will be reduced to achieve the desired tax rate of \$1.3499, so the final levy will be lower.

Staff will use a preliminary estimate of the EAV based upon the County assessor’s preliminary abstract of assessments, which does not include any reductions that may be made by the Board of Review or any equalization factor applied by the State of Illinois. The estimate is \$892,951,338. This EAV would be an increase of 7.57% from the EAV upon which the extended levy for 2024 was based.

Staff will also prepare an Ordinance authorizing the County Clerk to abate (reduce) the tax levy to maintain the current tax rate based on the final EAV (which is not known when the City Council approves the levy). This Ordinance, which will be presented with the final tax levy, will direct the County Clerk to abate the corporate purpose levy to produce a final tax rate of \$1.3499. This allows the City to maximize property tax revenue at the current tax rate.

A levy for debt service was approved when bonds were issued in 2025 for the construction of two fire stations. The levy for fire stations in the amount of \$1,250,000 will be fully abated and the debt service will be paid from the Capital Improvement Fund. The levy for the Hotel Royer bonds in the amount of \$825,000, which will be issued before the end of calendar year 2025, will be fully abated and the debt service will be paid from revenues generated by the hotel in the General Fund and from Central TIF.

All general obligation debt (GO) is backed by the City's taxing authority and the County Clerk is directed to levy for debt service when the bonds are issued. Since GO debt has a lower cost of borrowing due to the lower risk, GO debt is often used for financing, even when another source of funds will be used to pay the debt service. This results in a need to abate the debt service payments annually.

#### *Operations Impact*

The property tax levy will help to maintain a variety of City services, including public safety, public works, and library services.

#### *Policy or Statutory Impacts*

None. The proposed property tax levy is consistent with City Financial Policies and Illinois law.

#### *Fiscal and Budget Impact*

Assuming assessments are reduced by 3% prior to extension of the tax levy, this levy is likely to result in a decrease of about \$536,000 in revenue available for basic City services compared to FY2025. However, this could vary considerably. This will be factored into the updated financial forecast used for determining strategy for the budget for FY2026. The City will be continuing the path toward fully funding Police and Fire pensions, consistent with the City's current policy on pension funding.

#### *Community Impact*

The property tax levy supports a variety of services on which our residents depend. The Mayor recommends a tax rate for this year's levy of \$1.3499, which is the current City of Urbana tax rate. While the City's portion of the total tax levy is only about 13.1% of the total, this is important in trying to achieve a tax rate competitive with neighboring communities and can affect property values and economic development opportunities.

At this rate, City property taxes for an owner-occupied home are estimated as follows –

| Property Value | City Property Tax<br>at \$1.3499* |
|----------------|-----------------------------------|
| \$100,000      | \$369                             |
| \$150,000      | \$594                             |
| \$200,000      | \$819                             |
| \$250,000      | \$1,044                           |

\*City property tax = EAV (property value / 3), less owner-occupied exemption (\$6,000), divided by \$100, multiplied by tax rate

#### *Recommendation*

Forward this resolution establishing the estimated property tax levy for 2025 for approval at the City Council Meeting on November 17.

#### *Next Steps*

The process for levying property taxes is summarized in the following table. This process is dictated by State statute.

| Item                                       | Date              | Requirements  |
|--|-------------------|---|
| Estimated Levy – Committee                 | November 10, 2025 |   |
| Estimated Levy – City Council              | November 17, 2025 | Must be approved at least 20 days prior to final levy approval. (This is 21 days.)  |
| Publish Truth in Taxation Notice           | November 22, 2025 | Required if the estimated levy is more than 105% of the previous year's extended levy. Must be advertised 7 – 14 days prior to the public hearing, if required. (This is 9 days.) |
| Public Hearing                             | December 1, 2025  | Required if the estimated levy is more than 105% of the previous year's extended levy. Must be held before the levy is adopted by the City Council.                               |
| Final Tax Levy & Abatements – City Council | December 8, 2025  | Must be adopted in time to meet filing deadline below.  |
| City Clerk Files Levy with County by       | December 23, 2025 | Must be filed by 4th Tuesday in December.   |

Because the City Council will have already reviewed the proposed tax levy in November, staff will place the final tax levy on the regular City Council agenda for December 8, without an additional committee meeting.

#### **Attachments**

1. A Resolution Estimating the Tax Levy (Fiscal Year 2025-2026)

Originated by: Kris Francisco, Finance Manager

Reviewed: Elizabeth Hannan, HR & Finance Director / CFO

Approved: Darius White, City Administrator

**RESOLUTION NO. \_\_\_\_\_****A RESOLUTION ESTIMATING THE TAX LEVY****(Fiscal Year 2025-2026)**

**WHEREAS**, Section 18-60 of the Truth in Taxation Law, 35 ILCS 200/18-60, requires the corporate authority of each taxing district, not less than 20 days prior to the adoption of its aggregate tax levy, to estimate the amounts of money necessary to be raised by taxation for that year upon the taxable property in its district; and

**WHEREAS**, Section 18-70 of the Truth in Taxation Law, 35 ILCS 200/18-70, requires the corporate authority of each taxing district to give public notice of and hold a public hearing on its intent to adopt an aggregate tax levy, if the estimated amounts to be levied exceed 105% of the property taxes extended or estimated to be extended, including any amount abated prior to such extension, upon the levy of the preceding year.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council, of the City of Urbana, Illinois, as follows:

**Section 1.**

The amounts of money, exclusive of election costs, estimated and proposed to be levied for fiscal year 2025 - 2026 upon the taxable property in the City of Urbana is \$12,053,950.

**Section 2.**

The aggregate amount of property taxes for the City of Urbana, extended or estimated to be extended, including any amount abated by the corporate authority prior to such extension, upon the levy of the preceding fiscal year and exclusive of election costs, was \$11,206,054.

**Section 3.**

The amounts estimated and proposed to be levied in Section 1 of this Resolution are hereby determined to be 107.57% of the amounts extended or estimated to be extended for the preceding fiscal year.

This Resolution is hereby passed by the affirmative vote, the “ayes” and “nays” being called, of a majority of the corporate authorities (5 of 8 votes) of the City of Urbana, Illinois, at a meeting of said corporate authorities.

**PASSED BY THE CITY COUNCIL** this this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

AYES:

NAYS:

ABSTENTIONS:

\_\_\_\_\_  
Darcy E. Sandefur, City Clerk

**APPROVED BY THE MAYOR** this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
DeShawn B. Williams, Mayor