

SYCAMORE CITY COUNCIL

AGENDA

September 15, 2003

**City Council Closed Session
To Discuss Personnel Matters**

6:00 P.M.

**Regular City Council Meeting
At the Sycamore Center
7:00 P.M.**

- 1. CALL TO ORDER**
- 2. INVOCATION**
- 3. PLEDGE OF ALLEGIANCE**
- 4. APPROVAL OF AGENDA**
- 5. AUDIENCE TO VISITORS**
- 6. CONSENT AGENDA**
 - A. Approval of the Minutes for the Joint City Council and Plan Commission Meeting of September 2, 2003;
 - B. Approval of the Minutes for the Regular City Council Meeting of September 2, 2003;
 - C. Payment of the Bills for September 15, 2003;
 - D. Plan Commission Minutes for the Meeting of August 11, 2003.
- 7. PRESENTATION OF PETITIONS, COMMUNICATIONS, AND BILLS.**
 1. Proclamation Declaring the Month of October as the Month of the Young Adolescent in Community Unit School District #427.
- 8. REPORTS OF OFFICERS**
- 9. REPORTS OF STANDING COMMITTEES**
- 10. PUBLIC HEARINGS--None**

11. **ORDINANCES**

A. Ordinance No. 2003.46—An Ordinance Concerning the Recommendation of the Plan Commission With Regard to the Petition of Ann Busse and James Tucker for a Rezoning of the Property at 1121 Somonauk Street in the City of Sycamore, Illinois. First and Second Reading.

On September 8 the Plan Commission considered the petition of Ann Busse and Jim Tucker for a rezoning of the old single family structure that is surrounded by the planned townhouse development known as Somonauk Gardens at the corner of Somonauk Street and Borden Avenue. This house and the surrounding lot, zoned “C-1” Neighborhood Commercial District, was purposely left out of the townhouse development approved in January, 2002 to preserve it for possible renovation at a later date.

The couple have purchased the parcel and are at work with some extensive remodeling. They have asked for a downzoning to “R-2” Two Family Residence District to permit some flexibility in the remodeling for a one or two-unit structure, although it is their present intent to occupy the structure as their permanent residence. In applying for the “R-2” zoning designation, Mr. Tucker noted that quite a number of lots in the immediate area are zoned “R-2,” and that many historic homes in Sycamore are similarly zoned “R-2”. After some discussion about the possibility of rezoning the home to “R-1,” Single Family Residence and possibly closing the driveway entrance on Somonauk Street, the Plan Commission voted 6-3 to recommend the Council’s approval of the petitioner’s request as originally submitted.

City Council approval of the Plan Commission recommendation is requested.

B. Ordinance No. 2003.47—An Ordinance Concerning the Recommendation of the Plan Commission With Regard to the Petition of John Kuna for a Special Use Permit for a Subdivision of the Property at 1515/1519 Willow Street in the City of Sycamore, Illinois to Permit the Sale of the Two Units in Fee Simple. First and Second Reading.

On September 8 the Plan Commission also considered a petition from John Kuna for a special use permit. As the Council will recall, in July of 2002 the City Council, upon the recommendation of the Plan Commission, established administrative authority to process certain limited resubdivisions of land, as in the creation of “zero” lot lines to allow for the individual sale of duplex or townhouse units. However, in the case of older neighborhoods where special use permits had not been established for such purposes, the plat officer’s administrative authority does not exist. Consequently, the Plan Commission review was needed with respect to the request of John Kuna for the legal subdivision of his Electric Park duplex.

Mr. Kuna has submitted the necessary declaration of cross easements, plat of subdivision, and findings of fact. The Plan Commission reviewed these documents and recommended a favorable Council approval by a vote of 9-0. City Council approval of the Plan Commission recommendation is requested.

C. Ordinance No. 2003.48—An Ordinance Providing for the Issuance of \$2,005,000 General Obligation Bonds, Series 2003, of the City of Sycamore, DeKalb County, Illinois, and Providing for the Levy and Collection of a Direct Annual Tax for the Payment of the Principal and Interest on Said Bonds. First and Second Reading.

At the City Council meeting of August 4, 2003 the Council directed the City Manager to pursue a general obligation bond offering to raise \$1.5 million for the following purposes:

1. The completion of Oakland Drive from a point east of the Kmart site to a point about 700 feet west of Peace Road (\$750,000);
2. The more aggressive repair of city sidewalks and the installation of sidewalks where they may be missing in older neighborhoods (\$250,000); and
3. The installation of longer intersection tapers at the west and east ends of the Bethany Road reconstruction project, according to a revised design preferred by IDOT (\$500,000).

The City Manager has been working with Eric Anderson of Harris Bank for the underwriting. Mr. Anderson has also assisted the City in its pursuit of an upgrading of the City's bond rating, which was Aaa according to Moody's Investors Service at the time of the issuance of the City's 2002 bond series.

The attached ordinance puts the bond at \$2,005,000. This amount includes the calling of \$455,000 in Series 1996 bonds for redemption at par. The new bonds would be retired in 15 years.

At this writing (September 10) the final market interest rate and the bond rating have not been established. The bonds will be priced in the market on Monday, September 15 and the City Manager will report the results during the Council meeting.

On Wednesday, September 10, representatives from Moody's Investors Service visited Sycamore to discuss our financials for the past five years, and our hope for a rating upgrade. A copy of the City's briefing notes, prepared by Eric Anderson and the City Manager, is attached. The analysts were naturally interested in the City's long-term ability to fund its existing and new debt, so they took a close look at our fund balances, the community's steady but managed growth, and our organization's spending restraint. They appeared to be favorably impressed on all counts.

The City will abate the levy for the debt service and pay the annual principal and interest from the following funds:

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|--------------------------------------|----------|
| a) Capital Assistance Fund (Fund 6): | \$95,000 |
| b) Motor Fuel Tax Fund (Fund 7): | \$50,000 |

City Council approval of the attached ordinance is recommended.

12. RESOLUTIONS

A. Resolution No. 442—Authorizing the Mayor to Sign a Loan Agreement with the Illinois Environmental Protection Agency for Funding a Portion of Two Construction Contracts for the Well No. 9 Project on Airport Road in the City of Sycamore, Illinois.

The Illinois EPA has approved the allocation of \$780,495 for two facets of the new Well #9 project. These portions of the project include the well drilling (\$407,246) and the water main and sewer main extensions (\$350,516), plus interest at 2.5%. The interest is calculated at a simple annual rate.

The attached agreement, signed by the Illinois EPA director Renee Cipriano, was faxed to the City on Wednesday afternoon. It is difficult to read, but may be the only copy we receive in time for the meeting on September 15. It is important to act on this resolution, because the EPA requires concurrence before any contract work can begin on the well. City Council approval is recommended.

13. CONSIDERATIONS

A. Consideration of the City of Sycamore's Financial Statements for FY2002-2003, Including the Independent Auditor's Report.

Carla Paschal and her audit team from Clifton Gunderson have completed the audited financial statements for the City of Sycamore as of April 30, 2003, together with the independent auditor's report. These documents have been circulated under separate cover. Several features are noteworthy:

1. The ending balances of all funds as of April 30, 2003 were positive.
2. The best news was the ending balance of the General Fund. As of April 30, 2003 the General Fund reserve was \$3,009,250. This amount substantially exceeded expectations owing to cautious spending in the context of dismal economic predictions. We also experienced revenues that exceeded our cautious predictions when the FY03 budget was prepared early in the spring of 2002 (e.g. restaurant/bar tax and annexation fee revenue). The General Fund ending balance represents 36% of the planned FY04 expenditures.
3. The Water Fund ended FY02-03 with an operating surplus of \$140,460 and a reserve of \$1,240,019.
4. The Sewer Fund ended FY02-03 with an operating surplus of \$496,724 and a reserve of \$4,164,424.
5. In the Independent Auditor's Report it was noted that the City has made substantial progress toward compliance with the guidelines established by the Government Accounting Standards Board (GASB 34) for calculating and depreciating the cost of public improvements, infrastructure, and property in general. The deadline for the completion of this transition is the end of FY04. Historically, governments have not reported or depreciated these assets in financial statements, as many private companies do. The Finance office has inventoried City property and has adopted a methodology for the annual assessment of its fixed assets. The remaining tasks will be satisfactorily completed by April 30, 2004.

6. The Auditor's report also notes the progress made toward the segregation of duties in the water billing process. New accounting software was purchased in FY2003 and a part-time account clerk position was upgraded to a full-time position to accomplish this advance. Since the end of FY03, a new utility billing module has been reconciling errors or irregularities electronically. In addition, the person receiving payments from water and sewer users is not the person who produces and mails the utility bills.

Representatives of the accounting firm of Clifton Gunderson will be on hand to answer any Council questions.

14. APPOINTMENTS

15. ADJOURNMENT