

SYCAMORE CITY COUNCIL
AGENDA
October 5, 2009

CITY COUNCIL COMMITTEE MEETINGS
No Meetings Are Scheduled

REGULAR CITY COUNCIL MEETING
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 Regular City Council Meeting of September 21, 2009.
 - B. Payment of the Bills for October 5, 2009.
 - C. FY10 Budget Report Ending September 14, 2009.
 - D. Proclamation declaring October 18, 2009 as Crop Hunger Walk Day in the City of Sycamore.
 - E. Proclamation declaring the week of October 4-10, 2009 as Fire Prevention Week in the City of Sycamore.
7. **PRESENTATION OF PETITIONS, COMMUNICATIONS, AND BILLS.**
8. **REPORTS OF OFFICERS**
9. **REPORTS OF STANDING COMMITTEES**
10. **PUBLIC HEARINGS—None**

11. ORDINANCES

A. Ordinance 2009.35—An Ordinance Amending Ordinance No. 2008.85 Authorizing and Providing for the City of Sycamore, Illinois to Borrow Funds from the Water Pollution Control Loan Program. First and Second Reading.

A final step in the launching of Phase I of the wastewater treatment plant upgrade is the official recognition of the City's obligation to repay the no-interest loan extended by the Illinois Environmental Protection Agency. In August, the City was notified that the IEPA would fund the Phase I upgrades with an outright grant for 25% of the cost, and a zero interest loan for the balance of the base contract awarded to D.K Sickley Construction Co. in the amount of \$4,868,478.00. This loan includes funding for construction engineering and inspection during the construction of the Phase I improvements, and is very generous in its terms.

The attached ordinance revises Ordinance 2008.85 which was approved on April 20, 2009 in anticipation of the loan award described above. It was understood at the time of its passage that a follow-on ordinance would be necessary once the details of the loan terms were known.

City Council approval is recommended.

B. Ordinance 2009.36—An Ordinance Amending the Sycamore City Code of the City of Sycamore, Title 6, "Motor Vehicles and Traffic," Chapter 4, "Traffic Schedules," Section 6-4-12, "No Parking Zones," to Prohibit Parking on National Street from Republic Avenue North to Lindgren Road in the City of Sycamore, Illinois. First and Second Reading.

The attached ordinance restricts parking on National Street now that the North Grove School is open to bus traffic. The ordinance specifically prohibits parking on either side of National Street from Republic Avenue to Lindgren Road.

City Council approval is recommended.

12. RESOLUTIONS--None

13. CONSIDERATIONS

A. Consideration of the City of Sycamore's Financial Statements for Fiscal Year 2008-2009, Including the Independent Auditor's Report.

Dennis Hildebrandt and his audit team from Siepert & Co., LLP have completed the audited financial statements for the City of Sycamore as of April 30, 2009, along with the independent auditor's report. Several features are noteworthy:

1. The market meltdown of late 2008 and early 2009 had a direct impact on the City's key revenue sources, particularly sales tax and development-related fees. State sales tax revenues were \$479,500 less than budget projections, while Home Rule sales taxes were \$200,810 below budget estimates. Permit and building fee revenue was off by \$223,218. In FY09, General Fund revenues were \$348,346 below FY08 General Fund revenues (a decrease from \$12.175 million to 11.827 million). The result of this revenue shortfall was the first budget year operating deficit in eleven years. In FY2008-2009 expenditures exceeded revenues by \$725,778. Interestingly,

general operating expenditures were kept under budget by \$19,601 owing to mid-year adjustments in spending. So, the main problem was on the revenue side.

2. Over the previous seven years, the surpluses were as follows: \$306,815 in FY08; \$1,377,840 in FY07; \$1,269,227 in FY06; \$1,069,896 in FY05; 1,159,856 in FY04; \$688,865 in FY03; \$1,232,619 in FY02. Retained earnings in the General Fund are dedicated toward accrued leave obligations, emergency expenses, and public building improvements such as Fire Station 2 and the Sycamore Center.
3. As of April 30, 2009 the General Fund cash reserve was \$4,947,653 on a modified accrual basis, or 40.2% of the FY10 budgeted expenditures.
4. The Water Fund experienced a 4.8% decrease in operating revenues in FY09 owing to the sharp fall in local housing starts, and an increase in operating expenditures of \$51,257 owing primarily to increased commodity costs and contractual services tied to radium treatment. As of April 30, 2009 the Fund had an operating cash reserve of \$5,503,614.00, an increase of \$1,343 over the year ending April 30, 2008. No new user fees were assessed in FY09.
5. The Sewer Fund experienced a decrease in operating revenues of \$69,696 and ended FY09 with an operating cash reserve of \$6,501,167.00, an increase of \$265,261 over the year ending April 30, 2008. No new user fees were assessed in FY09.
6. In the Independent Auditor's Report it was noted that the City was in 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.

Notwithstanding the "off-year" in terms of operating revenues, the City's fund management was rewarded in early September with a bond upgrade by Standard & Poor's after a review of the preliminary FY09 audit numbers. The new "AA" rating reflects the City's balanced financial position, stable tax base, and moderate debt levels.

Representatives of the accounting firm of Siepert & Co. will be on hand to answer any Council questions.

B. Consideration of an Administration Request for a Closed Session to Discuss Closed Session Minutes and Personnel Matters.

14. OTHER NEW BUSINESS

15. APPOINTMENTS

16. ADJOURNMENT