

SYCAMORE CITY COUNCIL
AGENDA
December 7, 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 November 16, 2009.
 - B. Payment of the Bills for December 7, 2009.
 - C. Proclamation declaring December 2009 as “Drunk and Drugged (3D) Prevention Month” in the City of Sycamore.
7. **PRESENTATION OF PETITIONS, COMMUNICATIONS, AND BILLS.**
 - A. Recognition of Sycamore High School sports teams (cross-country, football, volleyball and tennis) for their post-season accomplishments.
 - B. Annual presentation of service awards to City of Sycamore employees. Human Resource Director Jean Tritle will assist the City Manager in presenting awards to employees with 5, 10, 15, 20, 25 and over 30 years of service to the citizens of Sycamore.
8. **REPORTS OF OFFICERS**
9. **REPORTS OF STANDING COMMITTEES**

10. PUBLIC HEARINGS

A. Public Hearing on the Proposed 2009 Corporate Levy.

At the regular City Council meeting of November 16, 2009 the Sycamore City Council directed the City Manager to prepare ordinances that would establish the 2009 City property tax levy and abate debt service on certain outstanding bond issues. Ordinances 2009.41 through 2009.46, below, are offered pursuant to this direction. Each is presented for first reading only to give the public an opportunity to be heard on the basic levy issues and to consider the enactments that address them. Unless the Council directs otherwise, a second reading will be held on these ordinances on December 21.

On November 16, the City Council directed the City Manager to prepare an ordinance to increase the City levy by 3%. On November 17, the Sycamore Library Board voted to increase the Library levy by 3%. The total property taxes to be levied for the corporate purposes of the City of Sycamore (the City and the Library levies combined) for 2009 would be \$3,464,142, an increase of \$101,479 (3%) over the corporate levy of \$3,362,663 in 2008. The resulting corporate tax rate should remain level at about 0.76135.

What about the City portion of the levy? Based upon an estimated City-wide EAV of \$455,000,000 in 2009, the proposed City levy of \$2,624,621 should result in a City tax rate of \$0.57684 per \$100 EAV, a decrease of 0.13% from the 2008 City tax rate of \$0.57759 per \$100 EAV and the lowest City rate since 1960. In fact, the City’s tax rate has been reduced by more than half over the past twelve years! The tables below illustrate the recent history of City levies along with the breakdown of operational and pension obligations:

Proposed City Levy and City Levies of Recent Years:

	2002	2003	2004	2005	2006	2007	2008	2009
Total Levy	2,134,108	2,198,131	2,264,075	2,331,997	2,401,957	2,462,006	2,548,176	2,624,621
Police Pension	152,883	169,045	167,080	213,305	233,410	259,054	268,204	295,024
Fire Pension	213,142	257,961	260,762	303,729	309,399	327,018	381,471	419,618
FICA/IMRF	247,500	275,000	302,225	302,225	310,870	310,870	310,870	341,957
Crossing Guards	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
General Operations	1,398,959	1,476,125	1,514,008	1,492,738	1,528,278	1,545,064	1,567,631	1,548,022
City-Wide EAV	216,389,113	241,138,805	261,496,432	309,324,156	359,225,508	410,867,373	442,308,820	455,000,000
City Tax Rate	.98627	.91223	.865814	.75444	.66912	.59965	.57759	.57684

Overall Impact:

- Should result in a City tax rate decrease of 0.13%.
- Property taxes minus the portion going directly to the Fire and Police Pension funds would represent 15.52% of all budgeted FY10 General Fund expenditures (\$12,308,086), versus 15.73% in FY09.
- Decrease the monies available for general operations by \$19,609 (1.3%).

Historic City EAV, City Levy, and City Tax Rate totals:

Year	EAV	City Levy*	City Tax Rate* Per \$100 EAV
1966	\$27,220,176	\$216,252	.7945
1976	\$44,278,153	\$679,882	1.5355
1986	\$56,800,908	\$934,248	1.6448
1996	\$145,647,122	\$1,792,999	1.2318
1997	\$155,861,773 (+7%)	\$1,822,000 (+2%)	1.1689 (-5%)
1998	\$165,664,346 (+6.3%)	\$1,896,660 (+4%)	1.1449 (-2%)
1999	\$172,022,591 (+3.84%)	\$1,934,593 (+2%)	1.1246 (-2%)
2000	\$185,519,631 (+7.85%)	\$1,973,285 (+2%)	1.0648 (-5%)
2001	\$201,706,953 (+8.7%)	\$2,032,484 (+3%)	1.0076 (-5.37%)
2002	\$216,389,113 (+7.28%)	\$2,134,108 (+5%)	.98627 (-2.1%)
2003	\$241,138,805 (+11.4%)	\$2,198,131 (+3%)	.91223 (-7.5%)
2004	\$261,496,432 (+8.4%)	\$2,264,075 (+3%)	.865814 (-5%)
2005	\$309,324,156 (+18.3%)	\$2,331,997 (+3%)	.75444 (-12.9%)
2006	\$359,225,508 (+16%)	\$2,401,957 (+3%)	.66912 (-11.3%)
2007	\$410,867,373 (+14.3%)	\$2,462,006 (+2.5%)	.59965 (-10.4%)
2008	\$442,308,820 (+7.6%)	\$2,548,176 (+3.4%)	.57759 (-3.6%)

*Excludes Sycamore Public Library and Sycamore Hospital.

Proposed Sycamore Library Levy and Library Levies of Recent Years:

Recent Library Levy History	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Operating & Insurance	\$458,603	\$526,501	\$537,185	\$557,713	\$610,632	\$651,804	\$698,447	\$741,287	\$748,070
FICA	\$22,621	\$23,438	\$25,930	\$26,995	\$27,694	\$29,270	\$32,000	\$35,700	\$38,492
IMRF	\$19,396	\$15,627	\$19,308	\$26,253	\$21,611	\$31,200	\$31,612	\$35,000	\$50,309
Audit	\$250	\$655	\$1,184	\$1,243	\$1,243	\$1,800	\$2,000	\$2,500	\$2,650
Total Library Levy	\$500,870 (+6%)	\$555,758 (+11%)	\$583,607 (+5%)	\$612,204 (+4.9%)	\$661,180 (+8%)	\$714,074 (+8%)	\$764,059 (+7%)	\$814,487 (+6.6%)	\$839,521 (+3%)
Library Rate	.2483 (-2.4%)	.25683 (+3.44%)	.24202 (-5.8%)	.23413 (-3.3%)	.21377 (-8.7%)	.19880 (-7%)	.18598 (-6.5%)	.18451 (-1%)	.18451 (+0%)

The proposed Library levy is based on the assumption that the City Council will extend a one-time grant of \$15,000 to the Library in 2010 for non-personnel expenses associated with the Library's operating budget (see attached). This grant will enable the Library to increase its operating revenue without increasing the Library rate above the 2008 level. The City Manager strongly supports the extension of this grant so that the corporate City rate will remain essentially at the 2008 level.

11. ORDINANCES

A. Ordinance No. 2009.41--An Ordinance Levying Taxes for the Corporate Purposes of the City of Sycamore for the Fiscal Year Commencing May 1, 2010 and Ending April 30, 2011. First Reading.

At the top of this agenda a public hearing will be held on the proposed 2009 corporate property tax levy for the City of Sycamore. As noted above, the proposed corporate levy of \$3,464,142 includes a City levy of \$2,624,621 (+\$76,445 or 3%) and a Sycamore Public Library levy of

\$839,521 (+\$25,034 or 3%). Assuming a city-wide EAV of \$455,000,000 in 2009, the proposed corporate tax rate should be \$0.76135 per \$100 EAV, essentially level with the 2008 corporate rate of 0.76025 per \$100 EAV.

City Council consideration on first reading is recommended.

B. Ordinance No. 2009.42--An Ordinance Abating the Debt Service Levy for the General Obligation Bond Issue Series 2002 for the City of Sycamore, DeKalb County, Illinois for Fiscal Year 2010-2011. First Reading.

All of the debt service (\$302,852.50) on the 2002 Bond series will be abated. This approach is consistent with the City policy of paying the greatest share of its annual general obligation bond debt service from general revenues other than property taxes.

The attached ordinance will levy \$302,852.50 and abate \$302,852.50, so the extension will be \$0.0. The debt service will be paid by the 2002 Bond Proceeds Fund (Fund 24) which gets its primary revenue from General Fund and Capital Fund (Fund 6) transfers.

City Council consideration on first reading is recommended.

C. Ordinance No. 2009.43--An Ordinance Abating the Debt Service Levy for the General Obligation Bond Issue Series 2003 for the City of Sycamore, DeKalb County, Illinois for the Fiscal Year 2010-2011. First Reading.

This ordinance concerns the debt service on the General Obligation Bond Series 2003, issued in September 2003. The levy of \$149,155 will be abated in its entirety. The debt service will be paid from the 2003 Bond Fund (Fund 26) which receives its primary revenue from Capital Fund, MFT Fund, and 1999 Bond Fund transfers.

City Council consideration on first reading is recommended.

D. Ordinance No. 2009.44--An Ordinance Partially Abating the Debt Service Levy for the General Obligation Bond Issue Series 2005 for the City of Sycamore, DeKalb County, Illinois for the Fiscal Year 2010-2011. First Reading.

This ordinance would abate the debt service on the 2005 refunding bond that refinanced the outstanding 1999 bond series at a lower interest rate. All of the 1999 bond series that remained outstanding at the time of the issuance of the \$2,965,000 2005 G.O. Bond were redeemed in June 2005. The debt service obligation for FY2010-2011 is \$327,327.50. The levy is \$155,000 and the abatement is \$172,327.50. The debt service will be paid from the 2005 Bond Fund (Fund 27) which gets its revenue from transfers from the General Fund, the Water Fund, the Sewer Fund, the Motor Fuel Tax Fund, and the Road & Bridge Fund.

City Council consideration on first reading is recommended.

E. Ordinance No. 2009.45—An Ordinance Abating the Debt Service Levy for the General Obligation Bond Issue Series 2007 for the City of Sycamore, DeKalb County, Illinois for the Fiscal Year 2010-2011. First Reading.

This ordinance concerns the FY2010-2011 debt service on the General Obligation Bond Series 2007. The levy of \$195,352.50 will be abated in its entirety. The debt service will be paid from the 2007 Bond Fund (Fund 29) which receives its principal revenue (excluding interest) from a General Fund transfer.

City Council consideration on first reading is recommended.

F. Ordinance No. 2009.46--An Ordinance Abating the Debt Service Levy for the General Obligation Bond Series 2009 for the City of Sycamore, DeKalb County, Illinois for the Fiscal Year 2010-2011. First Reading.

This ordinance concerns the FY2010-2011 debt service on the General Obligation Bond Series 2009, which was issued in September 2009 to finance the Police addition which will be constructed in 2010. The levy of \$284,195.69 will be abated in its entirety. The debt service will be paid from the 2009 Bond Fund (Fund 34) which will receive its principal revenue in FY11 from a transfer from the Sales Tax Distributive Fund (Fund 22).

City Council consideration on first reading is recommended.

G. Ordinance No. 2009.47—An Ordinance Abating Certain Real Estate Revenue Due for Property Owned by Emmaus Holdings/d.b.a. Superior Industrial Equipment at 1609 Afton Road in the City of Sycamore, DeKalb County, Illinois for Fiscal Year 2010-2011. First Reading.

In October 2007 the owners of Superior Industrial Equipment applied for a property tax abatement to relocate their firm from the Cortland Industrial Park to the Sycamore Prairie Business Park. The City Council and the boards of all the Sycamore-area taxing bodies agreed to participate in a multiple-year abatement schedule as shown in the table below:

Taxing Body	2009	2010	2011	2012
City of Sycamore	90%	75%	50%	0%
County of DeKalb	90%	75%	50%	0%
Sycamore Library	90%	75%	50%	0%
Cortland Township	90%	75%	50%	0%
Sycamore Schools	0%	75%	50%	0%
Sycamore Park District	90%	75%	50%	0%
Kishwaukee College	90%	75%	0%	0%

On the strength of this commitment, the owners of the firm, broke ground in the Sycamore Prairie Business Park in mid-November 2007 and opened their new facility in December 2008. The company sells new and refurbished industrial pumps and performs just-in-time repairs in its shop. Since opening in Sycamore, the company has increased its workforce by five persons (to 21) on top of its \$1.2 million investment.

The 2009 levy year is the first year of full assessment for the firm. The assessment values for Superior Industrial Equipment are shown in the table below:

Year	Land	Building	EAV Total
2009	\$43,816	\$357,117	\$400,933

Based on the total EAV for the Superior Industrial Equipment parcel (#09-06-426-011) in 2009, the City's 2009 abatement is estimated to be \$2,081.47 (.0057684 x \$400,933 x .9 = \$2,081.47).

City Council consideration of first reading is recommended. In 2008 the City and other local taxing bodies completed the last of three years of tax abatement for Tate & Lyle and Fullco Industries. In 2010, the City's commitment to Ample Supply will begin along with the second year of the Superior Industrial Equipment abatement.

H. Ordinance No. 2009.48—An Ordinance Revising Title 6, “Motor Vehicles and Traffic,” Chapter 4, “Traffic Schedules,” Section 6-4-1, “Stop Intersections,” of the City Code of the City of Sycamore, Illinois. First and Second Reading.

The attached ordinance revises the City Code to create a stop intersection at Washington Place and Edward Street. The “stop” street would be Washington Place and the right-of-way street would be Edward Street.

City Council approval is recommended.

12. RESOLUTIONS--None

13. CONSIDERATIONS--None

14. OTHER NEW BUSINESS

15. APPOINTMENTS

16. ADJOURNMENT