

SYCAMORE CITY COUNCIL

AGENDA

December 4, 2017

CITY COUNCIL COMMITTEE MEETINGS

No Meetings Scheduled

REGULAR CITY COUNCIL MEETING

7:00 P.M.

- 1. CALL TO ORDER**
- 2. INVOCATION**
- 3. PLEDGE OF ALLEGIANCE**
Lead by St Mary's School students Grace Amptmann, Alexander Kinn, Brooklynn Kinn, Matthew Kinn, Andrew Kirchmann, Isabella Kirchmann, Camryn Sieloff.
- 4. APPROVAL OF AGENDA**
- 5. AUDIENCE TO VISITORS**
- 6. CONSENT AGENDA**
 - A. Approval of the Minutes for the Regular City Council Meeting of November 20, 2017.
 - B. Payment of the Bills for December 4, 2017.
- 7. PRESENTATION OF PETITIONS, COMMUNICATIONS, AND BILLS.**
 - A. Annual Presentation of Service Awards to City of Sycamore Employees. Human Resources Director Maggie Peck will Assist the City Manager in Presenting Awards to Employees with 5, 10, 15, 20, 25, 30 and 35 Years of Continuous Service to the Citizens of Sycamore.
 - B. Recognition of Coach Lambdin and the Sycamore Boys Cross Country Team for Placing 3rd at the IHSA State Meet.
- 8. REPORTS OF OFFICERS**

9. REPORTS OF STANDING COMMITTEES

10. PUBLIC HEARINGS

A. A Public Hearing on the Proposed 2017 Corporate Property Tax Levy.

At the regular City Council meeting of November 20, 2017, the City Council directed the City Manager to prepare ordinances that would establish the 2017 City property tax levy. Ordinances 2017.17 through 2017.19 below establish the 2017 levy and abate debt service on certain bond issues. 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 18th.

The City's proposed levy maintains the property tax dollars for general operations. Since 2000, the City has reduced its reliance on property taxes from 25.7% of the general operating budget down to less than 12% in 2017. This is a direct result of increasing pension costs and relatively flat property tax levies in recent years. This year, pension contributions for police and fire increased nearly \$60,000 which is lower than previous years due to stronger than anticipated investment returns. Significant new construction allows for a proposed levy that ensures fiduciary responsibilities are met while homeowners should see little or no change in the portion of their tax bill that goes to the City.

Based upon an estimated city-wide EAV of \$424,079,424 in 2017—an increase of over \$34 million in the City's collective real estate wealth from 2016—the proposed corporate levy should result in a tax rate of \$.96523 per \$100 EAV. This rate represents a 4.89% decrease from the 2016 rate.

The tables below illustrate the recent history of City levies along with the breakdown of operational and pension obligations:

Property Tax Category	2010	2011	2012	2013	2014	2015	2016	2017
General Operating	1,442,362	1,407,322	1,407,322	1,407,322	1,407,322	1,407,322	1,407,322	1,432,476
FICA/IMRF	376,153	337,175	337,175	337,175	337,175	337,175	337,175	337,175
Police Pension	324,526	341,525	341,525	341,525	356,321	418,537	528,471	570,593
Fire Pension	461,580	518,599	518,599	518,599	530,747	594,763	595,926	613,614
Crossing Guards	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Total Levy	2,624,621	2,624,621	2,624,621	2,624,621	2,651,565	2,777,797	2,888,894	2,973,858
City-Wide EAV	\$435,237,682	\$410,684,047	\$371,153,227	\$343,636,270	\$337,661,389	\$357,501,358	\$389,722,536	\$424,079,424
City Tax Rate	0.60303	0.63912	0.70715	0.76378	0.78527	0.77703	0.74127	0.70125

Overall Impact:

- Should result in a level City tax rate of 0.70125.
- The total levy is \$2,973,858; with \$1,432,476 going to general operations.

- The levy is maintained at the 2016 level and then applied to existing EAV to calculate the rate of 0.70125. The rate is then applied to new construction EAV of \$12,116,063.
- Property Taxes minus the portion going directly to the Police and Fire Pension funds would represent only 11.78% of all budgeted FY18 General Fund expenditures, less pass-thru pension transfers (\$15,190,081).
- Increases the funds available for general operations by \$25,154.

Resulting Impact on Single-Family Homeowner: With each of the options, residents want to know what the impact is on their home. The chart below shows the estimated change in the City tax bill for a \$200,000 home in 2016 (payable in 2017) and the same home in 2017 (payable in 2018) which is now valued at an estimated \$211,400 based on the average increase in EAV (5.7%):

	2016	2017
Property EAV	66,667	70,467
City Tax Rate	0.74127	0.70125
City Tax Bill	\$494.18	\$494.15
Difference		-\$0.03

The Sycamore Library Board voted to levy \$1,119,500. The total property taxes to be levied for the corporate purposes of the City of Sycamore (the City and the Library levies combined) for 2017 would be \$4,093,358. The resulting corporate tax rate is estimated to be \$.96523 per \$100 EAV.

Proposed Sycamore Library Levy and Library Levies of Recent Years

Year	2010	2011	2012	2013	2014	2015	2016	2017
Library Levy	\$872,564	\$915,366	\$943,400	\$971,702	\$971,702	\$1,020,287	\$1,066,295	\$1,119,500
City-Wide EAV	435,237,682	410,684,047	371,153,227	343,636,270	337,661,389	357,501,358	389,722,536	424,079,424
Library Tax Rate	0.200479	0.22289	0.25418	0.28278	0.28778	0.28539	0.27360	0.26398

The City Council is obliged to pass the Library’s levy request, provided the annual Library levy does not exceed .6% of the community’s EAV.

Resulting Impact on Single-Family Homeowner: With each of the options, residents want to know what the impact is on their home. The chart below shows the estimated change in the City tax bill for a \$200,000 home in 2016 (payable in 2017) and the same home in 2017 (payable in 2018) which is now valued at an estimated \$211,400 based on the average increase in EAV (5.7%):

	2016	2017
Property EAV	66,667	70,467
City Tax Rate	0.27219	0.26398
City Tax Bill	\$181.46	\$186.02
Difference		\$4.56

11. ORDINANCES

A. Ordinance 2017.14—An Ordinance Amending Title 6, “Motor Vehicles and Traffic”, Chapter 4, “Traffic Schedules”, Section 10, “No Parking Zones”, to Prohibit Parking on the West Side of Ellen Street. Second Reading.

Ellen Street was reconstructed as part of this year’s street maintenance program. Prior to reconstruction, parking was non-uniform and at times presented challenges for emergency vehicles and snow plows. With the improvements complete, staff feels that steps should be taken to ensure public safety and public works are able to adequately serve residents along Ellen Street from its only point of access off of Exchange Street.

When reviewing which side of the street to make no parking, staff reviewed the previous parking patterns and as-built conditions in an effort to maximize the number of spots. After the first two-hundred feet, all of the driveways are on the west side of the street and account for 227’ of unusable space. While fire hydrants are on the east side, only 90’ of space would be designated no parking.

As a result, staff recommends section 6-4-10, “No Parking Zones” be modified as follows:

Street	Side	From	To
Ellen	West	Exchange	End of Street

City Council approval is recommended.

B. Ordinance 2017.16—An Ordinance Amending Title 1, “Administration,” Chapter 10, “Personnel Rules,” of the City Code of the City of Sycamore to Authorize Non-Elective Positions for the City of Sycamore, Illinois. First and Second Reading.

This fiscal year, the City has or will experience vacancies in certain positions in the Public Works and Police Departments. With these changes, staff has reviewed the operational structures in the respective departments and recommends adjustments that are aimed at increasing operational efficiency and providing opportunities for professional development and advancement without increasing costs.

Toward that end, Ordinance 2017.16 proposes the following changes from the non-elective positions that were approved in April:

- In Public Works, the position of Assistant Director of Public Works will not be filled. An Assistant Superintendent position will be added in each of the operating divisions: Water, Wastewater, Treatment Plant, and Streets bringing the number of ranks to four; Director, Superintendent, Asst. Superintendent and Laborer. These positions will be filled by the promotion of current laborers who will take on additional responsibilities and serve as “street level” supervisors similar to the day-to-day responsibilities of Lieutenants in the Fire Department or Sergeants in the Police Department. One laborer will be hired that will

be based primarily in the Street Division, but will be able to assist the other divisions as needed.

- In the Police Department, the Deputy Chief position will not be filled, removing one rank, bringing the total to four; Chief, Commander, Sergeant and Officer/Investigator. A current officer will be promoted to Sergeant which will ultimately result in a Sergeant of Investigations. The promoted Officer will be replaced by a new officer. With the changes, the number of positions are maintained and the cost savings allow for part-time help at the front desk.

This ordinance establishes a uniformity among the number of ranks in the City's three largest operating departments, places an emphasis toward "street level" coordination and supervision and provides employee development and advancement opportunity (especially in Public Works) without adding cost.

With structural change, inevitably there will be a period of time where job titles, functions and responsibilities are assessed and adjustments are made in future fiscal years.

With the Council's approval, the City will take the steps to fill the positions as outlined above and in Ordinance 2017.16.

City Council approval is recommended.

C. Ordinance 2017.17—An Ordinance Levying Taxes for the Corporate Purposes of the City of Sycamore for the Fiscal Year Commencing May 1, 2018 and Ending April 30, 2019. First Reading.

At the top of this agenda, a public hearing will be held on the proposed 2017 corporate property tax levy for the City of Sycamore. As noted above, the proposed corporate levy of \$4,093,358 includes a City levy of \$2,973,858 and a Sycamore Public Library levy of \$1,119,500. Assuming a city-wide EAV of \$424,079,424 in 2017—an increase of over \$34 million in the City's collective real estate wealth from 2016—the proposed corporate levy should result in a tax rate of \$.96523 per \$100 EAV.

D. Ordinance 2017.18—An Ordinance Abating the Debt Service Levy for the General Obligation Refunding Bond Issue Series 2012 for the City of Sycamore, DeKalb County, Illinois for Fiscal Year 2018-2019. First Reading.

The 2012 Refunding Bond was issued in July 2012 to refinance the 2002 General Obligation Bond and the majority of the 2003 General Obligation Bonds. All of the debt service (\$261,000) on the 2012 Refunding 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 \$261,000 and abate \$261,000, so the extension will be \$0.00. The debt service will be paid by the 2012 Bond Proceeds Fund (Fund 36) which gets its primary revenue from General Fund, Capital Fund (Fund 6) and Motor Fuel Tax

Fund (Fund 7) transfers. These are the same sources that funded the 2002 and 2003 issues. In FY19 alone, the refunding results in \$40,045 in debt service savings.

E. Ordinance 2017.19—An Ordinance Partially Abating the Debt Service Levy for the General Obligation Bond Issue Series 2017 Refunding Bond for the City of Sycamore, DeKalb County, Illinois for the Fiscal Year 2018-2019. First Reading.

This ordinance concerns the FY2018-2019 debt service on the 2017 General Obligation Refunding Bond. Historically, the City has levied \$155,000 for debt service to be applied to the 1999, 2005 and 2007 bond funds. Both the 1999 and 2005 bonds have been retired and the 2007 series was refunded as part of the 2017 Refunding Bond, therefore the levy will be applied to the 2017 series. As a result, the total levy is \$320,297.33 and \$165,297.33 will be abated. The debt service will be paid from the 2017 Bond Fund (Fund 38) which receives its principal revenue from a General Fund and Capital Fund transfers.

- 12. **RESOLUTIONS—None**
- 13. **CONSIDERATIONS—None**
- 14. **OTHER NEW BUSINESS**
- 15. **APPOINTMENTS**
- 16. **ADJOURNMENT**