



**CITY OF URBANA**  
**NOTICE OF PUBLIC HEARING**  
**MONDAY, NOVEMBER 26, 2007**

The City Council of the City of Urbana, Illinois will hold a public hearing at 7:00 p.m., Monday, November 26, 2007 in the Council Chambers of the Urbana City Building, 400 South Vine Street, Urbana, for the purpose of receiving public comment regarding an Annual Property Tax Levy for the year beginning July 1, 2007 and ending June 30, 2008.

Persons with disabilities needing special services or accommodations for this hearing should contact the City of Urbana's Americans with Disabilities Coordinator at 384-2466 or TDY at 384-2447.

Phyllis D. Clark  
City Clerk

M E M O R A N D U M

TO: Mayor Prussing and Members of the Urbana City Council

FROM: City Comptroller

RE: Property Tax Levy

DATE: November 12, 2007

Attached for your consideration is the City's 2007 property tax levy ordinances and resolution. These documents must be filed with the County Clerk no later than the 2<sup>nd</sup> Tuesday in December.

The attached levy ordinance and resolution have been prepared in order to maintain the same levy rate of 1.2942. Some important points concerning the property tax levy are:

- The public hearing on the property tax levy will be at 7:00 pm on Monday, November 26. The Truth in Taxation notice which announces this hearing will be published in the News Gazette on November 14. This notice announces that the City plans on increasing property tax 12%. Of course, this is not correct. This levy (1.29 rate) would mean a homeowner would pay 3.9% more than last year (an additional \$24 on a \$150,000 home).
- This levy will also capture property tax on new development, which is estimated at a 4.8% increase. It is highly appropriate to capture this increase since additional costs and service demands are placed on Urbana from this new development.
- Over the last 10 years, the City has reduced the rate 12.7% from \$1.48 to \$1.29. This 12.7% rate reduction saves the owner of the \$150,000 home \$93 in annual taxes paid to the City.
- The average rate of 5 other central Illinois cities (Bloomington, Normal, Decatur, Danville, & Rantoul) shows they have an average city tax rate of 1.35.
- The City's ability to affect the total amount of property taxes a homeowner pays is limited in that the City only

accounts for 15% of the total property tax bill (School District is 53%).

- Over the last 10 years, the overall tax rate paid by Urbana homeowners has decreased 10.5% from \$9.17 to \$8.21. This 10.5% rate reduction saves the owner of the \$150,000 home \$433 in annual total taxes paid. This reduction has been accomplished even as the County has been required to increase their rate 15% during this same time frame. (voters approved 6 referendums during this time: 1995 for new jail, 1997 for countywide public health district, 2002 for bonds and operating costs for nursing home, and 2004 for development disabilities board).
- My financial projections show a deficit of \$69,000 for FY08-09 growing to a deficit of \$500,000 for next year FY09-10.
- Because the City is required to borrow \$5 million to construct infrastructure connected to the Meijer's and Menard's projects, there will be about a 3 year delay before sales tax from these stores will be deposited to the general fund.
- The City has identified a number of areas in which there is a need to increase funding: Some of these are:
  1. the contributions to the Capital Improvements Fund to keep up with repair of current roads and sewers (not including significant downtown improvements).
  2. The amount in the City's reserve funds (savings for emergencies) has slipped to approximately \$1.5 million from \$4 million, 5 years ago.
  3. additional public safety officers, possible relocation of fire substation and the related costs, certain programs and incentives for historic and neighborhood preservation, new costs for a public arts program, new costs for the police review board, Philo Road improvements, and improvements for bicycling, of which none of these additional costs are included in this financial projection.

ORDINANCE NO. 2007-11-126

ANNUAL TAX LEVY ORDINANCE  
OF THE CITY OF URBANA, ILLINOIS FOR THE YEAR  
BEGINNING JULY 1, 2007 AND ENDING JUNE 30, 2008

WHEREAS, the Corporate Authorities of the City of Urbana, Illinois, pursuant to an ordinance previously adopted authorizing the same, did, on the 18th day of June, 2007, that date being before the beginning of the fiscal year of the city commencing on July 1, 2007, and ending on June 30, 2008, adopt the Annual Budget Ordinance for the city for such fiscal year; and

WHEREAS, pursuant to Sections 8-2-9.1 et seq. of the Illinois Municipal Code (65 ILCS 5/8-2-9.1 et seq.) and home rule ordinances previously adopted authorizing the same (Code of Ordinances, City of Urbana, Illinois, Sections 2-113 and 2-132), such passage of the Annual Budget Ordinance by the Corporate Authorities shall be in lieu of passage of the Annual Appropriation Ordinance otherwise required by the Illinois Municipal Code.

NOW, THEREFORE, BE IT ORDAINED BY THE CORPORATE AUTHORITIES OF THE CITY OF URBANA, ILLINOIS, as follows:

Section 1. That the total maximum amount of appropriations for all corporate purposes, which are legally made to be collected from the tax levy of the current fiscal year of the City of Urbana, is hereby ascertained to be the sum of Seven Million, Three Hundred Forty Two Thousand Six Hundred Fifty Five Dollars (\$7,342,655).

Section 2. That the sum of \$7,342,655 being the total of budgeted appropriations heretofore legally made which are to be collected from the tax levy of the current fiscal year of the City of Urbana, Illinois, for all corporate purposes of said City of Urbana, Illinois, is hereby levied upon all of the taxable property in the City of Urbana, Illinois, subject to taxation for the current year; provided that the levy of such amounts does not cause the property tax rate to exceed 1.2942. If the levy amount of \$7,342,655 produces a tax rate higher than 1.2942, then the amount to be levied and collected for general corporate purposes shall be reduced to an amount which produces the 1.2942 total rate for all corporate purposes.

The specific amounts as levied for the various funds heretofore named are separately included herein by being placed in separate columns under the heading "To Be Raised by Tax Levy" which appears over the same, the tax so levied being for the current fiscal year of the City of Urbana and for the said budgeted appropriation to be collected from said tax levy, the total of which has been ascertained as aforesaid and being as follows:

	<u>Budget</u> <u>Appropriations</u>	<u>Raised By</u> <u>Tax Levy</u>
<u>GENERAL CORPORATE FUND</u>		
For General Corporate Fund Expenditures for Personnel - Police Department	\$2,206,765	\$2,206,765
<u>POLICEMEN'S PENSION FUND</u>		
For State Mandated Pension Requirements	\$1,645,460	\$1,645,460
<u>FIREMEN'S PENSION FUND</u>		
For State Mandated Pension Requirements	\$ 913,300	\$ 913,300
<u>URBANA FREE LIBRARY TRUST FUND</u>		
For Urbana Free Library Expenditures as Determined by Library Board		
CENTRAL COSTS-CONTRACTUAL	\$ 395,029	\$ 395,029
ADMINISTRATION-WAGES	\$ 285,498	\$ 285,498
ADULT DEPARTMENT:		
Books and Materials	\$ 231,734	\$ 231,734
Wages	<u>383,885</u>	<u>383,885</u>
SUBTOTAL, ADULT	\$ 615,619	\$ 615,619
CHILDREN'S DEPARTMENT:		
Books and Materials	\$ 65,753	\$ 65,753
Wages	<u>289,696</u>	<u>289,696</u>
SUBTOTAL, CHILDREN'S	\$ 355,449	\$ 355,449
ARCHIVES DEPARTMENT:		
Books and Materials	\$ 22,390	\$ 22,390
Wages	<u>195,019</u>	<u>195,019</u>
SUBTOTAL, ARCHIVES	\$ 217,409	\$ 217,409
MAINTENANCE-WAGES	\$ 56,712	\$ 56,712
ACQUISITIONS DEPARTMENT-WAGES	\$ 177,019	\$ 177,019
CIRCULATION DEPARTMENT-WAGES	\$ 474,395	\$ 474,395
TOTAL, ALL LIBRARY	<u>\$2,577,130</u>	<u>\$2,577,130</u>
<b>TOTAL AMOUNT</b>	<b><u>\$7,342,655</u></b>	<b><u>\$7,342,655</u></b>

Section 3. This Annual Tax Levy Ordinance is adopted pursuant to the procedures set forth in the Illinois Municipal Code; provided, however, that any tax rate limitation or any other

substantive limitations as to tax levies in the Illinois Municipal Code in conflict with this ordinance shall not be applicable to this ordinance pursuant to Section 6 of Article VII of the Constitution of the State of Illinois.

Section 4. That there is hereby certified to the County Clerk of Champaign County, Illinois, the several sums aforesaid, constituting said total amount of Seven Million, Three Hundred Forty Two Thousand Six Hundred Fifty Five Dollars (\$7,342,655), which said total amount the City of Urbana requires to be raised by taxation for the current fiscal year of the City, provided that the levy of such amounts does not cause the property tax rate to exceed 1.2942. If the levy amount of \$7,342,655 produces a tax rate higher than 1.2942, then the amount to be levied and collected for general corporate purposes shall be reduced to an amount which produces the 1.2942 total rate for all corporate purposes. The City Clerk of the City of Urbana is hereby ordered and directed to file with the County Clerk of Champaign County on or before the time required by law, a certified copy of this ordinance.

Section 5. If any provisions of this ordinance or the application of such provisions to any circumstances is held invalid for any reason whatsoever, the remainder of this ordinance or the application of the provisions to other circumstances shall not be affected hereby.

Section 6. This ordinance shall take effect and be in full force and effect immediately on and after its passage and approval.

This ordinance is hereby passed by the affirmative vote, the "ayes" and "nays" being called, of a majority of the corporate authorities of the City of Urbana, Illinois, at a regular meeting of said authorities.

PASSED by the corporate authorities this \_\_\_\_ day of \_\_\_\_\_, 2007.

AYES:

NAYS:

ABSTAINED:

\_\_\_\_\_  
Phyllis D. Clark, City Clerk

APPROVED by the Mayor this \_\_\_\_ day of \_\_\_\_\_, 2006.

\_\_\_\_\_  
Laurel L. Prussing, Mayor

ORDINANCE NO. 2007-11-127

**AN ORDINANCE ABATING TAX LEVY FOR \$965,000  
GENERAL OBLIGATION BONDS, SERIES 2005**

WHEREAS, the Urbana City Council did, on March 22, 2005, approve Ordinance Number 2005-03-034, entitled:

AN ORDINANCE OF THE CITY OF URBANA, CHAMPAIGN COUNTY, ILLINOIS, APROVIDING FOR THE ISSUANCE OF GENERAL OBLIGATION REFUNDING BONDS, SERIES 2005, PROVIDING THE DETAILS OF SUCH BONDS AND FOR A LEVY OF TAXES TO PAY THE PRINCIPAL OF AND INTEREST ON SUCH BONDS, AND RELATED MATTERS, which ordinance was duly approved by the Mayor of the City of Urbana on March 24, 2005, (the "Ordinance"); and

WHEREAS, Section 8 of the Ordinance authorizes and directs the County Clerk, for each of the years 2005 through 2011, with both of such years to be included, to levy an amount of money sufficient each year to pay the principal and interest due on the bonds therein so authorized; and

WHEREAS, the Urbana City Council finds and determines that the City has sufficient monies from other sources, including without limitation, the ad valorem taxes arising from the taxes levied upon taxable real property in the redevelopment project area for the Central Business District in accordance with the provisions of the Real Property Tax Increment Allocation Redevelopment Act which are available for payment of the principal and interest on such Bonds therein so authorized by the Ordinance for the ensuing fiscal year, and that thus there is no need to levy funds for such purpose for the ensuing fiscal year.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF URBANA, ILLINOIS, as follows:

That the tax levy heretofore authorized under Ordinance No. 2005-03-034, in the amount of \$137,723.50 be and the same is abated for the fiscal year beginning July 1, 2007, and that the County Clerk of the County of Champaign be and the same is directed to extend no taxes for collection on the tax books for the purpose of raising revenues to pay the principal and interest due on the bonds issued pursuant to the Ordinance for the fiscal year beginning July 1, 2007.

This ordinance is hereby passed by the affirmative vote, the "ayes" and "nays" being called, of a majority of the members of the Council of the City of Urbana, Illinois, at a regular meeting of said council.

PASSED by the City Council this \_\_\_\_ day of \_\_\_\_\_,  
2007.

AYES:

NAYS:

ABSTAINED:

\_\_\_\_\_  
Phyllis D. Clark, City Clerk

APPROVED by the Mayor this \_\_\_\_ day of \_\_\_\_\_, 2007.

\_\_\_\_\_  
Laurel L. Prussing, Mayor



RESOLUTION NO. 2007-11-027R

A RESOLUTION DIRECTING THE CHAMPAIGN COUNTY CLERK TO ABATE THE TAX  
LEVY FOR THE GENERAL CORPORATE PURPOSE FOR THE YEAR BEGINNING  
JULY 1, 2007 AND ENDING JUNE 30, 2008

WHEREAS, the City of Urbana, Illinois, is a home rule unit pursuant to the provisions of Section 6, Article VII of the 1970 Constitution of the State of Illinois and may exercise any power and perform any function pertaining to its government and affairs, including but not limited to the power to regulate for the protection of the public health, safety, morals and welfare, to license, to tax and to incur debt; and

WHEREAS, the Corporate Authorities of the City of Urbana, Illinois, has determined that an appropriate total tax levy rate for the City of Urbana for the year beginning July 1, 2007 and ending June 30, 2008, is \$1.2942.

NOW, THEREFORE, BE IT RESOLVED BY THE CORPORATE AUTHORITIES OF THE CITY OF URBANA, ILLINOIS, as follows:

**Section 1.** That the Champaign County Clerk abate the general corporate purpose levy of \$2,206,765 in Ordinance No. 2007-\_\_\_\_\_, in an amount necessary to produce a levy of \$\_\_\_\_\_ for the year beginning July 1, 2007 and ending June 30, 2008.

**Section 2.** That the Mayor of the City of Urbana, Illinois, is directed to determine, based on final information from the Champaign County Clerk, the exact dollar amount which, when extended, will produce an overall tax rate of \$1.2942 for the total City of Urbana tax levy for the year beginning July 1, 2007 and ending June 30, 2008,

and to insert such number into Section 1 of this Resolution, if the levy of \$2,206,765 for general corporate purposes would produce a overall final tax rate of more than 1.2942.

**Section 3. Home Rule Exercise**

That this Resolution is enacted pursuant to and as an exercise of the City of Urbana's Home Rule Powers under the 1970 Constitution of the State of Illinois.

**Section 4.** That the City Clerk is hereby directed to file a certified copy of this Resolution, completed as provided for in Section 2, with the County Clerk of Champaign County immediately after the Resolution is completed.

PASSED by the Corporate Authorities this \_\_\_\_ day of \_\_\_\_\_, 2007.

AYES:

NAYS:

ABSTAINED:

\_\_\_\_\_  
Phyllis D. Clark, City Clerk

APPROVED by the Mayor this \_\_\_\_ day of \_\_\_\_\_, 2007.

\_\_\_\_\_  
Laurel L. Prussing, Mayor