



CITY OF URBANA
NOTICE OF PUBLIC HEARING
MONDAY, NOVEMBER 9, 2009

NOTICE IS HEREBY GIVEN that the City Council of the City of Urbana, Illinois will hold a public hearing at 7:00 p.m., Monday, November 9, 2009, at 7:00 p.m. in the Council Chambers of the Urbana City Building, 400 South Vine Street, Urbana, to consider the proposed Truth in Taxation property tax levy increase for 2009, payable in 2010.

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 4, 2009

Attached for your consideration is the City's 2009 property tax levy ordinances and resolution. These documents must be filed with the County Clerk no later than the 2nd Tuesday in December.

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

- This levy would mean a homeowner would pay on average 2.5% more than last year (an additional \$19 on a \$175,000 home). This 2.5% represents the average increase in the value of current homes. Last year's levy rate was the same \$1.29 and average homeowners paid additional 2.2% to City of Urbana.
- This levy will also capture property tax on new development. It is highly appropriate to capture this increase since additional costs and service demands are placed on Urbana from this new development.
- Since 1999, the City has reduced the rate from \$1.47 to \$1.29. This has saved the owner of the \$175,000 home \$1,025 in taxes paid to the City over this 10 year period.
- Urbana's tax rate of \$1.29 is approximately in the middle of tax rates of other central Illinois cities (Normal \$1.17, Decatur \$1.23, Bloomington \$1.27, Champaign \$1.29, Rantoul \$1.66, and Danville \$1.78).
- 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 from \$9.10 to \$8.22. This has saved the owner of the \$175,000 home \$5,133 in total taxes paid during this time. This reduction has been accomplished even as taxpayers have 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).
- Due to significantly lower sales and income taxes, the City of Urbana is projecting an operating deficit of \$1.3 million dollars for FY09-10 and an additional \$1 million deficit (without any employee salary adjustments) for next budget year.

ORDINANCE NO. 2009-11-117

ANNUAL TAX LEVY ORDINANCE
OF THE CITY OF URBANA, ILLINOIS FOR THE YEAR
BEGINNING JULY 1, 2009 AND ENDING JUNE 30, 2010

WHEREAS, the Corporate Authorities of the City of Urbana, Illinois, pursuant to an ordinance previously adopted authorizing the same, did, on the 1st day of June, 2009, that date being before the beginning of the fiscal year of the city commencing on July 1, 2009, and ending on June 30, 2010, 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 Eight Million, Seventy Thousand Six Hundred Fifty Six Dollars (\$8,070,656).

Section 2. That the sum of \$8,070,656 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 \$8,070,656 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:

To Be Budget	Raised By
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	<u>Appropriations</u>	<u>Tax Levy</u>
<u>GENERAL CORPORATE FUND</u>		
For General Corporate Fund Expenditures for Personnel - Police Department	\$2,029,066	\$2,029,066
<u>POLICEMEN'S PENSION FUND</u>		
For State Mandated Pension Requirements	\$1,754,450	\$1,754,450
<u>FIREMEN'S PENSION FUND</u>		
For State Mandated Pension Requirements	\$1,328,730	\$1,328,730
<u>URBANA FREE LIBRARY TRUST FUND</u>		
For Urbana Free Library Expenditures as Determined by Library Board		
CENTRAL COSTS-CONTRACTUAL	\$ 632,926	\$ 632,926
ADMINISTRATION-WAGES	\$ 331,338	\$ 331,338
ADULT DEPARTMENT:		
Books and Materials	\$ 270,200	\$ 270,200
Wages	<u>416,566</u>	<u>416,566</u>
SUBTOTAL, ADULT	\$ 686,766	\$ 686,766
CHILDREN'S DEPARTMENT:		
Books and Materials	\$ 79,762	\$ 79,762
Wages	<u>313,149</u>	<u>313,149</u>
SUBTOTAL, CHILDREN'S	\$ 392,911	\$ 392,911
ARCHIVES DEPARTMENT:		
Books and Materials	\$ 25,034	\$ 25,034
Wages	<u>231,412</u>	<u>231,412</u>
SUBTOTAL, ARCHIVES	\$ 256,446	\$ 256,446
MAINTENANCE-WAGES	\$ 50,116	\$ 50,116
ACQUISITIONS DEPARTMENT-WAGES	\$ 218,344	\$ 218,344
CIRCULATION DEPARTMENT-WAGES	\$ 389,563	\$ 389,563
TOTAL, ALL LIBRARY	<u>\$2,958,410</u>	<u>\$2,958,410</u>
TOTAL AMOUNT	<u>\$8,070,656</u>	<u>\$8,070,656</u>

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 Eight Million, Seventy Thousand Six Hundred Fifty Six Dollars (\$8,070,656) 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 \$8,070,656 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 _____, 2009.

AYES:

NAYS:

ABSTAINED:

Phyllis D. Clark, City Clerk

APPROVED by the Mayor this ____ day of _____, 2009.

Laurel Lunt Prussing, Mayor

ORDINANCE NO. 2009-11-118

**AN ORDINANCE ABATING TAX LEVY FOR \$965,000
GENERAL OBLIGATION BONDS, SERIES 2005
(FY09-10)**

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 \$150,298.50 be and the same is abated for the fiscal year beginning July 1, 2009, 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, 2009.

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 _____,
2009.

AYES:

NAYS:

ABSTAINED:

Phyllis D. Clark, City Clerk

APPROVED by the Mayor this ____ day of _____, 2009.

Laurel Lunt Prussing, Mayor

RESOLUTION NO. 2009-11-035R

A RESOLUTION DIRECTING THE CHAMPAIGN COUNTY CLERK TO ABATE THE TAX
LEVY FOR THE GENERAL CORPORATE PURPOSE FOR THE YEAR BEGINNING
JULY 1, 2009 AND ENDING JUNE 30, 2010

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, 2009 and ending June 30, 2010, 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 \$2,029,066 in Ordinance No. 2009-_____, in an amount necessary to produce a levy of \$_____ for the year beginning July 1, 2009 and ending June 30, 2010.

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, 2009 and ending June 30, 2010,

and to insert such number into Section 1 of this Resolution, if the levy of \$2,029,066 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 _____, 2009.

AYES:

NAYS:

ABSTAINED:

Phyllis D. Clark, City Clerk

APPROVED by the Mayor this ____ day of _____, 2009.

Laurel Lunt Prussing, Mayor