

**REGULAR CITY COUNCIL MEETING
105 S MAIN ST
FARMER CITY, ILLINOIS
MONDAY DECEMBER 6, 2021
6:00 P.M.
AGENDA**

PRELIMINARY MATTERS

1. Call to order
2. Roll call
3. Pledge of allegiance to the flag
4. Proclamations/presentations/recognitions
5. Public Comment –

CONSENT AGENDA

The following items will be adopted on a single motion without discussion unless a council member requests separate consideration:

- A. Approval of the minutes of the November 15, 2021 council minutes
- B. Fund Warrant List

UNFINISHED BUSINESS--Ordinances or resolutions previously tabled.

NEW BUSINESS--Ordinances and resolutions for initial consideration

- A. Approval of the Intergovernmental Agreement (IGA) with the Farmer City Fire Protection District for Payment of TIF Surplus and Costs
- B. Approval of the Intergovernmental Agreement (IGA) with the Blue Ridge School District for Payment of TIF Surplus and Costs
- C. Ordinance 1078 2021-2022 Tax Levy
- D. Approval of a request by Parade of Queens to close the city square on May 1, 2022 from 2-5 pm.

EXECUTIVE SESSION

OTHER ITEMS

1. City manager report
2. Non-agenda items and other business

ADJOURNMENT

NOTE: Anyone planning to attend the meeting who has need of special assistance under the Americans with Disabilities Act (ADA) is asked to contact the city clerk's office at (309) 928-2842, 48 hours before the meeting. Staff will be pleased to make the necessary arrangements.

MINUTES OF THE FARMER CITY, ILLINOIS

CITY COUNCIL REGULAR MEETING

NOVEMBER 15, 2021 6 p.m.

Roll call Present: Councilmembers Shelley Friedrich, David Walsh, Jason Strough, and Mayor Scott Testory. Absent: Willard McKinley

Also, in attendance: City Manager Sue McLaughlin, City Clerk Angie Waniserski, City Attorney Joe Chamley.

Pledge of allegiance to the flag

Proclamations/presentations:

Public comment:

CONSENT AGENDA

A. Approval of the minutes of the October 18, 2021 council meeting.

B. Fund Warrant List

MOTION by Friedrich to approve consent agenda. Seconded by Walsh. Voting yes: Friedrich, Walsh, Strough and Testory. Absent: McKinley. Motion carried.

UNFINISHED BUSINESS

NEW BUSINESS

A. Ordinance 1076 amending title VII: Traffic code, Chapter 78: Parking schedules, schedule III. Handicapped parking spaces and related matters (VFW).

The VFW requested two spaces in the front of the VFW be combined into one ADA compliant parking space at October's council meeting. This ordinance serves to accommodate this request.

MOTION by Friedrich to approve ordinance 1076 amending title VII: Traffic code, Chapter 78: Parking schedules, schedule III. Handicapped parking spaces and related matters (VFW). Seconded by Walsh. Voting yes: Friedrich, Walsh, Strough and Testory. Absent: McKinley. Motion carried.

B. Ordinance 1077 an ordinance establishing regulations governing the registration, maintenance, security and monitoring of vacant properties by their owners.

This topic was discussed at the September 7th council meeting. In order to apply for grants to assist with vacant properties, the city must establish regulations governing the registration and monitoring of these properties. Ordinance 1077 serves to outline registration fees and fine schedules. This summary provides an 18-month timetable, renewable every 6 months, for a total of 3 fees. Council would like these fees to be progressive; starting at \$100 to register and increasing to \$200 for the 2nd registry and \$300 for the 3rd registry. If a property hasn't been improved after the end of 18-months, the city can proceed with issuing fines and pursuing legal action.

MOTION by Friedrich to amend ordinance 1077 an ordinance establishing regulations governing the registration, maintenance, security and monitoring of vacant properties by their owners to reflect the following progressive renewal fees: \$100 to register, \$200 for the 2nd renewal and \$300 for the 3rd and final renewal. Seconded by Walsh. Voting yes: Friedrich, Walsh, Strough and Testory. Absent: McKinley. Motion carried.

MOTION by Friedrich to approve amended ordinance 1077 an ordinance establishing regulations governing the registration, maintenance, security and monitoring of vacant properties by their owners. Seconded by Walsh. Voting yes: Friedrich, Walsh, Strough and Testory. Absent: McKinley. Motion carried.

- C. Approval to waive the bidding process for the purchase of two breakers for the power plant for approximately \$60,000.

The electric plant is currently using breakers that have not been upgraded since 1969. Due to supply chain issues, delivery of new breakers could be up to 7 months out. The city had initially budgeted to replace one breaker this fiscal year but has been advised that there is a cost savings when ordering two. By ordering two, the city can spread out the purchase during this fiscal year and the 2022-2023 fiscal year. CM McLaughlin said BHMG Engineers stated that this is a sole source provider situation for the breakers, which is why we're asking to waive the bid process and get these ordered.

MOTION by Friedrich to approve waiving the bidding process for the purchase of two breakers for the power plant for approximately \$60,000. Seconded by Walsh. Voting yes: Friedrich, Walsh, Strough and Testory. Absent: McKinley. Motion carried.

- D. Resolution 2021-65 Resolution amending 2022 meeting dates as required by law.

Council has set the meeting dates and scheduled holidays for 2022. They have added the federal holiday Juneteenth to the list of holidays to be observed.

MOTION by Friedrich to approve Resolution 2021-65 Resolution amending 2022 meeting dates as required by law. Seconded by Walsh. Voting yes: Friedrich, Walsh, Strough and Testory. Absent: McKinley. Motion carried.

EXECUTIVE SESSION

OTHER ITEMS

City Manager report

City Manager McLaughlin informed council that the city has closed on the property 420 N John Street. The John Street drainage project has started today. She is currently working with Area Disposal to set leaf pickup dates. Tentative dates are November 18th and December 2nd. And lastly, the Santa house is out and is ready for the Christmas parade on Sunday.

Non-agenda items and other business

Curt Homann was in attendance announcing he has taken the Executive Director position at DCDC. He will be walking around to local businesses inquiring as to how he can benefit them.

ADJOURNMENT

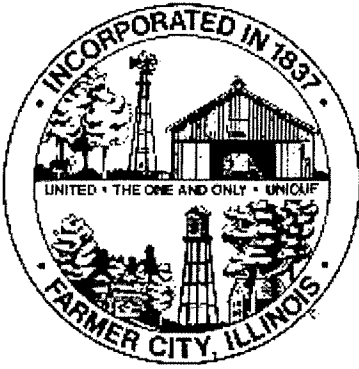
MOTION by Friedrich to adjourn meeting. Seconded by Walsh. Voting yes: Friedrich, Walsh, Strough and Testory. Absent: McKinley. Motion carried.

Vendor Name	Net Invoice Amount
100	
TESTORY, SCOTT	30.72 ADM - MISC
Total 100:	<u>30.72</u>
Grand Totals:	<u><u>30.72</u></u>

Vendor Name	Net Invoice Amount	
100		
IML-RMA	250.00	ADM - MEMBERSHIP DUES
Total 100:	250.00	
140		
IML-RMA	50,188.05	INSURANCE
Total 140:	50,188.05	
270		
STUART JENKINS	6,000.00	NEW ROOF AT 201 S MAIN
Total 270:	6,000.00	
510		
IML-RMA	10,482.12	WATER INSURANCE
Total 510:	10,482.12	
520		
IML-RMA	8,097.21	SEWER INSURANCE
Total 520:	8,097.21	
530		
IML-RMA	50,843.43	ELE - INSURANCE
Total 530:	50,843.43	
Grand Totals:	125,860.81	

Vendor Name	Net Invoice Amount	
100		
Menards	272.94	CITY HALL HEATING REPAIR
PRESTO X PEST CONTROL	47.00	ADM - PEST CONTROL
WATTS COPY SYSTEMS INC	177.68	COPIER
COOPER, BILLIE	300.00	CLEANING SERVICES
City of Farmer City	260.26	ADM
MEDIACOM	505.97	INTERNET
SIMPLY SENNETT	37.50	WEB DEVELOPMENT
Absopure Water Co	84.50	ADM - DRINKING WATER
Walker Tire Service	749.36	TIRES AND ALIGNMENT FOR BROWNS SQUAD
CLASPILL AUTOMOTIVE	269.57	BATTERY FOR CHARGER
SMITHAMUNDSEN	75.00	GEN LABOR REPRESENTATION
TECHNOLOGY MANAGEMENT	132.81	IWIN MEMBERSHIP SERVICES
RADAR MAN INC	350.00	RADAR CERT
SPRINT	147.13	POL TELEPHONE
City of Farmer City	87.27	POLICE
Evergreen FS Inc	826.02	POLICE FUEL
INTERSTATE BILLING SERV. IN	1,077.72	STREET
RUSH TRUCK CENTER	2,459.19	DUMP TRUCK REPAIR
CAMO'S LAWN AND LANDSCAP	870.00	CEMETARY
FRONTIER	32.41	STREET
City of Farmer City	267.08	STREET
McMaster-Carr	214.93	STREET SUPPLIES
Evergreen FS Inc	82.61	STREET FUEL
CAMO'S LAWN AND LANDSCAP	300.00	WEEDMAN PARK
CAMO'S LAWN AND LANDSCAP	640.00	SOUTH PARK
City of Farmer City	414.45	PARK
City of Farmer City	66.44	POOL
Total 100:	10,747.84	
110		
LAUTERBACH & AMEN, LLP	375.00	ACCOUNTING ASSISTANCE
Total 110:	375.00	
270		
MORAN ECONOMIC DEVELOP	2,970.00	TIF
CAMO'S LAWN AND LANDSCAP	200.00	PRAIRIE RIDGE
Total 270:	3,170.00	
510		
REYNOLDS TOWING	525.00	VEHICLE REPAIR MAINT
INTERSTATE BILLING SERV. IN	1,077.72	WATER
RUSH TRUCK CENTER	824.14	WATER - VEHICLE REPAIR MAINT
FRONTIER	124.05	WATER PHONE
City of Farmer City	1,036.30	WATER
IMCO UTILITY SUPPLY CO	33.35	MISC OPERATING SUPPLIES
Evergreen FS Inc	55.07	WATER FUEL
Total 510:	3,675.63	
520		
INTERSTATE BILLING SERV. IN	1,077.71	SEWER
GIBSON RED-MIX, INC.	291.00	SEWER MAIN REPAIR
PDC Laboratories Inc.	788.18	LAB SERVICES
CAMO'S LAWN AND LANDSCAP	60.00	LIFT STATION

Vendor Name	Net Invoice Amount	
City of Farmer City	7,120.29	SEWER
WATER SOLUTIONS UNLIMITED	1,157.00	CHEMICALS
Evergreen FS Inc	234.02	SEWER FUEL
Total 520:	10,728.20	
530		
Drake Scruggs	499.76	BUCKET TRUCK
Coile's Diesel Inc.	588.08	INSTALL SEAL KIT
SPENCER OIL	52.00	BUCKET TRUCK INSPECTION
INTERSTATE BILLING SERV. IN	1,077.71	ELECTRIC
HEPLERBROOM LLC	70.00	PROFESSIONAL FEES
Office Machine Repair	10.00	COPIER
City of Farmer City	512.84	ELECTRIC
Grainger	137.99	ELEC SUPPLIES
NAPA	216.15	ELEC SUPPLIES
ANIXTER INC	2,124.00	Elec Supplies
ANIXTER INC	120.00	Elec Supplies
Evergreen FS Inc	178.98	ELEC FUEL
Total 530:	5,587.51	
Grand Totals:	34,284.18	



CITY OF FARMER CITY, ILLINOIS

105 South Main Street
Farmer City, Illinois 61842-0049

Telephone: (309) 928-2842

Facsimile: (309) 928-2228

MEMO

Date: December 2, 2021

To: City Council

From: Sue McLaughlin, ICMA-CM
City Manager

RE: TIF 2 extension – IGA's with School District and Fire District

In April 2022, TIF 2 was slated to expire. This expiration would have meant the loss of more than \$300,000 per year of incremental EAV tax revenue. We have recently been utilizing that revenue to make infrastructure improvements as well as provide TIF grants in both TIF 2 and the Forward TIF. The Forward TIF has very little revenue since it's so new but we've been able to "borrow" from TIF 2 to assist businesses located in the Forward TIF. Without TIF 2, we would not be able to offer any TIF assistance in that area at this time.

In order to extend TIF 2 an additional 12 years, we have to have the approval of all of the taxing districts as well as state legislation approving it. Rep. Caulkins has agreed to sponsor the legislation. It took nearly a year, but I have been able to procure all of the support letters from the taxing districts.

We have agreed to provide 10% surplus to each of the taxing districts in exchange for their support. In addition, the school district and the fire district requested special project assistance. Since they have graciously relinquished more than \$200,000 a year (between them) in incremental revenue to benefit the city, we agreed to their requests.

These IGA's are the culmination of those negotiations. The School District has requested an extension of their electric utility abatement of 20% for 5 more years through December 2028. It was set to expire in December 2023. We also offered them TIF assistance with their planned Memorial Plaza for \$62,000, which was budgeted this fiscal year 2022.

For the Fire District, we will assist them with the purchase of a new communication tower using TIF funds not to exceed \$13,500. We have also agreed to assist them with a future rehabilitation or remodeling capital purchase or project.

This extension will equal nearly \$4 million we will be able to reinvest into the City over the next 12 years (after 2023) to help us continue making progress in infrastructure and for businesses. I urge you to approve these IGA's. Thank you!

**INTERGOVERNMENTAL AGREEMENT
FOR PAYMENT OF TIF SURPLUS AND COSTS**

BY AND BETWEEN THE

CITY OF FARMER CITY, DEWITT COUNTY, ILLINOIS

AND

**BLUE RIDGE COMMUNITY UNIT SCHOOL DISTRICT NO. 18,
DEWITT COUNTY, ILLINOIS**

DATED AS OF AUGUST 11, 2021

**INTERGOVERNMENTAL AGREEMENT
FOR PAYMENT OF TIF SURPLUS AND COSTS**

THIS INTERGOVERNMENTAL AGREEMENT FOR PAYMENT OF TIF SURPLUS AND COSTS, including any exhibit hereto (this “**Agreement**”), is made and entered into as of August 11, 2021, but actually executed by each of the undersigned units of local government on the dates set forth beneath the respective signatures of their duly authorized officers below, by and between the City of Farmer City, DeWitt County, Illinois (the “**City**”) and Blue Ridge Community Unit School District No. 18, DeWitt County, Illinois (the “**District**”).

WITNESSETH:

WHEREAS, under and pursuant to the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.), as supplemented and amended (the “**Act**”), the City Council of the City has, by Ordinance No. _____, adopted on September 7, 2021 (the “**Proceedings**”), determined that it is advisable for the Municipality to afford itself of the provisions of the Act and to undertake preliminary proceedings related to a proposed extension of the existing Tax Increment Financing District #2”, dated _____-, prepared for the Municipality by Moran Economic Development, LLC of Edwardsville, Illinois (the “**Redevelopment Plan**”), including certain proposed redevelopment projects and surplus identified therein to further the objectives of the Act (the “**Projects**”) for such areas as are more particularly identified therein as the “Farmer City TIF #2 (the “**Redevelopment Project Area**”) in connection with the adoption of tax increment allocation financing (“**TIF**”) therefor, all as provided in the Act; and

WHEREAS, the City and District previously entered into an “Intergovernmental Agreement for Payment of Certain Impact Fees and Costs” dated _____; which agreement is still in force and which this Agreement shall supplement; and

WHEREAS, the Superintendent and Board of Education of the District have expressed concern that the District will forego future tax increment over the life of the TIF #2 extension; and

WHEREAS, Section 10 of Article VII of the Constitution of the State of Illinois and the Intergovernmental Cooperation Act (5 ILCS 220/1 et seq.) provide authority for the City and the District to obtain or share services and to exercise, combine or transfer any power or function not prohibited by law or ordinance; and

WHEREAS, the City and the District desire to work cooperatively to ensure that the goals and objectives of the Plan are achieved in accordance with the Act while the District, at the same time, is able to fulfill its mission.

NOW, THEREFORE, in consideration of the matters set forth above, the agreements, covenants, representations and undertakings made and contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the City and the District hereby agree, covenant, represent and undertake as follows:

**ARTICLE I
In General**

Section 1.1. General Definitions. Unless the context hereof clearly indicates otherwise, the capitalized words, terms and phrases defined in the recitals and preambles hereto and otherwise herein

shall have the same meanings for all purposes of this Agreement. In addition, in all cases the singular includes the plural, the plural includes the singular and a reference to any gender includes both genders and the neuter, as the case may be.

Section 1.2. Certain Phrases. The words “hereof”, “herein”, “hereunder”, “hereto” and other words of similar import refer to this Agreement as a whole and not solely to the particular portion thereof in which any such word is used.

Section 1.3. Subdivisions. References to sections and other subdivisions of this Agreement are to the designated sections and other subdivisions of this Agreement as originally executed.

Section 1.4. Headings. The headings of this Agreement are for convenience of reference only and shall not define or limit the provisions hereof.

Section 1.5. Mutual Acknowledgements and Understandings. The City and the District each represents to the other that the following constitute the general principles upon, under and by which the terms and conditions of this Agreement have been made:

(a) The extension of TIF #2 provides incentives that will create new job opportunities and eradicate potentially blighted conditions within the Redevelopment Project Area.

(b) The relief of conditions of unemployment, the creation of new job opportunities, the increase of industry and commerce within the Redevelopment Project Area, the alleviation of vacancies and conditions leading to blight and the increase of the ad valorem tax base are in the mutual best interests of both the City and the District.

ARTICLE II

Payment of Certain Project Costs

Section 2.1. Intent of Parties. It is the mutual intent of the City and the District to lessen the future impact on the District by the proposed extension of TIF for the Redevelopment Project Area by making provision for the following incentives:

(a) The City agrees to extend its abatement and/or rate adjustment to the amount of the electric utility charge that would ordinarily be billed to the District by the City so as to cause a twenty percent (20%) reduction in the total amount payable by the District to the City for any metered electric usage. Such abatement or reduction shall commence with the bill generated in the first full month after December 31, 2023 (the existing expiration date) and shall continue for all subsequent bills rendered on or before December 31, 2028.

(b) Out of available TIF #2 funds, the City agrees to assist with the construction of the District’s Memorial Plaza at a cost not to exceed \$62,000 in accordance with such plans as may be prepared or approved by the District.

(c) Pursuant to Section 11-74.4-7 of the TIF Act, ten percent (10%) of the gross annual real estate tax increment generated in the TIF #2 District, not to exceed \$50,000, shall be declared each year to be surplus funds and distributed proportionately to all affected taxing bodies within the TIF # 2 District.

Section 2.2. District Commitment. The District shall provide an unqualified letter of support for the extension of TIF #2 addressed to appropriate authorities. The District agrees that it will neither object to or make any negative comment about the extension of TIF #2 for the Redevelopment Project Area or anything done in connection with the Proceedings of the City to extend it for the Redevelopment Project Area.

Section 2.3. Other Agreements. Nothing contained in this Agreement shall be construed as any limitation upon the ability of the City and the District to enter into any other or further written agreement or agreements with respect to Projects in the Redevelopment Project Area for the benefit of the District, which such other written agreement or agreements may be in lieu of or in addition to the items set forth in this Agreement.

Section 2.4. Verification of Real Estate Tax Increment. The City and the School District agree that the DeWitt County Treasurer will provide to the parties the actual annual real estate tax increment generated within the TIF # 2 District and within the boundaries of the School District and report such increment to the Parties. The Parties shall then use the information provided by the County Treasurer to compute the reimbursements to be made to the School District and all affected taxing bodies within the TIF # 2 District under Section 2.1 above. If the County Treasurer fails to provide the information requested, the Parties will use their own best efforts to obtain the necessary documentation.

ARTICLE III

Miscellaneous

Section 3.1. Notices and Communications. All notices, demands or other communications under or in respect of this Agreement shall be in writing and shall be deemed to have been given when

the same are (i) deposited in the United States mail and sent by first class mail, postage prepaid or (ii) delivered, in each case, to the City and the District at their respective addresses (or at such other address as each may designate by notice to the other), as follows:

(1) if to the City, at the Farmer City City Hall, 105 South Main Street, Farmer City, Illinois 61842, Attn: City Manager; and

(2) if to the District, at 411 North John Street, Farmer City, Illinois 61842, Attn: School Superintendent.

Whenever any party hereto is required to deliver notices, certificates, opinions, statements or other information hereunder, such party shall do so in such number of copies as shall be reasonably specified.

Section 3.2. Illinois Law. This Agreement shall be deemed to be an intergovernmental agreement made under and shall be construed in accordance with and governed by the laws of the State of Illinois.

Section 3.3. Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of both the City and the District.

Section 3.4. Written Modification. Neither this Agreement nor any provisions hereof may be changed, revised, modified, waived, discharged, terminated or otherwise abrogated, diminished or impaired other than by an instrument in writing duly authorized and executed by both the City and the District.

Section 3.5. Counterparts. This Agreement may be signed in any number of counterparts with the same effect as if the signatures thereto and hereto were upon the same instrument.

Section 3.6. Severability. The invalidity or unenforceability of any one or more phrases, sentences, clauses, sections or other divisions of this Agreement shall not affect the validity or enforceability of the remaining portions of this Agreement, or any other part hereof.

Section 3.7. Effective Date and Term. This Agreement shall become effective upon its execution and delivery by both the City and the District and shall be and remain in full force and effect thereafter during the entire period that TIF # 2 shall be in effect for the Project Area. The benefits contained herein shall expire upon termination of TIF # 2.

Section 3.8. Further Assurances and Supplemental Agreements. Each of the parties hereto covenants and agrees that each will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, in necessary and sufficient form for the purposes thereof, such agreements, instruments, documents, reports and writings supplemental hereto and such further acts, instruments, documents, reports and writings as may be reasonably required for the better assuring, conveying, pledging, assigning and confirming unto the appropriate parties hereto all and singular the rights and interests covenanted or agreed under and in connection with the terms and provisions of this Agreement.

Section 3.9. Entire Agreement. This Agreement constitutes the entire agreement of the City and the District on the subject matter hereof. The District represents, warrants, covenants and agrees

that no representation, warranty, covenant or agreement shall be binding on the City unless expressed in writing herein or by written modification pursuant to Section 3.3 hereof.

IN WITNESS WHEREOF, each of the parties hereto have caused this Agreement to be executed by proper officers duly authorized to execute the same as of the date set forth beneath the signatures of each of their respective officers set forth below.

**CITY OF FARMER CITY,
DEWITT COUNTY, ILLINOIS**

**BLUE RIDGE COMMUNITY UNIT
SCHOOL DISTRICT NO. 18**

By: _____
Mayor

By: Dale Sch
President

(SEAL)

By: KEW
Secretary

ATTEST:

City Clerk

Date: _____

Date: 9-15-21

**INTERGOVERNMENTAL AGREEMENT
FOR PAYMENT OF TIF SURPLUS AND COSTS**

BY AND BETWEEN THE

CITY OF FARMER CITY, DEWITT COUNTY, ILLINOIS

AND

**FARMER CITY FIRE PROTECTION DISTRICT,
DEWITT COUNTY, ILLINOIS**

DATED AS OF NOVEMBER 1, 2021

**INTERGOVERNMENTAL AGREEMENT
FOR PAYMENT OF TIF SURPLUS AND COSTS**

THIS INTERGOVERNMENTAL AGREEMENT FOR PAYMENT OF TIF SURPLUS AND COSTS, including any exhibit hereto (this “**Agreement**”), is made and entered into as of November 1, 2021, but actually executed by each of the undersigned units of local government on the dates set forth beneath the respective signatures of their duly authorized officers below, by and between the City of Farmer City, DeWitt County, Illinois (the “**City**”) and Farmer City Fire Protection District, DeWitt County, Illinois (the “**District**”).

WITNESSETH:

WHEREAS, under and pursuant to the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.), as supplemented and amended (the “**Act**”), the City Council of the City has, by Ordinance No. _____, adopted on October 18, 2021 (the “**Proceedings**”), determined that it is advisable for the Municipality to afford itself of the provisions of the Act and to undertake preliminary proceedings related to a proposed extension of the existing Tax Increment Financing District #2”, dated April 8, 1999, prepared for the Municipality by Moran Economic Development, LLC of Edwardsville, Illinois (the “**Redevelopment Plan**”), including certain proposed redevelopment projects and surplus identified therein to further the objectives of the Act (the “**Projects**”) for such areas as are more particularly identified therein as the “Farmer City TIF #2 (the “**Redevelopment Project Area**”) in connection with the adoption of tax increment allocation financing (“**TIF**”) therefor, all as provided in the Act; and

WHEREAS, the Fire District Board has expressed concern that the District will forego future tax increment over the life of the TIF #2 extension; and

WHEREAS, Section 10 of Article VII of the Constitution of the State of Illinois and the Intergovernmental Cooperation Act (5 ILCS 220/1 et seq.) provide authority for the City and the District to obtain or share services and to exercise, combine or transfer any power or function not prohibited by law or ordinance; and

WHEREAS, the City and the District desire to work cooperatively to ensure that the goals and objectives of the Plan are achieved in accordance with the Act while the District, at the same time, is able to fulfill its mission.

NOW, THEREFORE, in consideration of the matters set forth above, the agreements, covenants, representations and undertakings made and contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the City and the District hereby agree, covenant, represent and undertake as follows:

**ARTICLE I
In General**

Section 1.1. General Definitions. Unless the context hereof clearly indicates otherwise, the capitalized words, terms and phrases defined in the recitals and preambles hereto and otherwise herein

shall have the same meanings for all purposes of this Agreement. In addition, in all cases the singular includes the plural, the plural includes the singular and a reference to any gender includes both genders and the neuter, as the case may be.

Section 1.2. Certain Phrases. The words “hereof”, “herein”, “hereunder”, “hereto” and other words of similar import refer to this Agreement as a whole and not solely to the particular portion thereof in which any such word is used.

Section 1.3. Subdivisions. References to sections and other subdivisions of this Agreement are to the designated sections and other subdivisions of this Agreement as originally executed.

Section 1.4. Headings. The headings of this Agreement are for convenience of reference only and shall not define or limit the provisions hereof.

Section 1.5. Mutual Acknowledgements and Understandings. The City and the District each represents to the other that the following constitute the general principles upon, under and by which the terms and conditions of this Agreement have been made:

(a) The extension of TIF #2 provides incentives that will create new job opportunities and eradicate potentially blighted conditions within the Redevelopment Project Area.

(b) The relief of conditions of unemployment, the creation of new job opportunities, the increase of industry and commerce within the Redevelopment Project Area, the alleviation of vacancies and conditions leading to blight and the increase of the ad valorem tax base are in the mutual best interests of both the City and the District.

ARTICLE II

Payment of Certain Project Costs

Section 2.1. Intent of Parties. It is the mutual intent of the City and the District to lessen the future impact on the District by the proposed extension of TIF for the Redevelopment Project Area by making provision for the following incentives:

(a) Out of available TIF #2 funds, the City agrees to assist with the construction of the District’s Communication Tower at a cost not to exceed \$13,500 in accordance with such plans as may be prepared or approved by the District.

(b) In the event that the District incurs or is about to incur costs for the rehabilitation, reconstruction, repair or remodeling of any existing fire facility and/or purchase of capital equipment, the City agrees to give due consideration to the payment or reimbursement of such costs from TIF funds on a fair and equitable basis consistent with the Redevelopment Plan

(c) Pursuant to Section 11-74.4-7 of the TIF Act, ten percent (10%) of the gross annual real estate tax increment generated in the TIF #2 District, not to exceed \$50,000, shall be declared each year to be surplus funds and distributed proportionately to all affected taxing bodies within the TIF # 2 District.

Section 2.2. District Commitment. The District shall provide an unqualified letter of support for the extension of TIF #2 addressed to appropriate authorities. The District agrees that it will neither object to or make any negative comment about the extension of TIF #2 for the Redevelopment Project Area or anything done in connection with the Proceedings of the City to extend it for the Redevelopment Project Area.

Section 2.3. Other Agreements. Nothing contained in this Agreement shall be construed as any limitation upon the ability of the City and the District to enter into any other or further written agreement or agreements with respect to Projects in the Redevelopment Project Area for the benefit of the District, which such other written agreement or agreements may be in lieu of or in addition to the items set forth in this Agreement.

Section 2.4. Verification of Real Estate Tax Increment. The City and the Fire Protection District agree that the DeWitt County Treasurer will provide to the parties the actual annual real estate tax increment generated within the TIF # 2 District and within the boundaries of the School District and report such increment to the Parties. The Parties shall then use the information provided by the County Treasurer to compute the reimbursements to be made to the School District and all affected taxing bodies within the TIF # 2 District under Section 2.1 above. If the County Treasurer fails to provide the information requested, the Parties will use their own best efforts to obtain the necessary documentation.

ARTICLE III **Miscellaneous**

Section 3.1. Notices and Communications. All notices, demands or other communications under or in respect of this Agreement shall be in writing and shall be deemed to have been given when the same are (i) deposited in the United States mail and sent by first class mail, postage prepaid or (ii) delivered, in each case, to the City and the District at their respective addresses (or at such other address as each may designate by notice to the other), as follows:

(1) if to the City, at the Farmer City City Hall, 105 South Main Street, Farmer City, Illinois 61842, Attn: City Manager; and

(2) if to the District, at 200 East Clinton Avenue, Farmer City, Illinois 61842, Attn: Board President.

Whenever any party hereto is required to deliver notices, certificates, opinions, statements or other information hereunder, such party shall do so in such number of copies as shall be reasonably specified.

Section 3.2. Illinois Law. This Agreement shall be deemed to be an intergovernmental agreement made under and shall be construed in accordance with and governed by the laws of the State of Illinois.

Section 3.3. Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of both the City and the District.

Section 3.4. Written Modification. Neither this Agreement nor any provisions hereof may be changed, revised, modified, waived, discharged, terminated or otherwise abrogated, diminished or impaired other than by an instrument in writing duly authorized and executed by both the City and the District.

Section 3.5. Counterparts. This Agreement may be signed in any number of counterparts with the same effect as if the signatures thereto and hereto were upon the same instrument.

Section 3.6. Severability. The invalidity or unenforceability of any one or more phrases, sentences, clauses, sections or other divisions of this Agreement shall not affect the validity or enforceability of the remaining portions of this Agreement, or any other part hereof.

Section 3.7. Effective Date and Term. This Agreement shall become effective upon its execution and delivery by both the City and the District and shall be and remain in full force and effect thereafter during the entire period that TIF # 2 shall be in effect for the Project Area. The benefits contained herein shall expire upon termination of TIF # 2.

Section 3.8. Further Assurances and Supplemental Agreements. Each of the parties hereto covenants and agrees that each will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, in necessary and sufficient form for the purposes thereof, such agreements, instruments, documents, reports and writings supplemental hereto and such further acts, instruments, documents, reports and writings as may be reasonably required for the better assuring, conveying, pledging, assigning and confirming unto the appropriate parties hereto all and singular the rights and interests covenanted or agreed under and in connection with the terms and provisions of this Agreement.

Section 3.9. Entire Agreement. This Agreement constitutes the entire agreement of the City and the District on the subject matter hereof. The District represents, warrants, covenants and agrees

that no representation, warranty, covenant or agreement shall be binding on the City unless expressed in writing herein or by written modification pursuant to Section 3.3 hereof.

IN WITNESS WHEREOF, each of the parties hereto have caused this Agreement to be executed by proper officers duly authorized to execute the same as of the date set forth beneath the signatures of each of their respective officers set forth below.

**CITY OF FARMER CITY,
DEWITT COUNTY, ILLINOIS**

**FARMER CITY FIRE
PROTECTION DISTRICT**

By: _____
Mayor

By: James M. Hammer
President

(SEAL)

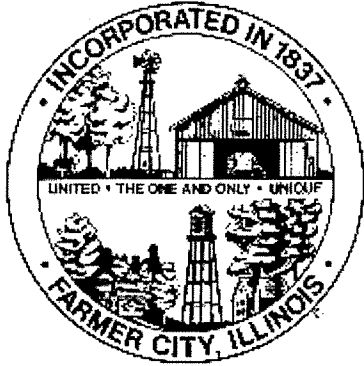
By: Dale A. Whisman
Secretary

ATTEST:

City Clerk

Date: _____

Date: 11-9-2021



CITY OF FARMER CITY, ILLINOIS
105 South Main Street
Farmer City, Illinois 61842-0049

Telephone: (309) 928-2842
Facsimile: (309) 928-2228

MEMO

Date: December 6, 2021

To: City Council

From: Sue McLaughlin, ICMA-CM
City Manager

RE: 2022 Tax Levy

Attached you will find the spreadsheet that shows the analysis for the tax levy recommendation for 2022.

The good news is that the overall EAV (Equalized Assessed Valuation) – the total value of property within the city limits, as a whole, increased this year. The EAV in 2020 was 22,740,483; for 2021, it's estimated at 22,809,157.

The tax rate will remain fairly steady this year from 1.9073 in 2020 to 1.9825 in 2021. We decreased our levy on liability insurance as this fund has an inordinately high fund balance and increased the levy for IMRF and Social Security as those costs continue to rise.

However, due to the higher EAV, we will still remain under the 105% cap from the previous year so there is no need for a Truth in Taxation hearing.

ORDINANCE 1078

ORDINANCE LEVYING REAL ESTATE TAXES FOR ALL CORPORATE PURPOSES FOR THE CITY OF FARMER CITY, ILLINOIS, BASED ON APPROPRIATIONS FOR THE FISCAL YEAR COMMENCING ON MAY 1, 2021 AND ENDING ON APRIL 30, 2022

WHEREAS, the City of Farmer City has the responsibility before the last Tuesday of December of each year to adopt an ordinance levying taxes for all corporate purposes for the current fiscal year; and

WHEREAS, the City Council of the City of Farmer City has examined the corporate financial needs for the fiscal year beginning May 1, 2021 and ending April 30, 2022 and determined the amounts needed to defray the expenses and liabilities of the City; and

WHEREAS, the taxes levied below, excluding amounts levied for debt service, did not exceed 105% of the amounts that were extended by the County Clerk for City purposes, excluding amounts for debt service, for the preceding year and, therefore, the notice required under the Truth and Taxation law was not required.

NOW THEREFORE BE IT ORDAINED by the City Council of the City of Farmer City, DeWitt County, Illinois that:

FIRST: The amounts hereinafter set forth, or so much as may be authorized by law, are levied for such purposes as: Corporate (General Purpose), Police Protection, Insurance and Tort Judgments, Public Parks, Illinois Municipal Retirement Fund, Farmer City Public Library, Social Security, Audit, Emergency Services, Street Lighting, School Crossing Guard, Sewage System and Lease / Purchase for the fiscal year of the said City of Farmer City, Illinois, beginning the first day of May 2021 and ending on the 30th day of April 2022.

SECOND: The amounts levied for each appropriated object and purpose for which real estate taxes can be levied are detailed in the City of Farmer City annual budget and approved through Ordinance 2020-1068 being the appropriation ordinance for fiscal year 2021-2022 and are summarized as follows:

TAX LEVY SUMMARY

CORPORATE PROPERTY TAX (65 ILCS 5/8-3-1)	\$ 57,022.89
POLICE PROTECTION TAX (65 ILCS 5/8-8-8)	\$ 17,106.87
INSURANCE AND TORT JUDGMENTS (745 ILCS 10/9-107)	\$ 36,494.65
PUBLIC PARKS TAX (65 ILCS 5/11-98-1)	\$ 17,106.87
ILLINOIS MUNICIPAL RETIREMENT FUND (40 ILCS 5/7-171)	\$148,259.52
LIBRARY TAX (75 ILCS 5/3-1)	\$ 34,213.74
SOCIAL SECURITY TAX (65 ILCS 5/21-110)	\$ 57,022.89
MUNICIPAL AUDIT TAX (65 ILCS 5/8-8-8)	\$ 34,213.74
EMERGENCY SERVICES & DISASTER OPERATIONS	

(65 ILCS 5/8-3-16)	\$ 570.23
LEASE / PURCHASE - EQUIPMENT (65 ILCS 5/11-76.1-2)	\$ 0.00
STREET LIGHTING TAX (65 ILCS 5/11-80-5)	\$11,404.58
SCHOOL CROSSING GUARD (65 ILCS 5/11-80-23)	\$ 4,561.83
SEWAGE SYSTEM (65 ILCS 5/11-143-1)	\$ 22,809.16
WORKING CASH (65 ILCS 5/8-7-3)	\$ 0.00
UNEMPLOYMENT INS	\$ 11,404.58
TOTAL TAXES LEVIED	<u>\$452,191.54</u>

THIRD: The City Clerk shall make and file with the County Clerk of DeWitt County duly certified copies of this ordinance.

FOURTH: The amount levied by Section Two of this ordinance is required by said City of Farmer City as aforesaid and extended upon the appropriate tax books for the fiscal year of said City of Farmer City beginning May 1, 2022 and ending April 30, 2023.

FIFTH: If any section, subdivision or sentence of this ordinance is for any reason held to be invalid or to be unconstitutional, such a decision shall not affect the validity of the remaining portion of this ordinance.

SIXTH: This ordinance shall be in full force and effect from and after its adoption, as provided by law and publication in pamphlet form.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF FARMER CITY, DEWITT COUNTY, ILLINOIS THIS 6th DAY OF DECEMBER 2021.

AYES: _____ NAYS: _____ ABSTAIN: _____ ABSENT: _____

ATTESTED:

Scott Testory, Mayor

Angie Wanserski, City Clerk

CITY OF FARMER CITY

TAX LEVY FOR 2021/22

	EAV 2020	rate	actual 2021 <small>(payable in 2021)</small>	Rec'd	estimated EAV FOR 2022	rate	proposed 2022 <small>(payable in 2022)</small>
Corporate	22,740,483	0.2500	\$57,078.00	\$56,851.00	22,809,157	0.2500	\$57,022.89
Police	22,740,483	0.0750	\$17,124.00	\$17,055.00	22,809,157	0.0750	\$17,106.87
Street Lights	22,740,483	0.0500	\$11,416.00	\$11,370.00	22,809,157	0.0500	\$11,404.58
Parks	22,740,483	0.0750	\$17,124.00	\$17,055.00	22,809,157	0.0750	\$17,106.87
Lease/Purchase	22,740,483	0.0000	\$0.00	\$0.00	22,809,157		
Street & Bridge	22,740,483	0.0000	\$0.00	\$0.00	22,809,157	0.0000	\$0.00 Road and Bridge
Working Cash	22,740,483	0.0000	\$0.00	\$0.00	22,809,157		
Sewerage	22,740,483	0.1000	\$22,831.00	\$22,740.00	22,809,157	0.1000	\$22,809.16
IMRF	22,740,483	0.6024	\$136,988.00	\$136,989.00	22,809,157	0.6500	\$148,259.52
Audit	22,740,483	0.1205	\$27,398.00	\$27,400.00	22,809,157	0.1500	\$34,213.74
Liability	22,740,483	0.1807	\$41,096.00	\$41,097.00	22,809,157	0.1600	\$36,494.65
ESDA	22,740,483	0.0025	\$571.00	\$573.00	22,809,157	0.0025	\$570.23
Unemployment Ins	22,740,483	0.0502	\$11,416.00	\$11,418.00	22,809,157	0.0500	\$11,404.58
Social Security	22,740,483	0.2309	\$52,512.00	\$52,512.00	22,809,157	0.2500	\$57,022.89
School Crossing	22,740,483	0.0200	\$4,566.00	\$4,548.00	22,809,157	0.0200	\$4,561.83
Library	22,740,483	0.1500	\$34,110.72	\$32,929.00	22,809,157	0.1500	\$34,213.74
		1.9073	\$434,230.72	\$432,537.00		1.9825	\$452,191.54

Without Truth in Taxation hearing, the 2021 levy could be **1.9073** Truth in Taxation hearing required if levy over 105% of previous year
 or an increase of \$455,942.26 or 105% X \$434,230.72

the actual increase = \$21,711.54
 the actual increase = \$17,960.81