

AMENDING CHAPTER 40 “FIRE INSURANCE TAX” OF THE MUNICIPAL CODE OF THE CITY OF DEKALB, ILLINOIS PERTAINING TO THE FIRE INSURANCE TAX.

WHEREAS, the City of DeKalb, DeKalb County, Illinois is a home rule community with those powers granted under the provisions of the Illinois Constitution and the Illinois Municipal Code, 65 ILCS 5/1-1-1, *et. seq.*; and,

WHEREAS, the City of DeKalb currently maintains Chapter 40 of the City Code, which relates to the City’s Foreign Fire Insurance Tax, and wishes to make certain updates to said Chapter; and,

WHEREAS, the City of DeKalb City Council has determined that it is necessary to provide such regulations in order to properly and adequately protect the public health, safety, welfare and morals; and,

THEREFORE BE IT ORDAINED by the Mayor and City Council of the City of DeKalb, DeKalb County, Illinois, as follows:

Section 1. Ordinances Amended:

A) Section 40.04 shall be amended as follows:

40.04 WRITING BUSINESS UNLAWFUL

If such account is not rendered on or before the day herein designated for that purpose, or if the above mentioned tax or license shall remain unpaid after that day, it shall be unlawful for any such corporation, company or association or agent thereof, to transact any business of fire insurance in the City until the requirements hereof shall have been fully complied with. This provision shall in no way affect the validity of any risk that shall be taken in violation hereof between such corporation, company or association and the person so insured. A violation of this ordinance shall be punishable by a fine equal to the greater of two-hundred percent of the tax which is due and payable or a daily fine of not less than five hundred dollars nor more than seven hundred and fifty dollars per day, whichever is greater, plus court costs and attorney’s fees incurred by the City in collecting such payments.

B) Section 40.05 shall be amended as follows:

40.05 FOREIGN FIRE INSURANCE TAX BOARD.

a) There is hereby established a Foreign Fire Insurance Tax Board. Said Board shall be comprised and organized in accordance with the provisions of 65 ILCS 5/11-10-2. The Finance Director of the City of DeKalb, or a designee thereof, shall be an *ex officio* member of the Board, and shall be entitled to attend all meetings thereof. The Board shall be subject to the insurance policies of the City, if any, which provide security for the lawful performance of public duties.

b) Not less than ninety days before the start of the City's Fiscal Year, the Board shall submit to the City an annual budget, developed and proposed by the Board in accordance with all legal restrictions, for inclusion within the City's budget. The Board shall provide a representative to attend one or more City Council meetings to: 1) explain expenditures made in past fiscal years; and, 2) explain proposed and budgeted expenditures in the upcoming fiscal year, at the request of the Council. Notwithstanding such presentations, the ultimate determination as to the purpose and use of funding obtained by the Board shall be at the Board's discretion, provided that such purposes are lawful, and the City Council's approval of the Board's proposed budget shall be limited to confirmation that the proceeds are being utilized "only for the maintenance, use and benefit of the [fire] department" as provided by state law .

c) The Finance Director shall establish a bank account in the name of the Board. All proceeds that are received by the Board shall be deposited in such account, and the Board shall provide the Finance Director with a copy of all bank account statements, all payment statements received with fire insurance tax proceeds, and such other documents as the Finance Director shall request. The Finance Director shall be authorized to establish procedures to reconcile such payments within the City's accounting system, and shall incorporate the Board's transactions within the City's financial reports and annual audit. The Finance Director shall also be authorized to establish financial and purchasing policies, procedures and internal controls with the Board, to ensure the integrity of the Board's budgeted funds. The Board shall have the authority to establish any rules of procedure pursuant to 65 ILCS 5/11-10-2.


Section 2. All ordinances or portions thereof in conflict with this ordinance are hereby repealed. All agreements in violation of the terms of this Ordinance shall be terminated, effective immediately.

Section 3. Should any provision of this Ordinance be declared invalid by a court of competent jurisdiction, the remaining provisions will remain in full force and affect the same as if the invalid provision had not been a part of this Ordinance.

Section 4. This Ordinance shall be in full force and effect after passage and publication pursuant to law. Publication date: May 27, 2015. Effective date: June 7, 2015.

PASSED BY THE CITY COUNCIL of the City of DeKalb, Illinois at a regular meeting thereof held on the 26th day of May, 2015 and approved by me as Mayor on the same day. Received and filed May 11, 2015. Passed by roll call vote of 8-0. Aye: Jacobson, Finucane, Marquardt, Snow, Noreiko, Baker, O'Leary, Rey. Nay: None. Absent: None

ATTEST:



JULIE ABRAHAM, Deputy City Clerk





JOHN REY, Mayor