



**HUMAN RESOURCES &
FINANCE DEPARTMENT**

MEMORANDUM

TO: Mayor Diane Wolfe Marlin and City Council Members

FROM: Elizabeth Hannan, Human Resources & Finance Director / CFO
Shobhit Bhaskar, Financial Analyst

DATE: December 3, 2020

SUBJECT: FY2021 Budget Amendment #4 – Omnibus

Introduction: Attached is an Ordinance revising the FY2021 annual budget to provide for items described below. This budget amendment requires six affirmative votes, including the Mayor, in order to pass.

Discussion: The following items are included in the attached Ordinance amending the annual budget.

Grants: The City Council recently accepted two grants that require amendments to the current budget. The details of these grants and corresponding changes to the budget are as follows.

Lumpkin Grant: The Lumpkin Family Foundation, through its new Nature-Based Climate Action Program, has awarded the City of Urbana a grant to study the distribution of tree vacancy and necessary remedial tree planting. Please refer to Resolution No. 2020-11-60R. The City Council accepted this grant on November 23, 2020. This is reflected in the General Operating Fund.

CURES Economic Support Grant (CURES-ES) Grant: Pending final approval by the State of Illinois, the grant will award up to \$500,000 to the City of Urbana. These funds will be distributed to Urbana businesses in the form of grants of up to \$20,000 to reimburse for COVID-related expenses. Please refer to Resolution No. 2020-11-057R. This is reflected in the General Operating Fund.

COVID-related Expenses for City Facilities: Public Works requires an additional \$10,000 in the repairs & maintenance materials budget for City facilities in the General Fund, which has been depleted due to the need for additional supplies related to the COVID-19 pandemic. Those supplies include hand sanitizer, sanitizing wipes, and other cleaning products.

Police Uniforms: Funds from FY20 were not carried over to FY21. This will require a budget amendment to correct and will move \$28,015 to FY21 of Police Patrol-Uniforms.

Outdoor Warning Siren Replacement: Replacement of a repeater for the County-wide outdoor warning siren system is necessary. The City of Urbana is responsible for \$2,312 of the total cost for system maintenance per an existing intergovernmental agreement. This will be budgeted in the Capital Improvement Fund.

VERF Rebudget: A rebudget is necessary for the purchase of additional radios, which are considered capital equipment. This will require adding \$2,400 to the budget, which is available from unspent funds budgeted for radios last year.

Cable TV PEG Fund Purchases: Under the current cable franchise agreement expiring in January 2021, funds in the Cable TV PEG Fund must be spent by the end of the agreement term. This leaves a balance of \$112,869 to be spent on equipment by January. Funds will be spent on equipment scheduled for replacement. Equipment purchases will include:

- Broadcast Server: \$20,000
- Closed Captioning Server: \$60,000
- Hearing Assist System for the Council Chambers: \$1,000
- Multi-camera Production Control Kit: \$14,995
- Camera: \$5,000
- Boom Microphone: \$500
- Public Seating for the Council Chambers: \$7,300
- Replacement of Carpeting in UPTV Office & Studio: TBD

ARMS Budget: The City's General Fund makes quarterly transfers to the ARMS Fund, to pay the City's share of the police records system. The quarterly transfer amount is lower than what was entered into the budget due to changes made after the amount had been entered. This amendment will make the correction to \$24,741 in both the General Fund (expense) and ARMS Fund (revenue).

The budget for payments from other agencies was incorrectly set at the previous year's budgeted amount of \$132,942. This will need to be corrected to \$119,869, which was the intended budget for FY21.

Abandoned Properties Program Grants: The budget for the abandoned properties program will be increased by \$20,000. This reflects a change in timing of expenditures, and is reflected in the Community Development Special Fund.

TIF 1 Closure: The termination of the Urbana Tax Increment Redevelopment Area (TIF 1) resulted in the establishment of an escrow account to collect outstanding dollars in the fund and make any necessary payments related to outstanding obligations. All of the obligations that were existing at the end of the TIF have now been satisfied. Section 8 of the TIF Act requires that remaining funds be distributed to taxing districts within the redevelopment area in the same manner and proportion as the most recent distribution by the county collector. With this taken into consideration, the City of Urbana will retain \$5,810.35 with the remaining \$39,172 to be distributed as follows:

- Urbana Unit 116 Schools: \$24,616.52
- Urbana Park District: \$5,340.29
- Champaign County Government: \$3,524.81
- Parkland College 505: \$2,303.09

Champaign-Urbana Mass Transit: \$1,439.43
Cunningham Township: \$886.15
C-U Public Health District: \$661.24
Forest Preserve District: \$400.34

Hail Damage Reimbursement: An insurance reimbursement check for \$142,749 was received for hail damage to City vehicles that occurred in July. The Retained Risk Fund budget will be amended to reflect the revenue and related expense for repairs.

COVID-related Information Technology Expenses: In the Information Technology Fund, expenses will be increased by \$23,200 for equipment for video conferencing, upgraded telephones in the City Building vestibules, and laptops and other equipment to facilitate remote working arrangements.

Fiscal Impact: These changes will not increase either recurring revenues or recurring expenditures in the General Fund. General Fund expenditures will increase by \$572,232.

Alternatives:

1. Forward the Ordinance amending the FY2021 budget to City Council for approval on December 14, 2020.
2. Amend one or more of the items before forwarding to Council for approval.

Recommendation: Forward the budget amendment authorizing these adjustments to the FY2021 budget for approval at the December 14, 2020 City Council meeting.

ORDINANCE NO. 2020-12-072

AN ORDINANCE REVISING THE ANNUAL BUDGET ORDINANCE

(Budget Amendment #4 - Omnibus)

WHEREAS, the City of Urbana (“City”) is a home rule unit of local government pursuant to Article VII, Section 6, of the Illinois Constitution of 1970, and may exercise any power and perform any function pertaining to its governmental business and affairs, and the passage of this Ordinance constitutes an exercise of the City’s home rule powers and functions as granted by the Illinois Constitution of 1970; and

WHEREAS, the corporate authorities of the City heretofore did approve the annual budget ordinance of and for the City of Urbana for the fiscal year beginning July 1, 2020 and ending June 30, 2021; and

WHEREAS, the said corporate authorities find that revising the annual budget ordinance by deleting, adding to, changing, or creating sub-classes within object classes and object classes themselves is in the best interests of the residents of the City and is desirable for the welfare of the City’s government and affairs; and

WHEREAS, funds are available to effectuate the purpose of such revision; and

WHEREAS, the Budget Director may not make such revision under the authority so delegated to the Budget Director pursuant to 65 ILCS 5/8-2-9.6 or Urbana City Code Section 2-133.

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

Section 1.

The annual budget ordinance shall be and the same is hereby revised as set forth in the exhibit appended hereto and made a part hereof as if fully set forth herein.

Section 2.

This Ordinance shall be in full force and effect from and after its passage and publication in accordance with Section 1-2-4 of the Illinois Municipal Code (65 ILCS 5/1-2-4).

This Ordinance is hereby passed by the affirmative vote, the “ayes” and “nays” being called, of two-thirds of the corporate authorities then holding office (6 of 8 votes) of the City of Urbana, Illinois, at a duly noticed and convened meeting of the said corporate authorities.

PASSED BY THE CORPORATE AUTHORITIES this __ Day of _____, 20__.

AYES: _____

NAYS: _____

ABSTENTIONS: _____

Phyllis D. Clark, City Clerk

APPROVED BY THE MAYOR this __ Day of _____, 20__.

Diane Wolfe Marlin, Mayor

Budget Amendment 2020/21 - 04 - Exhibit A

| General Ledger Code | Project String | Description | Current Budget | Revised Budget | Difference | Reason |
|---|----------------|--------------------------------|-------------------|-------------------|------------------|--|
| GENERAL OPERATING FUND (100) | | | | | | |
| <u>Revenues</u> | | | | | | |
| 100-41510 | 40906-OTHGR | OTHER GRANTS NON-GOVERNMENTAL | - | 38,000 | 38,000 | Lumpkin Foundation Grant |
| 100-41360 | 50505-FED | OTHER FEDERAL GRANTS | - | 500,000 | 500,000 | CURES-ES Grant |
| Total Revenues | | | 35,433,314 | 35,971,314 | 538,000 | |
| <u>Expenditures</u> | | | | | | |
| 10040401-52199 | 40906-GEOSP | OTHER PROFESSIONAL SERVICES | - | 12,000 | 12,000 | Lumpkin Grant - Geospatial Analysis Vendor |
| 10040401-52906 | 40906-TREEPL | LANDSCAPING SERVICES | - | 25,000 | 25,000 | Lumpkin Grant- Tree Planting Vendor |
| 10040450-52909 | 40906-PUBEN | ADV/MKTING/PUBLIC EDUCATION | - | 1,000 | 1,000 | Lumpkin Grant- Public Engagement Materials |
| 10050501-52800 | 50505-GRANT | GRANT MISC CONTRACTUAL SVC | - | 500,000 | 500,000 | CURES-ES Grant |
| 10040410-51320 | | REPAIR & MAINTENANCE MATERIALS | 23,741 | 33,741 | 10,000 | COVID supplies |
| 10020201-51600 | | UNIFORMS | 61,126 | 89,141 | 28,015 | Carryover Funds from FY20 to FY21 |
| 10020203-59321 | | TFR TO ARMS PROGRAMMING FUND | 28,524 | 24,741 | (3,783) | Correct PD contribution for ARMS |
| Total Expenditures | | | 35,975,274 | 36,547,506 | 572,232 | |
| Ending Fund Balance (estimated) | | | 8,398,167 | 8,391,950 | (6,217) | |
| CAPITAL IMPROVEMENT FUND (200) | | | | | | |
| <u>Expenditures</u> | | | | | | |
| 20040470-52204 | 40146 OTHER | INFRASTRUCTURE MAINTENANCE | - | 2,312 | 2,312 | Outdoor Warning Siren repair |
| Total Expenditures | | | 5,263,366 | 5,265,678 | 2,312 | |
| Ending Fund Balance (estimated) | | | 247,780 | 245,468 | (2,312) | |
| VEHICLE & EQUIPMENT REPLACEMENT FUND (300) | | | | | | |
| <u>Expenditures</u> | | | | | | |
| 30060600-53440 | VERF-FD-168 | OTHER EQUIPMENT | - | 2,400 | 2,400 | Rebudget radio purchases |
| Total Expenditures | | | 4,157,557 | 4,159,957 | 2,400 | |
| Ending Fund Balance (estimated) | | | 3,578,757 | 3,576,357 | (2,400) | |
| CABLE TV PEG FUND (320) | | | | | | |
| <u>Expenditures</u> | | | | | | |
| 32010107-51410 | | SMALL TOOLS & EQUIPMENT | 6,115 | 7,615 | 1,500 | PEG Fee Purchases |
| 32010107-53410 | | MACHINERY | - | 107,295 | 107,295 | PEG Fee Purchases |
| Total Expenditures | | | 34,266 | 143,061 | 108,795 | |
| Ending Fund Balance (estimated) | | | 246,637 | 137,842 | (108,795) | |
| ARMS PROGRAMMING FUND (321) | | | | | | |
| <u>Revenues</u> | | | | | | |
| 321-49100 | | TFR FROM GENERAL FUND | 28,524 | 24,741 | (3,783) | Revenue Estimate Revision |
| 321-41602 | | ARMS AGREEMENT | 132,942 | 119,869 | (13,073) | Revenue Estimate Revision |
| Total Revenues | | | 162,317 | 145,461 | (16,856) | |
| Ending Fund Balance (estimated) | | | 169,065 | 152,209 | (16,856) | |
| COMMUNITY DEVELOPMENT SPECIAL FUND (330) | | | | | | |
| <u>Expenditures</u> | | | | | | |
| 33050536-52800 | 50400-2017 APP | GRANT MISC CONTRACTUAL SERVICE | - | 20,000 | 20,000 | Abandoned properties program grant |
| Total Expenditures | | | 292,133 | 312,133 | 20,000 | |
| Ending Fund Balance (estimated) | | | 83,236 | 63,236 | (20,000) | |

Budget Amendment 2020/21 - 04 - Exhibit A

| General Ledger Code | Project String | Description | Current Budget | Revised Budget | Difference | Reason |
|--|----------------|----------------------------|------------------|------------------|-----------------|--|
| POST TIF CLOSURE FUND (340) | | | | | | |
| Expenditures | | | | | | |
| 34050501-52500 | | INTERGOVERNMENTAL & AGENCY | - | 39,172 | 39,172 | Close TIF 1 |
| 34050501-59100 | | TFR TO GENERAL FUND | - | 5,810 | 5,810 | Close TIF 1 |
| Total Expenditures | | | 39,254 | 84,236 | 44,982 | |
| Ending Fund Balance (estimated) | | | 2,333 | (42,649) | (44,982) | |
| RETAINED RISK FUND (370) | | | | | | |
| Revenues | | | | | | |
| 370-46290 | | OTHER REIMBURSMENTS | - | 142,749 | 142,749 | Hail Damage Insurance Check |
| Total Revenues | | | 784,962 | 927,711 | 142,749 | |
| Expenditures | | | | | | |
| 37060154-52722 | | LIABILITY CLAIMS | 200,000 | 342,749 | 142,749 | Hail Damage Repairs |
| Total Expenditures | | | 1,369,175 | 1,511,924 | 142,749 | |
| Ending Fund Balance (estimated) | | | 1,500,504 | 1,500,504 | - | |
| INFORMATION TECHNOLOGY FUND (610) | | | | | | |
| Expenditures | | | | | | |
| 61010106-51410 | | SMALL TOOLS & EQUIPMENT | 63,375 | 84,575 | 21,200 | COVID-related IT Laptops & TV Setup Conference Rooms |
| 61010106-52600 | | UTILITIES | 37,097 | 39,097 | 2,000 | Vestibule Phones, Cameras, Phone Programming |
| Total Expenditures | | | 918,122 | 941,322 | 23,200 | |
| Ending Fund Balance (estimated) | | | 200,150 | 176,950 | (23,200) | |
| | | | | | - | |
| | | | | | - | |
| | | | | | - | |
| | | | | | - | |
| | | | | | - | |