

MEMORANDUM

TO: Mayor Diane Wolfe Marlin and City Council Members

FROM: Elizabeth Hannan, Human Resources & Finance Director / CFO
Alyana Robinson, Financial Analyst

DATE: July 29, 2021

SUBJECT: **FY2022 Budget Amendment #1 – Omnibus**

Introduction: Attached is an Ordinance revising the FY2022 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.

General Operating Fund (100):

Donation for Tree Planting: The City received an anonymous donation of \$98,650, which will be used to plant additional trees in the Urbana Community Development Target Area. The revenue and expenditure will be adjusted accordingly.

Grants: The City recently received the following grants:

- The Illinois Arts Council Grant Agency has awarded the City with a grant of \$5,100, which will be added to the FY2022 budget. This grant is to be used for summer interns/temporary employees. This will be budgeted to reflect related revenue and expense.
- Urbana's Arts and Culture Program was recently awarded a grant for the Growing Community Program through AARP's Community Challenge in the amount of \$20,000. Urbana's Growing Community Initiative invites local artists to design and install artworks in selected community gardens, inclusive of installation works, murals, sculptures and benches. This grant will be budgeted to pay expenditures related to Urbana's Growing Community Program.

Rebudget Unspent Assistance to Firefighters Grant - Supplemental (AFG-S): The Fire Department received an AFG-S grant for personal protective equipment related to the COVID-19 pandemic in FY2021. Remaining FY2021 funds will be rebudgeted to be carried over to FY2022.

Rebudget Unspent FY2021 Donation:

- Unspent funds of \$20,000 website donation received in FY2021 will be carried over to FY2022.
- Unspent funds of \$5,800 in FY2021 designated for Branding will be carried over to FY2022.

Temporary Employee – Community Development: A transfer from a postage & printing (\$533) and advertising/marketing/public education (\$2,596) will be completed to pay for a temporary Program Specialist for Urbana's Public Arts & Culture program. This position will assist Urbana's Public Arts & Culture Coordinator by helping to curate events and provide administrative support for the program, especially grants and commission meetings.

Stormwater Fund (201):

Street Sweeper – Public Works: The transfer to the VERF is reduced to reconcile to the purchase price of the street sweeper.

Vehicle & Equipment Replacement Fund (VERF) (300):

Purchase of Utility Trailer – Public Works: This amendment would move funds for a utility trailer (\$12,319) out of a small equipment line item in Public Works to the VERF. Based on the amount and useful life of a trailer, this should be treated as capital equipment and budgeted in the VERF.

Fire Department: Price increase of air packs will require an additional \$54,044 to the FY2021 budgeted amount and will be rebudgeted to reflect this change. This price increase is due to several factors. First, the previous purchase price was discounted, and that price was used to estimate future replacement. Second, recent price increases were higher than projected. Third, standards for air packs for firefighters have changed, requiring more expensive equipment.

Street Sweeper – Public Works: A correction is necessary to budget a street sweeper with a replacement cost of \$319,640. This is a planned replacement, which was not included in the adopted budget due to an oversight. The transfer from the Stormwater Fund is reduced to reconcile to the purchase price.

Cable TV PEG Fund (320):

Video Production Switcher: \$15,000 from remaining FY2021 funds for a video production switcher will be carried over to FY2022. This is related to timing of the purchase.

Central TIF Fund (344):

Youth Poet Laureate Program: Community Development set aside \$1,500 in FY2021 to support a Youth Poet Laureate; however, they were unable to select a candidate due to a low response to their request for submissions. This \$1,500 unspent funds from FY2021 budget will be carried over to FY2022.

American Rescue Plan Fund (350):

Administration of American Rescue Plan Act (ARPA) Funds: This holds the fund received from the American Rescue Plan Act, which was approved in FY2021. Expenditures for this fund have not been fully developed. The plan is to contract with the Regional Planning Commission to expand on staff capacity to perform three important tasks: 1) Facilitate development of a concept plan (with public engagement), 2) Facilitate the proposal process and 3) Administer the strict financial reporting required for these funds. We estimate \$100,000 would cover the fees for these services in FY2022. The City Council will also be required to approve an intergovernmental agreement for these services, at which time we will explain the scope of effort in greater detail.

Fiscal Impact: These changes will not increase either recurring revenues or recurring expenditures and will not result a change in the General Fund balance.

Alternatives:

1. Forward the Ordinance amending the FY2022 budget to City Council for approval on August 9, 2021.
2. Amend one or more of the items before forwarding to Council for approval.

Recommendation: Forward the budget amendment authorizing these adjustments to the FY2022 budget for approval at the August 9, 2021 City Council meeting.

ORDINANCE NO. _____

AN ORDINANCE REVISING THE ANNUAL BUDGET ORDINANCE

(Budget Amendment #1 - 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, 2021 and ending June 30, 2022; 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 2021/22 - 01 - Exhibit A

General Ledger Code	Project String	Description	Current Budget	Revised Budget	Difference	Reason
GENERAL OPERATING FUND (100)						
<u>Revenues</u>						
100-46300	40907-DONATE	DONATIONS/CONTRIBUTIONS/GIFTS	1,000	99,650	98,650	Donation received for tree planting
100-41150	50515-2022-ST	STATE GRANTS - CULTURE & RECREATION	9,900	15,000	5,100	Illinois Arts Council Grant
100-41510	50203-OTHGR	OTHER GRANTS (NON-GOV)	-	20,000	20,000	AARP Grant (Growing Community Art Grant)
Total Revenues			37,018,034	37,141,784	123,750	
<u>Expenditures</u>						
10030300-51900	30001-SUPPLIES	FIRE OPERATIONS - OTHER SUPPLIES	15,040	48,340	33,300	rebudget AFG-S Grant FEMA FY21
10010101-52999		MAYOR'S OFFICE/CITY ADMIN - OTHER CONTRACTUAL SERVICES	39,200	59,200	20,000	rebudget FY21 website donation
10010101-52500		MAYOR'S OFFICE/CITY ADMIN - INTERGOVERNMENTAL AND AGENCY	5,000	10,800	5,800	rebudget from FY21 designated for Branding
10050504-50120		CD ARTS & CULTURE - TEMPORARY EMPLOYEES	3,412	6,541	3,129	public arts program specialist position
10050504-52902		CD ARTS & CULTURE - POSTAGE & PRINTING	533	-	(533)	public arts program specialist position
10050504-52909		CD ARTS & CULTURE - ADV/MKTING/PUBLIC EDUCATION	2,596	-	(2,596)	public arts program specialist position
10040401-52906	40907-TREEPL	PW - OTHER PROFESSIONAL SERVICES	57,503	156,153	98,650	donation received for tree planting
10050504-50120	50515-2022-SALARY	PUBLIC ARTS - SALARY - TEMPORARY EMPLOYEES	3,412	8,122	4,710	Illinois Arts Council Grant
10050504-50220	50515-2022-FICA	PUBLIC ARTS - FICA & MEDICARE	-	390	390	Illinois Arts Council Grant
10050504-52800	50203-GROWINGCOM	PUBLIC ARTS - GRANT MISC CONTRACTUAL SERVICE	-	10,000	10,000	AARP Grant- subrecipients
10050504-51900	50203-GROWINGCOM	PUBLIC ARTS - OTHER SUPPLIES	-	10,000	10,000	AARP Grant - supplies
Total Expenditures			39,999,793	40,182,643	182,850	
<u>Ending Fund Balance (estimated)</u>			10,652,283	10,652,283	-	
STORMWATER FUND (201)						
<u>Expenses</u>						
20140470-59300		PW - TFR TO VERF FUND	357,401	319,640	(37,761)	reconcile transfer for sweeper
			1,914,760	1,876,999	(37,761)	
<u>Ending Fund Balance (estimated)</u>			1,535,203	1,572,964	37,761	
VEHICLE & EQUIPMENT REPLACEMENT FUND (300)						
<u>Revenue</u>						
300-49100	VERF-PW-230	OTHER EQUIPMENT - UTILITY TRAILER	-	12,319	12,319	move utility trailer to verf
300-49201	VERF-PW-097	MACHINERY - STREET SWEEPER #1	357,401	319,640	(37,761)	reconcile transfer for sweeper
Total Revenues			1,891,702	1,866,260	(25,442)	
<u>Expenditures</u>						
30060600-53440	VERF-FD-194	OTHER EQUIPMENT - 4500 PSI BOTTLES	355,492	360,907	5,415	rebudget
30060600-53440	VERF-FD-194	OTHER EQUIPMENT - 4500 PSI BOTTLES	360,907	362,542	1,635	price increase
30060600-53440	VERF-FD-167	OTHER EQUIPMENT - SCBA BREATHING, RESCUE PACKS	362,542	740,690	378,148	rebudget
30060600-53440	VERF-FD-167	OTHER EQUIPMENT - SCBA BREATHING, RESCUE PACKS	740,690	793,099	52,409	price increase
30060600-53440	VERF-PW-230	OTHER EQUIPMENT - UTILITY TRAILER	793,099	805,418	12,319	move utility trailer to verf
30060600-53410	VERF-PW-097	MACHINERY - STREET SWEEPER #1	616,046	935,686	319,640	to correct street sweeper budget
Total Expenditures			1,064,761	1,834,327	769,566	
<u>Ending Fund Balance (estimated)</u>			3,905,145	3,493,700	(411,445)	
CABLE TV PEG FUND (320)						
<u>Expenditures</u>						
32010107-53410		UPTV - MACHINERY	15,000	30,000	15,000	carryover FY21 funds for video production switcher
Total Expenditures			69,355	84,355	15,000	
<u>Ending Fund Balance (estimated)</u>			231,927	231,927	-	
CENTRAL TIF (344)						
<u>Expenditures</u>						
34450504-52909	50511-2021-YOUNG	CD ARTS & CULTURE - ADV/MKTING/PUBLIC EDUCATION	23,404	24,904	1,500	rebudget FY21 Youth Poet Laureate program
Total Expenditures			1,002,847	1,004,347	1,500	
<u>Ending Fund Balance (estimated)</u>			-	-	-	
AMERICAN RESCUE PLAN FUND (350)						
<u>Expenditures</u>						
35060620-52500		ARP - INTERGOVERNMENTAL AND AGENCY	-	100,000	100,000	estimated cost for grant administration
			-	100,000	100,000	
<u>Ending Fund Balance (estimated)</u>			13,049,560	12,949,560	(100,000)	