

MEMORANDUM

TO: Mayor Diane Wolfe Marlin and City Council Members

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

DATE: December 2, 2021

SUBJECT: FY2022 Budget Amendment #4 – 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):

Rebudget items: A number of purchases and projects that were not completed in FY2021 will be rebudgeted to FY2022 budget. These items include:

- Equipment – certain equipment line items are budgeted at a level amount annually and then routinely rebudgeted to account for the fact that purchases are not made in equal annual amounts. This includes multiple equipment line in various departments (a total of \$122,918).
- Police Medical Services - \$13,922 for periodic physical exams

Utility Trailer – Public Works: An amendment (Budget Amendment #1) was done to move funds for the purchase of utility trailer (\$12,319) out of a small equipment line item in Public Works to the VEF. However, the transfer of funds out of the General Fund did not get included. This amendment is necessary to reconcile the interfund transfers.

IHSA Sponsorship and Meeting and Agenda Software – Executive Department: This change is to repurpose funds from a legal salary line item to pay for two things: 1) IHSA sponsorship – in 2019 the City pledged \$7,500 for each of 2021, 2022, and 2023. An amount of \$2,500 was budgeted for this year and an additional \$5,000 would be needed to fully fund this. 2) Meeting and Agenda Software – an additional \$5,000 is needed for completion of this project. A total of \$10,000 will be taken out of the Legal salary line item to cover these changes. This amendment will not increase or decrease expenditures.

Legal Services – Executive Department: Staff continues to use outside counsel to provide legal services for the City, which makes it necessary to reallocate an additional \$180,000 from salaries to legal services.

CADD and PAVER Software – Public Works: A recurring costs of \$15,000 for CADD (Computer-aided Design and Drafting) and PAVER software licenses was approved in the FY2022 Budget to support ongoing efforts to improve infrastructure in the City. A correction is necessary to move the \$15,000 out of a salary line item to the appropriate line item for technology services.

Electrical Services Contract – Public Works: Transfer \$30,000 unspent funds from the salary line items as a result of vacancies to fund supplementary contractual services for traffic and street lighting maintenance. At the end of November, Public Works will have one electrician and one traffic signal technician employed. The vacant positions are posted externally but there has been a lack of qualified applicants to date. These funds will allow Public Works to maintain essential services while the hiring process continues.

SAFER Grant – Fire Department: The City of Urbana has been awarded a grant up to about \$1.71 million to hire six firefighters to increase staffing levels to enhance compliance with NFPA-recommended staffing standards. Staff expects to fill these positions beginning February 21, 2022. This grant will cover salary and wages and benefits for a 36-month time period (please refer to resolution No. 2021-09-042R). For the FY2022 budget, total expenditures are expected to be \$275,231; \$199,669 will be eligible for reimbursement and \$75,562 is expected to be the City's portion of ineligible expenses. \$176,631 is expected to be the City's portion (expenses ineligible for reimbursement) over the life of the grant (FY2023-FY2025). This will be budgeted to reflect related revenue and expenditures that affect FY2022 adopted budget.

Recruitment Services – HRF: \$25,000 will be budgeted for external recruitment assistance, including for the Director of Community Development Services.

Donation: The City received a donation of \$3,000, which will be used to fund an additional mural for Downtown Urbana. The revenue and expenditure will be adjusted accordingly.

Illinois Arts Council Agency Grant: The Illinois Arts Council Grant Agency has awarded the City with a grant of \$5,700, which will be added to the FY2022 budget. This grant will be used to hire a part-time program specialist for the Urbana's Arts & Culture Program. This will be budgeted to reflect related revenue and expenses. Acceptance of the grant by the City Council will be on the same agenda.

Emergency Shelter: The City will dedicate \$50,000 to fund the low barrier shelter. The agreement with C-U at Home will appear on the same agenda.

Capital Improvement Fund (200):

Rebudget FY2021 Unspent Funds – Architectural Services: \$19,742 from remaining FY2021 funds for architectural services for the City Building Interim Reconfiguration will be carried over to FY2022. This will be used for project contingency.

Stormwater Utility Fund (201):

Vine Street Stormwater Pumps: This is to reallocate \$18,000 from stormwater management planning activities line item to stormwater sewer improvement to cover for emergency repairs to Vine Street stormwater pumps.

Local Motor Fuel Tax Fund (202):

Washington Street Bridge Reconstruction: The Washington Street Bridge recently received a load limit based on structural evaluation from IDOT after our annual bridge inspection yielded poor and declining conditions due to increased degradation of the structure. Because of this new information, it is necessary to make some modifications to the FY2022 funding outlined in the 2021 Capital Improvement Plan (CIP) to accommodate improvements to the bridge as a higher priority over other approved projects. This amendment is to reduce the scope of a couple of planned maintenance programs in FY2022; Annual Street Maintenance and Annual Joint, and Crack Seal Programs and reprioritize the Fairlawn project as it was lowest in the transportation prioritization developed this year. The total estimate for design & construction is anticipated to be \$659,000.

Vehicle & Equipment Replacement Fund (300) - Rebudget items: A number of purchases and projects that were not completed in FY2021 will be rebudgeted to the FY2022 budget. These items include:

- Public Works Vehicle - \$56,693
- Public Works Machinery - \$387,478

ARMS Programming Fund (321):

Reallocate Payroll Costs: In FY2022 approved budget, funds were set aside to pay for staff salaries for the ARMS program. However, this will no longer continue as the employee was hired by METCAD. The City is now billed monthly by METCAD for the costs incurred for the ongoing work to support ARMS program. This amendment is to reduce the payroll cost related line items from the budget and to increase technology services line item from which the monthly bills from METCAD are being paid.

Community Development Special Fund (330): The CD Special Fund will receive additional revenue for administrative costs related to the HOME-ARP grant described below; this will increase the revenue by \$25,000.

Community Development Grants Fund (331):

HOME (Housing Opportunities Made Equal) -American Rescue Plan (ARP) Grant: HUD (Housing and Urban Development) has entitled the City a grant up to \$2,970,773 for the HOME-ARP Program. The HOME-ARP Program is to assist individuals or households who are homeless, at risk of homelessness, and other vulnerable populations, by providing housing, rental assistance, supportive services, and non-congregate shelter, to reduce homelessness and increase housing stability. \$148,539 (5% of the total grant) will be budgeted for administration and planning. That includes preparation of an action plan that will be approved by the City Council. \$25,000 of that amount will be allocated for administrative costs, which increases revenues in the CD Special Fund (330).

Rebudget Unspent CDBG and HOME Funds: Unexpended funds from the CDBG Cares (\$2,677), CDBG (\$615,927) and HOME (\$1,406,084) grants will be carried over from FY2021 to FY2022 budget. This is just a matter of timing of expenditures related to these grants.

Information Technology Fund (610):

Phone Budget - IT: In the Information Technology Fund, utilities expense line item will be increased by \$2,060 to cover the difference between funds set aside for phone expenses versus estimated annual costs for the new phone system.

Fiscal Impact: These changes will not increase either recurring revenues or recurring expenditures in the General Fund. The new estimated ending fund balance in the General Operating Fund would be \$10,466,486, which is 28.58% of recurring expenditures.

Alternatives:

1. Forward the Ordinance amending the FY2022 budget to City Council for approval on December 13, 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 December 13, 2021 City Council meeting.

Budget Amendment 2021/22 - 04 - Exhibit A

General Ledger Code	Project String	Description	Current Budget	Revised Budget	Difference	Reason
GENERAL FUND (100)						
<u>Revenues</u>						
100-41320	30002-FED	FEDERAL GRANTS - PUBLIC SAFETY	-	174,051	174,051	SAFER Grant
100-46300	50511-DONATE-GEN	DONATIONS/CONTRIBUTIONS/GIFTS	99,650	102,650	3,000	donation to Urbana Arts Program
100-41150	50515-2022-ST	STATE GRANTS - CULTURE & RECREATION	15,000	20,700	5,700	Illinois Arts Council Grant
Total Revenues			36,778,487	36,961,238	182,751	
<u>Expenditures</u>						
10015150-51411		HRF - SMALL SCHEDULED EQUIPMENT	1,528	5,709	4,181	rebudget
10030300-51411		FIRE OPERATIONS - SMALL SCHEDULED EQUIPMENT	17,672	31,075	13,403	rebudget
10040400-51411		PW ADMIN - SMALL SCHEDULED EQUIPMENT	651	1,520	869	rebudget
10040402-51411		PW LANDSCAPE - SMALL SCHEDULED EQUIPMENT	6,455	27,125	20,670	rebudget
10040410-51411		PW FACILITIES - SMALL SCHEDULED EQUIPMENT	20,277	30,194	9,917	rebudget
10040420-51411		PW TOOL ROOM - SMALL SCHEDULED EQUIPMENT	12,215	72,871	60,656	rebudget
10040440-51411		PW ENGINEERING - SMALL SCHEDULED EQUIPMENT	32,415	36,020	3,605	rebudget
10020201-51410		POLICE PATROL - SMALL TOOLS & EQUIPMENT	-	9,617	9,617	rebudget
10020201-52103		POLICE PATROL - MEDICAL SERVICES	7,171	21,093	13,922	rebudget
10040420-51411		PW TOOL ROOM - SMALL SCHEDULED EQUIPMENT	72,871	60,552	(12,319)	correction - VERF tfr for utility trailer in BUA#1
10040420-59300		PW TOOL ROOM - TFR TO VERF FUND	25,377	37,696	12,319	correction - VERF tfr for utility trailer in BUA#1
10010103-50110		EXECUTIVE - SALARY - REGULAR EMPLOYEES	262,023	252,023	(10,000)	reallocate - IHSA and M&A software budget
10010101-52999		EXECUTIVE - OTHER CONTRACTUAL SERVICES	64,144	74,144	10,000	reallocate - IHSA and M&A software budget
10010103-50110		EXECUTIVE - SALARY - REGULAR EMPLOYEES	252,023	72,023	(180,000)	reallocate salaries to legal services
10010103-52101		EXECUTIVE - LEGAL SERVICES	101,131	281,131	180,000	reallocate salaries to legal services
10040440-50110		PW - SALARY - REGULAR EMPLOYEES	763,321	748,321	(15,000)	correction - CADD and PAVER software budget
10040440-52102		PW - TECHNOLOGY SERVICES	-	15,000	15,000	correction - CADD and PAVER software budget
10040423-50110		PW STREET LIGHTING - SALARY - REGULAR EMPLOYEE	233,436	208,436	(25,000)	electrical services contract
10040426-50110		PW TRAFFIC SIGNALS - SALARY - REGULAR EMPLOYEES	95,499	90,499	(5,000)	electrical services contract
10040423-52299		PW STREET LIGHTING - OTHER MAINT COSTS	8,789	38,789	30,000	electrical services contract
10030300-50110	30002-ELIGIBLE-REG SALARY	FIRE OPERATIONS - SALARY - REGULAR EMPLOYEES	4,357,068	4,467,611	110,543	SAFER Grant
10030300-50131	30002-ELIGIBLE-OT	FIRE OPERATIONS - REGULAR OVERTIME	573,383	587,883	14,500	SAFER Grant
10030300-50210	30002-ELIGIBLE-INSURANCE	FIRE OPERATIONS - INSURANCE	616,817	648,938	32,121	SAFER Grant
10030300-50220	30002-ELIGIBLE-FICA	FIRE OPERATIONS - FICA AND MEDICARE	63,217	64,796	1,579	SAFER Grant
10030300-50253	30002-ELIGIBLE-PENSION	FIRE OPERATIONS - FIRE PENSION	1,410,029	1,450,956	40,927	SAFER Grant
10030300-51600	30002-NON-ELIGIB-UNIFORMS	FIRE OPERATIONS - UNIFORMS	107,800	155,800	48,000	SAFER Grant
10030300-52320	30002-NON-ELIGIB-TRAINING	FIRE OPERATIONS - TRAVEL, EDUCATION & TRAINING	92,863	117,863	25,000	SAFER Grant
10030300-50151	30002-NON-ELIGIB-HOLIDAY PAY	FIRE OPERATIONS - HOLIDAY PAY	158,947	161,509	2,562	SAFER Grant
10015155-52904		HUMAN RESOURCES & FINANCE - RECRUITING EXPENS	15,928	40,928	25,000	CD director recruiting expenses
10050504-52999	50511-2022-DONATION-GEN	OTHER CONTRACTUAL SERVICES	-	3,000	3,000	donation to Urbana Arts Program
10050504-50120	50515-2022-SALARY	PUBLIC ARTS - SALARY - TEMPORARY EMPLOYEES	11,359	16,623	5,264	Illinois Arts Council Grant
10050504-50220	50515-2022-FICA	PUBLIC ARTS - FICA & MEDICARE	390	826	436	Illinois Arts Council Grant
10060610-52999		GF NON-DEPT - OTHER CONTRACTUAL SERVICES	-	50,000	50,000	low barrier shelter
Total Expenditures			40,602,958	41,098,729	495,771	
Ending Fund Balance (estimated)			10,652,283	10,466,486	(185,797)	
CAPITAL IMPROVEMENT FUND (200)						
<u>Expenditures</u>						
20040470-53200-40800	40800-CONST	PW - BUILDING	4,434,258	4,454,000	19,742	carryover unspent funds from FY21
Total Expenditures			8,217,255	8,236,997	19,742	
Ending Fund Balance (estimated)			1,958,780	1,958,780	-	
STORMWATER UTILITY FUND (201)						
<u>Expenditures</u>						
20140470-52106-40412	40412-PLANNING	ARCHITECTURAL & ENG SERVICES	133,518	115,518	(18,000)	Vine street stormwater pumps emergency repairs
20140470-53303-40400	40400-CONST	STORMWATER	127,652	145,652	18,000	Vine street stormwater pumps emergency repairs
Total Expenditures			1,991,049	1,991,049	-	
Ending Fund Balance (estimated)			1,572,964	1,572,964	-	
LOCAL MOTOR FUEL TAX FUND (202)						
<u>Expenditures</u>						
20240470-53301-40108	40108-CONST-LMFT	HIGHWAY AND STREETS	300,000	200,000	(100,000)	reprioritize Washington Street Bridge project
20240470-53301-40159	40159-CONST-LMFT	HIGHWAY AND STREETS	140,000	-	(140,000)	reprioritize Washington Street Bridge project
20240470-52105-40131	40131-PLANNING-SANSWR	PLANNING SERVICES	50,000	-	(50,000)	reprioritize Washington Street Bridge project
20240470-53301-40131	40131-CONST-LMFT	HIGHWAY AND STREETS	200,000	-	(200,000)	reprioritize Washington Street Bridge project
20240470-52105-40109	40109-PLANNING	PLANNING SERVICES	-	214,000	214,000	Washington Street Bridge project - planning cost
20240470-53301-40109	40109-CONST	HIGHWAY AND STREETS	-	445,000	445,000	Washington Street Bridge project - construction cost
Total Expenditures			1,642,487	1,811,487	169,000	
Ending Fund Balance (estimated)			482,712	313,712	(169,000)	

VEHICLE & EQUIPMENT REPLACEMENT FUND (300)

<u>Expenditures</u>						
30060600-53420	VERF-PW-058	PW - VEHICLES	75,016	131,709	56,693	rebudget - carryforward scheduled replacement
30060600-53410	VERF-PW-035	PW - MACHINERY	1,053,750	1,185,266	131,516	rebudget - carryforward scheduled replacement
30060600-53410	VERF-PW-065	PW - MACHINERY	1,185,266	1,314,075	128,809	rebudget - carryforward scheduled replacement
30060600-53410	VERF-PW-055	PW - MACHINERY	1,314,075	1,441,228	127,153	rebudget - carryforward scheduled replacement
Total Expenditures			2,075,843	2,520,014	444,171	
Ending Fund Balance (estimated)			3,430,836	3,430,836	-	

ARMS PROGRAMMING FUND (321)

<u>Expenditures</u>						
32110108-50110		SALARY - REGULAR EMPLOYEES	70,531	-	(70,531)	tech services used for remaining ARMS work
32110108-50210		INSURANCE	1,643	153	(1,490)	tech services used for remaining ARMS work
32110108-50220		FICA AND MEDICARE	5,396	12	(5,384)	tech services used for remaining ARMS work
32110108-50251		IMRF & SURS	8,944	-	(8,944)	tech services used for remaining ARMS work
32110108-50230		EMPLOYEE ALLOWANCES	360	-	(360)	tech services used for remaining ARMS work
32110108-52102		TECHNOLOGY SERVICES	10,000	28,000	18,000	tech services used for remaining ARMS work
Total Expenditures			98,874	30,165	(68,709)	
Ending Fund Balance (estimated)			115,655	184,364	68,709	

COMMUNITY DEV SPECIAL FUND (330)

<u>Revenues</u>						
330-49331	50102-2022-ADMIN-SALARY	TFR FROM CD GRANT FUND	221,237	246,237	25,000	HOME ARP grant admin salary transfer from cd grant
Total Revenues			222,277	247,277	25,000	
Ending Fund Balance (estimated)			51,024	76,024	25,000	

COMMUNITY DEV GRANTS FUND (331)

<u>Revenues</u>						
33150532-41340	50102-2022-FED	FEDERAL GRANTS - HOUSING & CD	819,687	968,226	148,539	HOME ARP grant
33150532-41340	50100-2022-FED	FEDERAL GRANTS - HOUSING & CD	968,226	2,374,310	1,406,084	rebudget HOME
33150531-41340	50202-FED	FEDERAL GRANTS - HOUSING & CD	816,972	819,649	2,677	rebudget CDBG Cares
33150531-41340	50200-2022-FED	FEDERAL GRANTS - HOUSING & CD	819,649	1,435,577	615,927	rebudget CDBG
Total Revenues			1,828,542	1,977,081	148,539	
<u>Expenditures</u>						
33150532-59330	50102-2022-ADMIN-SALARY	TFR TO CD SPECIAL FUND	81,968	106,968	25,000	HOME ARP grant - admin salary
33150532-52800	50102-2022-HOME ARP	GRANT MSIC CONTRACTUAL SERVICE	1,386,350	1,509,888	123,539	HOME ARP grant - for planning costs
33150532-52800	50100-2022-URBANA	GRANT MSIC CONTRACTUAL SERVICE	1,509,888	1,509,888	1,406,084	rebudget HOME
33150531-52800	50202-2022	GRANT MSIC CONTRACTUAL SERVICE	780,155	782,832	2,677	rebudget CDBG Cares
33150531-52800	50200-2022-URBANA	GRANT MSIC CONTRACTUAL SERVICE	782,832	1,398,759	615,927	rebudget CDBG
Total Expenditures			2,812,295	2,837,295	25,000	
Ending Fund Balance (estimated)			(182,413)	(182,413)	-	

INFORMATION TECHNOLOGY FUND (610)

<u>Expenditures</u>						
61010106-52600		EXECUTIVE IT - UTILITIES	40,940	43,000	2,060	increase in expected actual costs
Total Expenditures			898,871	900,931	2,060	
Ending Fund Balance (estimated)			52,610	50,550	(2,060)	

ORDINANCE NO. _____

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, 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