



**CITY OF URBANA, ILLINOIS
FINANCE DEPARTMENT**

MEMORANDUM

TO: Mayor Prussing and City Council Members

FROM: Elizabeth Hannan, Finance Director

DATE: December 10, 2015

SUBJECT: Budget Amendment – METCAD Repayment, Library Share of Ameren Franchise Fee, and BASSET Certification and Training Fees; and Amendment to the Fee Schedule – BASSET Certification Fee

Introduction: Attached is an Ordinance revising the FY2015/16 annual budget to provide for several items described below, and an Ordinance amending the Fee Schedule to add a fee for BASSET (Beverage Alcohol Sellers and Servers Education and Training) certification training.

Discussion:

METCAD Repayment: At its December meeting, the METCAD Policy Board authorized the Champaign City Manager to enter into an agreement with the City of Urbana to pay a portion of FY2016 METCAD fees over a five-year period beginning in FY2016. The FY2016 portion of the payment is \$19,406, which will be split between line items in the Police and Fire budgets, consistent with their shares of METCAD fees. A separate item on this City Council agenda would authorize the Mayor to approve this agreement. This repayment will be on the same schedule as the existing repayment, and both repayment agreements will be satisfied by the end of FY2020.

Library Share of Ameren Franchise Fee: In July of this year, the City Council approved a thirty-year franchise agreement with Ameren Illinois (Ordinance No. 2015-07-075). The previous franchise agreement provided a certain number of gas therms to the City free of charge annually. The new agreement instead provides an annual payment of \$86,625. Library utility costs have, for many years, been billed to the City, with the Library then repaying the City. This arrangement allowed the Library to benefit from the allocation of free therms.

After reviewing the typical gas use for the Library and the Tepper Building, staff has determined that 38.5% of the franchise fees should be allocated to the Library. The budget amendment will provide for a payment of \$33,350 to the Library to provide sufficient funds for the Library to pay its utility bills. The budget for utilities for City facilities will be reduced by the same amount. At

the same time, staff has requested that these utility bills be sent directly to the Library to simplify the payment process.

Alcohol Training: BASSET training is required for all persons serving alcohol in the State of Illinois by July 1, 2016. The Mayor's Administrative Assistant, who is responsible for liquor licensing, has recently become certified to provide this training. The cost of this certification is \$250. She will conduct training, charging a fee of \$30 per participant plus \$16 for the cost of materials, which is estimated to generate revenue of \$4,410 this fiscal year. This reflects the City's cost to register participants and conduct the 5-hour training for an average class size of eight participants. Other sources for this training charge from \$15 for online training up to \$40. This budget amendment would increase revenues to reflect estimated BASSET training fees that will be collected by the City, and in addition, would increase expenditures for the required certification.

A separate Ordinance amends the fee schedule for the BASSETT training and training materials.

Fiscal Impact: The unassigned fund balance in the General Operating Fund after this amendment will be \$6,982,634, which is 21.3% of expenditures. This includes the revised beginning of the year fund balance from the first quarter financial report, which was higher than expected because expenditures for the year ended June 30, 2016 were about \$1.6 million less than budget.

Recommendation: Approve the budget amendment.

ORDINANCE NO. 2015-12-115

**AN ORDINANCE REVISING THE FISCAL YEAR 2015 - 2016 ANNUAL BUDGET
(METCAD Contribution and Other Items)**

WHEREAS, the corporate authorities heretofore did approve an annual budget for the City of Urbana ("City") for the fiscal year beginning on July 1, 2015, and ending on June 30, 2016; and

WHEREAS, the corporate authorities find that the best interests of the City are served by revising the annual budget by deleting, adding to, changing or creating sub-classes within object classes and object classes themselves; 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 her pursuant to 65 ILCS 5/8-2-9.6 or Urbana City Code § 2-133.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Urbana, Champaign County, Illinois, as follows:

Section 1.

The Fiscal Year 2015 - 2016 Annual Budget, as revised, is hereby further revised as set forth in Exhibit A, which is attached hereto and incorporated herein by reference.

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.

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 meeting of the corporate authorities.

PASSED BY THE CITY COUNCIL this ____ day of _____, _____.

AYES:

NAYS:

ABSENT:

ABSTAINED:

Phyllis D. Clark, City Clerk

APPROVED BY THE MAYOR this ____ day of _____, _____.

Laurel Lunt Prussing, Mayor

Budget Amendment 2015/16 - Exhibit A

		<u>Current Budget</u>	<u>Revised Budget</u>	<u>Difference</u>	<u>Reason</u>
<u>GENERAL OPERATING FUND</u>					
<u>REVENUES</u>					
009-0-0250-0000	MISCELLANEOUS REVENUE	-	<u>4,410</u>	<u>4,410</u>	BASSET TRAINING FEES
<u>TOTAL REVENUES</u>		<u>33,819,007</u>	<u>33,823,417</u>	<u>4,410</u>	
<u>EXPENDITURES</u>					
020-1-1300-3010	DUES & SUBSCRIPTIONS	250	500	250	BASSET TRAINING LICENSE
045-2-1300-3621	METCAD DISPATCH AGRMT	256,350	270,769	14,419	METCAD REPAYMENT - POLICE
050-1-1300-3945	METCAD DISPATCH AGRMT	157,776	162,763	4,987	METCAD REPAYMENT - FIRE
060-3-1300-3750	UTILITIES	245,025	211,675	(33,350)	REVISE ESTIMATE CITY UTILITIES
095-1-1300-3072	LIBRARY - MISC PAYMENTS	-	<u>33,350</u>	<u>33,350</u>	SPLIT FRANCHISE FEES W/ LIBRARY
<u>TOTAL EXPENDITURES</u>		<u>32,799,550</u>	<u>32,819,206</u>	<u>19,656</u>	
<u>ENDING FUND BALANCE (ESTIMATED)</u>		<u>7,074,130</u>	<u>7,058,884</u>	<u>(15,246)</u>	
ASSIGNED - COMPUTER EQUIPMENT		<u>76,250</u>	<u>76,250</u>		
UNASSIGNED FUND BALANCE		<u>6,997,880</u>	<u>6,982,634</u>		21.28% OF EXPENDITURES

ORDINANCE NO. 2015-12-116

AN ORDINANCE AMENDING URBANA CITY CODE CHAPTER FOURTEEN, SECTION 14-7, REGARDING THE SCHEDULE OF FEES

(BASSET certification fee)

WHEREAS, the City Council did on the 1st day of June 2015, pursuant to Ordinance Nos. 2015-04-040 and 2015-04-041, adopt a Schedule of Fees for the various licenses, permits, fines, and other fees required under the Urbana City Code; and

WHEREAS, the City Council finds that the best interests of the City are served by making a limited amendment to that Schedule of Fees, pursuant to Urbana City Code Section 14-7(b), to establish a Beverage Alcohol Sellers and Servers Education and Training (BASSET) certification fee.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Urbana, Champaign County, Illinois, as follows:

Section 1.

Urbana City Code Chapter 14, "Licenses and Permits," Section 14-7, "Schedule of fees," Subsection (A), "Liquor Licenses," Part 3, "Miscellaneous Liquor Fees," is hereby amended by adding a new Subpart (e) thereto, which new Subpart shall read as follows:

(e) BASSET certification fee \$30.00*

* Additional training materials fee may apply. Please refer to the Administrative Fees attachment at the back of the Schedule of Fees.

Section 2.

Those sections, paragraphs, and provisions of the Urbana City Code that are not expressly amended or repealed by this Ordinance are hereby re-enacted, and it is expressly declared to be the intention of this Ordinance not to repeal or amend any portions of the Urbana City Code other than those expressly set forth as amended or repealed in this Ordinance. The invalidity of any section or provision of this Ordinance hereby passed and approved shall not invalidate other sections or provisions thereof.

Section 3.

This Ordinance shall not be construed to affect any suit or proceeding pending in any court, or any rights acquired, or a liability incurred, or any cause or causes of action acquired or existing prior to the effective date of this Ordinance; nor shall any right or remedy of any character be lost, impaired, or affected by this Ordinance.

Section 4.

The City Clerk is directed to publish this Ordinance in pamphlet form by authority of the corporate authorities, and 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.

This Ordinance is hereby passed by the affirmative vote, the "ayes" and "nays" being called, of a majority of the members of the Council of the City of Urbana, Illinois, at a meeting of said Council.

PASSED BY THE CITY COUNCIL this ____ day of _____, _____.

AYES:

NAYS:

ABSENT:

ABSTAINED:

Phyllis D. Clark, City Clerk

APPROVED BY THE MAYOR this ____ day of _____, _____.

Laurel Lunt Prussing, Mayor