



**CITY OF URBANA, ILLINOIS
FINANCE DEPARTMENT**

MEMORANDUM

TO: Mayor Diane Wolfe Marlin and City Council Members
FROM: Elizabeth Hannan, Finance Director
DATE: December 7, 2017
SUBJECT: **FY2018 Budget Amendment #5 – Omnibus**

Introduction: Attached is an Ordinance revising the FY2018 annual budget to provide for items described below. This budget amendment requires six affirmative votes.

Discussion:

Police Department DOJ Grant: If the City Council approves, the City will be a sub-recipient on a U.S. Department of Justice (DOJ) grant for which the University of Illinois is the primary recipient. City staff will present an intergovernmental agreement with the University for City Council approval on this agenda. Revenues for the grant will exceed expenditures because the grant will pay for a portion of the Crime Analyst's salary and benefits to compensate for time that will be spent on this project. Some portion of the funds will be spent in next fiscal year, but the timing is difficult to predict. The full amount will be budgeted in this fiscal year, and any remaining funds will be carried over after the end of FY2018.

Fire Department Grants and Donations: The Fire Department has received a donation of \$300 from the Ladies Auxiliary VFW Post #630. This will be used to pay for fire prevention materials. The Fire Department has also received a \$1,000 grant from Illinois American Water to purchase an overhaul ladder system for use on fire scenes. The revenue budget will be adjusted to correct the amount, and the entire \$1,000 will be added to expenditures.

Energy Savings Grant: The Public Works Department has been awarded a \$9,000 grant from Ameren for consulting services related to the guaranteed energy savings contract. Funds will be spent in this fiscal year, with reimbursement expected in FY2019.

Rebudget Lincoln Avenue Resurfacing: Due to timing of construction, \$1.4 million that was unspent in the Motor Fuel Tax Fund FY2017 will be rebudgeted in FY2018 to pay for construction costs for resurfacing Lincoln Avenue.

Transfer of Used Vehicle: The Police Department will transfer \$5,000 from the State Drug Seizure Fund to the Vehicle and Equipment Replacement Fund (VERF) to retain a used vehicle that would otherwise be auctioned for salvage value. Because the salvage value would normally be used to offset expenses in the VERF, this transfer will compensate for the loss of that revenue.

Highland Green Project: Funds would be reallocated within the Home Consortium Fund for an increased contribution to the Highland Green project, consistent with the amendment to the Annual Action Plan approved by the City Council on July 5.

Fiscal Impact: All of the expenditures in the General Fund would be offset by revenue. The Motor Fuel Tax Fund shows a projected deficit of more than \$1M. This is due to the timing of payments due from the State of Illinois. As part of the budget process, the revenue budget will be adjusted to reflect changes in timing of receipt of revenues, which should eliminate the deficit balance.

Recommendation: Approve the budget amendment authorizing these adjustments to the FY2018 budget.

ORDINANCE NO. 2017-12-073

**AN ORDINANCE REVISING THE
ANNUAL BUDGET ORDINANCE FOR FY2017/18
(Budget Amendment #5 – Omnibus)**

WHEREAS, the Annual Budget Ordinance of and for the City of Urbana, Champaign County, Illinois, for the fiscal year beginning July 1, 2017, and ending June 30, 2018, (the “Annual Budget Ordinance”) has been duly adopted according to Sections 8-2-9.1 et seq. of the Illinois Municipal Code (the “Municipal Code”) and Division 2, entitled “Budget”, of Article VI, entitled “Finances and Purchases”, of Chapter 2, entitled “Administration”, of the Code of Ordinances, City of Urbana, Illinois (the “City Code”); and

WHEREAS, the City Council of the said City of Urbana finds it necessary to revise said Annual Budget Ordinance 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, such revision is not one that may be made by the Budget Director under the authority so delegated to the Budget Director pursuant to section 8-2-9.6 of the Municipal Code and section 2-133 of the City Code.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF URBANA, ILLINOIS, as follows:

Section 1. That the Annual Budget for FY2017/18, as revised, is hereby revised to provide as outlined in the attached Exhibit A.

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:

ABSTAINED:

Charles A. Smyth, City Clerk

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

Diane Wolfe Marlin, Mayor

Budget Amendment 2017/18 - 05 - Exhibit A

		<u>Current Budget</u>	<u>Revised Budget</u>	<u>Difference</u>	<u>Reason</u>
<u>General Operating Fund</u>					
<u>Revenues</u>					
009-0-0211-0000	Special Fire Rev. (095)	2,550	2,650	100	donation - Ladies' Auxiliary VFW
009-0-0213-0000	Fire Dept Grants	700	1,000	300	IAWC Grant - increase amount
009-0-0202-0000	Police Grants	15,000	53,148	38,148	DOJ grant
<u>Total Revenues</u>		<u>33,412,424</u>	<u>33,450,972</u>	<u>38,548</u>	
<u>Expenditures</u>					
045-4-1100-1109	Interns (Doj Grant)	-	10,640	10,640	DOJ grant - interns
045-4-1100-1300	Overtime	10,058	15,058	5,000	Overtime - Crime Analyst
045-4-1100-1856	Fica (Doj Grant)	-	814	814	DOJ grant - interns
045-4-1300-3949	Information Services (Doj Grant)	-	1,400	1,400	DOJ grant - software subscription
050-1-1200-2140	Uniforms And Equipment	25,614	26,614	1,000	IAWC Grant - expenditures
050-1-1200-2920	Fire Prevention Materials	9,267	9,367	100	donation - fire prevention materials
060-3-1300-3212	Building Repairs	42,279	51,279	9,000	Ameren Grant - GESC review
<u>Total Expenditures</u>		<u>33,321,156</u>	<u>33,349,110</u>	<u>27,954</u>	
<u>Ending Fund Balance (estimated)</u>		<u>4,672,101</u>	<u>4,682,695</u>	<u>10,594</u>	adjusted to reflect final 6/30/17 rev. & exp.
Assigned - Computer Equipment		<u>176,680</u>	<u>176,680</u>	<u>-</u>	
Unassigned Fund Balance		<u>4,495,421</u>	<u>4,506,015</u>	<u>10,594</u>	
<u>Motor Fuel Tax Fund</u>					
<u>Expenditures</u>					
E09-1-0400-0363	Lincoln Ave:Street Resurface	-	1,400,000	1,400,000	rebudget capital improvement projects
<u>Total Expenditures</u>		<u>3,746,667</u>	<u>4,859,651</u>	<u>1,112,984</u>	
<u>Ending Fund Balance (estimated)</u>		<u>29,050</u>	<u>(1,083,934)</u>	<u>(1,112,984)</u>	adjusted to reflect final 6/30/17 rev. & exp.
<u>Vehicle & Equipment Replacement Fund</u>					
<u>Revenues</u>					
H09-0-0484-0000	Tfr Fr Other Funds (A10, L15, M09)	40,306	45,306	5,000	fund for used vehicle - salvage value
<u>Total Revenues</u>		<u>1,574,374</u>	<u>1,579,374</u>	<u>5,000</u>	
<u>Ending Fund Balance (estimated)</u>		<u>6,942,056</u>	<u>6,947,056</u>	<u>5,000</u>	adjusted to reflect final 6/30/17 rev. & exp.
<u>State Drug Seizure Fund</u>					
<u>Expenditures</u>					
H12-1-1400-4000	Seized Drug Equipment	27,890	22,890	(5,000)	use funds to pay VERF for used vehicle
H12-1-1400-4500	Tfr to VERF	-	5,000	5,000	pay VERF for used vehicle
<u>Total Expenditures</u>		<u>66,005</u>	<u>66,005</u>	<u>-</u>	
<u>Ending Fund Balance (estimated)</u>		<u>21,978</u>	<u>21,978</u>	<u>-</u>	adjusted to reflect final 6/30/17 rev. & exp.

