



**CITY OF URBANA, ILLINOIS
FINANCE DEPARTMENT**

MEMORANDUM

TO: Mayor Diane Wolfe Marlin and City Council Members
FROM: Elizabeth Hannan, Finance Director
Don Ho, Financial Analyst
DATE: November 8, 2018
SUBJECT: FY2019 Budget Amendment #7 – Omnibus

Introduction: Attached is an Ordinance revising the FY2019 annual budget to provide for items described below. This budget amendment requires six affirmative votes.

Discussion:

COMMUNITY DEVELOPMENT

Relocation Assistance – Community Development: Per Ordinance 2014-08-080, an owner/landlord is liable to pay relocation assistance if the City designates a rental property as unlawful to occupy. If the landlord fails to timely complete the required payments, the City would advance relocation assistance amounts to tenant household(s). The City can take legal steps to be reimbursed by the owner including fines and penalties. The Building Safety Division is expected to spend up to \$10,000 in FY2019 for such relocation assistance.

PUBLIC WORKS

Fire Exhaust Installation: An additional \$17,000 will be needed for the installation of a direct capture vehicle exhaust removal system at three Urbana Fire Stations. As a result, there will be an additional transfer of \$17,000 from the Retained Risk Fund to the Capital Replacement and Improvement Fund. There is currently \$93,000 budgeted for the installation. The project is expected to be completed in FY2019 with an estimated cost of \$110,000.

Ameren Electric Franchise Agreement: Per Resolution 2018-10-051R, Ameren Illinois has agreed to replace the current franchise agreement earlier than the agreement's termination (January 6, 2019) and provide additional financial consideration for doing so. For the rest of FY2019, the City is expected to pay an additional \$105,000 of recurring expenditures for street lighting utilities and receive \$198,720 of recurring revenues in franchise fees from Ameren Illinois, which will offset the additional costs.

Under the Canopy Publication: The City has been approached by the Illinois Department of Natural Resources (IDNR) about interest in creating a 3rd edition of Urbana's Under the Canopy publication and to print and distribute around a half million copies around the state. The projected cost of the project is around \$145,000 and the City is expected to receive approximately \$185,000 from IDNR. There will be a one-time net revenue increase of \$40,000 in the General Fund.

Rebudget Capital Improvement Projects: A number of items related to capital improvement projects that were not spent in FY2018 will be rebudgeted to FY2019. Because the construction season overlaps the end of the fiscal year, the timing of payments in relation to the end of the year is difficult to predict and it is often necessary to rebudget funds. In addition, timing of projects may vary from the original plan.

Rebudget Arbor Programs: All donations designated for the Legacy Tree and Greenscapes programs that were not spent in FY2018 will be rebudgeted to FY2019.

Fiscal Impact: These changes to the budget do not have a significant fiscal impact on the General Fund. The majority of these increases in expenditures are either offset by revenue, or are due to changes in timing of expenditures.

Alternatives:

1. Forward the Ordinance amending the FY2019 budget to City Council for approval on November 19, 2018.
2. Amend one or more of the items before forwarding to Council for approval.

Recommendation: Forward the budget amendment authorizing these adjustments to the FY2019 budget for approval at the November 19, 2018 City Council meeting.

ORDINANCE NO. 2018-11-076

AN ORDINANCE REVISING THE ANNUAL BUDGET ORDINANCE

(Budget Amendment #7 - 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, 2018 and ending June 30, 2019; 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 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 ORDINANCED 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 a 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: _____

Charles A. Smyth, City Clerk

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

Diane Wolfe Marlin, Mayor

Budget Amendment 2018/19 - 07 - Exhibit A

		<u>Current Budget</u>	<u>Revised Budget</u>	<u>Difference</u>	<u>Reason</u>
GENERAL OPERATING FUND (100)					
<u>Revenues</u>					
100-44220	FRANCHISE FEE	540,314	739,034	198,720	ameren franchise fee agreement
100-46290	OTHER REIMBURSEMENTS	3,000	13,000	10,000	relocation assistance
100-46300	DONATIONS/CONTRIBUTIONS/GIFTS	67,850	252,850	185,000	under the canopy publication (1x)
<u>Total Revenues</u>		<u>33,222,887</u>	<u>33,616,607</u>	<u>393,720</u>	
<u>Expenditures</u>					
10040401-51900	PW - URBAN FORESTRY - OTHER SUPPLIES	14,981	24,981	10,000	rebudget urban forestry program - greenscapes (1x)
10040401-52909-40902	PW - URBAN FORESTRY - ADV/MKTING/PUBLIC EDUCATION - GREENSCAPES	-	145,000	145,000	under the canopy publication (1x)
10040401-52909-40903	PW - URBAN FORESTRY - ADV/MKTING/PUBLIC EDUCATION - LEGACY TREE	-	2,417	2,417	rebudget urban forestry program - legacy tree (1x)
10040423-52600	PW - STREET LIGHTING - UTILITIES	172,033	277,033	105,000	additional electric utility cost FY19
10050522-52999	CD - RENTAL HOUSING - OTHER CONTRACTUAL SERVICES	-	10,000	10,000	relocation assistance (1x expense)
<u>Total Expenditures</u>		<u>33,505,896</u>	<u>33,778,313</u>	<u>272,417</u>	
<u>Ending Fund Balance (estimated)</u>		<u>4,687,157</u>	<u>4,820,877</u>	<u>133,720</u>	
CAPITAL REPLACEMENT AND IMPROVEMENT FUND (200)					
<u>Revenues</u>					
200-49370	TFR FROM RETAINED RISK FUND	-	17,000	17,000	additional funds for fire exhaust installation
<u>Total Revenues</u>		<u>1,397,190</u>	<u>1,414,190</u>	<u>17,000</u>	
<u>Expenditures</u>					
20040470-53200-40800	CAPITAL PROJECTS - BUILDING - CITY FACILITY IMPROVEMENT	155,000	172,000	17,000	additional funds for fire exhaust installation
20040470-53301-40102	CAPITAL PROJECTS - HIGHWAY AND STREETS - MCORE	-	1,729,376	1,729,376	rebudget capital improvement project
20040470-52105-40120	CAPITAL PROJECTS - PLANNING SERVICES - MISC. TRAFFIC STUDIES	15,000	73,462	58,462	rebudget capital improvement project
20040470-53301-40104	CAPITAL PROJECTS - HIGHWAY AND STREETS - AIRPORT ROAD WEST	-	9,861	9,861	rebudget capital improvement project
20040470-53301-40112	CAPITAL PROJECTS - HIGHWAY AND STREETS - PAVEMENT MAINTENANCE	400,000	1,136,564	736,564	rebudget capital improvement project
20040470-53301-40113	CAPITAL PROJECTS - HIGHWAY AND STREETS - BIKE LANES & SIDEPATHS	55,000	203,464	148,464	rebudget capital improvement project
<u>Total Expenditures</u>		<u>1,289,153</u>	<u>3,988,881</u>	<u>2,699,728</u>	
<u>Ending Fund Balance (estimated)</u>		<u>(11,060)</u>	<u>(11,060)</u>	<u>-</u>	
LOCAL MOTOR FUEL TAX FUND (202)					
<u>Expenditures</u>					
20240470-53301-40108	CAPITAL PROJECTS - HIGHWAY AND STREETS - ANNUAL STREET MAINT.	175,635	1,069,685	894,050	rebudget capital improvement project
20240470-53301-40114	CAPITAL PROJECTS - HIGHWAY AND STREETS - OIL, CHIP, SEAL & PRESERV.	243,365	426,195	182,830	rebudget capital improvement project
<u>Total Expenditures</u>		<u>2,182,452</u>	<u>3,259,333</u>	<u>1,076,881</u>	
<u>Ending Fund Balance (estimated)</u>		<u>(74,466)</u>	<u>(74,466)</u>	<u>-</u>	
MOTOR FUEL TAX FUND (203)					
<u>Expenditures</u>					
20340470-53301-40102	CAPITAL PROJECTS - HIGHWAY AND STREETS - MCORE	490,000	1,382,617	892,617	rebudget capital improvement project
20340470-53301-40115	CAPITAL PROJECTS - HIGHWAY AND - STREET RESURFACING	900,000	2,510,000	1,610,000	rebudget capital improvement project
<u>Total Expenditures</u>		<u>1,390,000</u>	<u>2,282,617</u>	<u>892,617</u>	
<u>Ending Fund Balance (estimated)</u>		<u>174,611</u>	<u>174,611</u>	<u>-</u>	
RETAINED RISK FUND (370)					
<u>Expenditures</u>					
37060154-59100	TFR TO GENERAL FUND	-	17,000	17,000	additional funds for fire exhaust installation
<u>Total Expenditures</u>		<u>923,975</u>	<u>940,975</u>	<u>17,000</u>	
<u>Ending Fund Balance (estimated)</u>		<u>2,061,694</u>	<u>2,044,694</u>	<u>(17,000)</u>	

Budget Amendment 2018/19 - 07 - Exhibit A

	<u>Current Budget</u>	<u>Revised Budget</u>	<u>Difference</u>	<u>Reason</u>
<u>PARKING FUND (500)</u>				
<u>Expenditures</u>				
50040412-53305-40900 CAPITAL PROJECTS - OTHER CONSTRUCTION - PARKING LOT MAINT.	-	200,000	200,000	rebudget capital improvement project
<u>Total Expenditures</u>	<u>1,776,528</u>	<u>1,976,528</u>	<u>200,000</u>	
<u>Ending Fund Balance (estimated)</u>	<u>701,660</u>	<u>701,660</u>	<u>-</u>	