

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

<u>Introduction:</u> 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

<u>Relocation Assistance – Community Development</u>: 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

<u>Fire Exhaust Installation:</u> 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.

<u>Under the Canopy Publication:</u> 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.

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

<u>Fiscal Impact:</u> 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 twothirds 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 AUTI	HORITIES this _	_ Day of	, 20
AYES:			
NAYS:			
ABSTENTIONS:			
	Charles A. Smyt	th, City Clerk	
APPROVED BY THE MAYOR this I	Day of	, 20	
	Diane Wolfe Ma	arlin, Mayor	

Budget Amendment 2018/19 - 07 - Exhibit A

		Current Budget	Revised Budget	Difference	Reason
GENERAL OPERATING FUND	2 (100)				
Revenues 100-44220	FRANCHISE FEE	540,314	739,034	198,720	ameren franchise fee agreement
100-46290 100-46300	OTHER REIMBURSEMENTS DONATIONS/CONTRIBUTIONS/GIFTS	3,000 67,850	13,000 252,850	10,000 185,000	relocation assistance under the canopy publication (1x)
Total Revenues	BONATIONS/CONTRIBUTIONS/GITTS	33,222,887	33,616,607	393,720	under the carropy publication (1x)
Expenditures					
10040401-51900 10040401-52909-40902	PW - URBAN FORESTY - OTHER SUPPLIES PW - URBAN FORESTY - ADV/MKTING/PUBLIC EDUCATION - GREENSCAPES	14,981	24,981 145,000	10,000 145,000	rebudget urban forestry program - greenscapes (1x) 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 10050522-52999	PW - STREET LIGHTING - UTILITIES CD - RENTAL HOUSING - OTHER CONTRACTUAL SERVICES	172,033	277,033 10,000	105,000 10,000	additional electric utility cost FY19 relocation assistance (1x expense)
Total Expenditures		33,505,896	33,778,313	272,417	
Ending Fund Balance (estim	nated)	4,687,157	4,820,877	133,720	
CAPITAL REPLACEMENT AN	D IMPROVEMENT FUND (200)				
<u>Revenues</u> 200-49370	TFR FROM RETAINED RISK FUND	-	17,000	17,000	additional funds for fire exhaust installation
Total Revenues		1,397,190	1,414,190	17,000	
Expenditures					
	CAPITAL PROJECTS - BUILDING - CITY FACILITY IMPROVEMENT CAPITAL PROJECTS - HIGHWAY AND STREETS - MCORE	155,000	172,000 1,729,376	17,000 1,729,376	additional funds for fire exhaust installation rebudget capital improvement project
20040470-52105-40120	CAPITAL PROJECTS - PLANNING SERVICES - MISC. TRAFFIC STUDIES CAPITAL PROJECTS - HIGHWAY AND STREETS - AIRPORT ROAD WEST	15,000	73,462	58,462	rebudget capital improvement project
	CAPITAL PROJECTS - HIGHWAY AND STREETS - PAVEMENT MAINTENANCE	400,000	9,861 1,136,564	9,861 736,564	rebudget capital improvement project 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
Total Expenditures		1,289,153	3,988,881	2,699,728	
Ending Fund Balance (estim	a <u>ated)</u>	(11,060)	(11,060)		
LOCAL MOTOR FUEL TAX FL	JND (202)				
Expenditures 20240470.52201.40108	CAPITAL PROJECTS - HIGHWAY AND STREETS - ANNUAL STREET MAINT.	175,635	1,069,685	894,050	rebudget capital improvement project
	CAPITAL PROJECTS - HIGHWAY AND STREETS - OIL, CHIP, SEAL & PRESERV.	243,365	426,195	182,830	rebudget capital improvement project
Total Expenditures		2,182,452	3,259,333	1,076,881	
Ending Fund Balance (estim	nated)	(74,466)	(74,466)		
MOTOR FUEL TAX FUND (20	<u>13)</u>				
Expenditures	CARITAL PROJECTS AND AND STREETS ALCOHO	400.000	4 202 647	002.647	
	CAPITAL PROJECTS - HIGHWAY AND STREETS - MCORE CAPITAL PROJECTS - HIGHWAY AND - STREET RESURFACING	490,000 900,000	1,382,617 2,510,000	892,617 1,610,000	rebudget capital improvement project rebudget capital improvement project
Total Expenditures		1,390,000	2,282,617	892,617	
Ending Fund Balance (estim	ated)	174,611	174,611		
RETAINED RISK FUND (370)					
Expenditures	TED TO GENERAL ELINID		17.000	17.000	additional funds for fire subaust installation
37060154-59100	TFR TO GENERAL FUND	923,975	17,000 940,975	17,000 17,000	additional funds for fire exhaust installation
Total Expenditures	and a				
Ending Fund Balance (estim	ated)	2,061,694	2,044,694	(17,000)	

Budget Amendment 2018/19 - 07 - Exhibit A

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