



**CITY OF URBANA, ILLINOIS
FINANCE DEPARTMENT**

MEMORANDUM

TO: Mayor Prussing and City Council Members

FROM: Elizabeth Hannan, Finance Director

DATE: November 12, 2015

SUBJECT: Budget Amendment – Final Distribution of Surplus TIF 3 Funds

Introduction: Attached is an Ordinance revising the FY2015/16 annual budget to provide for the final distribution of surplus TIF 3 funds.

Discussion: On June 29, the City paid \$11,613,371 in surplus TIF 3 Funds to the County Treasurer for distribution to taxing districts that overlap TIF 3. As part of the distribution, the City received \$1,474,745.08 on July 1, which will be reserved in the General Operating Fund to be used for future one-time expenditures.

At the time, staff indicated that there would be additional interest income, since interest allocations for FY2014/15 were not complete. That additional interest income, from July 1, 2014 to present is \$157,055.68. This includes \$157,044.03 from FY2014/15 and an additional \$11.65 in the current fiscal year.

These funds will be paid to the County Treasurer, who will return them to the various taxing districts based on current tax rates. The distribution estimated by staff is as follows –

<u>Taxing District</u>	<u>2014 Tax Rate</u>	<u>Percentage Share</u>	<u>Amount</u>
Champaign County	0.8636	8.15%	12,794.27
Forest Preserve	0.0944	0.89%	1,398.54
Parkland College	0.5259	4.96%	7,791.23
School District	5.8637	55.31%	86,870.93
City of Urbana	1.3462	12.70%	19,944.00
Cunningham Township	0.2488	2.35%	3,685.98
Urbana Park District	1.2013	11.33%	17,797.30
Mass Transit District	0.3282	3.10%	4,862.29
Public Health District	<u>0.1290</u>	<u>1.22%</u>	<u>1,911.14</u>
	<u>10.6011</u>	<u>100.00%</u>	<u>157,055.68</u>

The final distribution will be calculated by the County Treasurer.

Fiscal Impact: The balance remaining in the Post TIF 3 Fund will be zero. The General Operating Fund will receive an additional \$19,944 in revenue from the distribution.

Recommendation: Approve the budget amendment.

ORDINANCE NO. 2015-11-113

**AN ORDINANCE REVISING THE FISCAL YEAR 2015 - 2016 ANNUAL BUDGET
(Post TIF 3 Distribution)**

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>					
009-0-0011-0000	PROPERTY TAX - ONE-TIME	1,474,745	1,494,689	19,944	REVENUES FROM TIF 3 SURPLUS
<u>TOTAL REVENUES</u>		<u>33,799,063</u>	<u>33,819,007</u>	<u>19,944</u>	
<u>ENDING FUND BALANCE (ESTIMATED)</u>		<u>4,754,099</u>	<u>4,774,043</u>	<u>19,944</u>	
	ASSIGNED - COMPUTER EQUIPMENT	<u>76,250</u>	<u>76,251</u>		
	UNASSIGNED FUND BALANCE	<u>4,677,849</u>	<u>4,697,792</u>		14.32% OF EXPENDITURES
<hr/>					
<u>POST TIF 3 FUND</u>					
<u>REVENUES</u>					
T14-0-0130-0000	INTEREST ON INVESTMENTS	-	12	12	FY2016 INTEREST
<u>TOTAL REVENUES</u>		<u>-</u>	<u>12</u>	<u>12</u>	
<u>EXPENDITURES</u>					
T14-1-1300-3012	SURPLUS PAYMENTS	-	157,056	157,056	DISTRIBUTE ACCRUED INTEREST
<u>TOTAL EXPENDITURES</u>		<u>-</u>	<u>157,056</u>	<u>157,056</u>	
<u>ENDING FUND BALANCE</u>		<u>157,044</u>	<u>-</u>	<u>(157,044)</u>	