



MEMORANDUM

HUMAN RESOURCES DIVISION

384-2451

August 3, 2016

TO: Mayor Laurel Lunt Prussing and City Council Members

FROM: Todd Rent, Human Resources Manager

RE: An Ordinance Revising the FY 2016-2017 Annual Budget Ordinance (Salary Adjustments)

Introduction: This Ordinance would revise the annual budget by allocating additional funds for the specific salary adjustments discussed below.

Background:

Assistant City Attorney Equity Adjustment: Staff recommends implementation of an equity adjustment for an incumbent Assistant City Attorney. This equity adjustment would eliminate the remaining wage difference between the two incumbents. In support of his request, the City Attorney indicates that both incumbents consistently demonstrate a high level of expertise and client service within their respective departmental assignments. The total cost of the proposed adjustment is \$2,634. The Legal Division proposes to fund this increase by reallocating funds from three, non-personnel line items (Books & Periodicals, Travel & Conference, and Professional Legal Services). As a result, the budgetary impact of this adjustment is neutral.

Meter Maintenance Technician Promotions: Staff recommends the allocation of additional funds to pay for salary adjustments associated with the promotion of the two incumbents assigned to the Meter Maintenance area of the Public Works Department. In March 2016, the American Federation of State, County, and Municipal Employees (AFSCME) requested that the City re-evaluate the existing job descriptions for the Meter Maintenance I and II positions within the Public Works Department. The bargaining unit raised concerns that the increase in job complexity and responsibility associated with the recent integration of software-based billing and scheduling processes were not adequately reflected in the existing job descriptions.

Upon review, the Public Works Department and Human Resources Division determined that: (1) the two incumbents have been instrumental in incorporating technology that increases the capacity and accuracy of the unit's service delivery model and that (2) the Meter Maintenance II classification most accurately reflects the additional complexity and responsibility associated with that incorporation. Notably, the practical effect of increased capacity and accuracy has been to increase the annual revenue attributable to the unit. As a result, the Public Works Department proposes that the two incumbents be promoted from the Meter Maintenance I classification to the Meter Maintenance II classification. The total cost of salary adjustments associated with the promotions is \$7,327. If approved by the Council, the funding increase would be drawn from the Motor Vehicle Parking System Fund reserves.

Grants Manager Equity Adjustment: Staff recommends implementation of an equity adjustment for the incumbent Grants Manager. The adjustment is recommended to maintain equity of this position with the other division managers within Community Development and with similar competitive positions within the larger community. The proposed adjustment would be implemented through a rebudgeting of a number of grants-related line items totaling \$3,127. Notably, the incumbent has been very successful in maintaining and attracting new federal and state grant revenues to the City of Urbana. There would be no impact upon the General Fund due to this adjustment as all funds would derive from outside grant sources.

Fiscal Impact: There will be no impact on the fund balance of the General Fund. It will remain at 21.3% of recurring expenditures. The policy is to maintain General Fund reserves of at least 15% of recurring expenditures. In the Parking Fund (N09), there will be a reduction of 1.32% or \$7,327 in the fund balance. In the CD Special Fund, the increase in salaries will be offset by transfers from federal grant funds. This increase will be mainly funded by HOME fund's program delivery (J42). Staff has also been notified that less funds will be available for admin costs from Emergency Solutions Grant (J46) and Supportive Housing Grant (J43), therefore adjustment will be made to the transfer from CDBG (K09) to make up for those decreases.

Recommendation: Adopt this Ordinance amending the annual budget to provide for the expenditure items described above.

ORDINANCE NO. 2016-08-065

**AN ORDINANCE REVISING THE
ANNUAL BUDGET ORDINANCE FOR FY2016/17
(Salary Adjustments)**

WHEREAS, the Annual Budget Ordinance of and for the City of Urbana, Champaign County, Illinois, for the fiscal year beginning July 1, 2016, and ending June 30, 2017, (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 FY2016/17, 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:

Phyllis D. Clark, City Clerk

APPROVED by the Mayor this _____ day of _____, _____.

Laurel Lunt Prussing, Mayor

Budget Amendment 2016/17 - Exhibit A

| | | <u>Current Budget</u> | <u>Revised Budget</u> | <u>Difference</u> | <u>Reason</u> |
|-------------------------------|-----------------------------|-----------------------|-----------------------|-------------------|----------------------------------|
| General Operating Fund | | | | | |
| <u>Expenditures</u> | | | | | |
| 020-2-1100-1103 | Asst City Attorney | 91,977 | 94,065 | 2,088 | salary adjustment |
| 020-2-1100-1600 | Longevity Pay | 18,934 | 19,049 | 115 | salary adjustment |
| 020-2-1100-1850 | IMRF Pension | 53,349 | 53,621 | 272 | salary adjustment |
| 020-2-1100-1855 | FICA | 31,367 | 31,527 | 160 | salary adjustment |
| 020-2-1200-2010 | Books & Periodicals | 750 | 250 | (500) | reallocate for salary adjustment |
| 020-2-1300-3020 | Travel & Conference | 3,340 | 3,206 | (134) | reallocate for salary adjustment |
| 020-2-1300-3903 | Professional Legal Services | 19,000 | 17,000 | (2,000) | reallocate for salary adjustment |
| <u>Total Expenditures</u> | | <u>34,938,234</u> | <u>34,938,234</u> | <u>0</u> | |
| <u>Ending Fund Balance</u> | | <u>6,895,007</u> | <u>6,895,007</u> | <u>(0)</u> | |
| Parking Fund | | | | | |
| <u>Expenditures</u> | | | | | |
| N09-2-1100-1104 | Meter Maint. Tech. I | 47,189 | 50,008 | 2,819 | salary adjustment |
| N09-2-1100-1106 | Meter Maint. Tech. II | 47,189 | 50,008 | 2,819 | salary adjustment |
| N09-2-1100-1600 | Longevity | 7,268 | 7,702 | 434 | salary adjustment |
| N09-2-1100-1850 | IMRF Pension | 13,365 | 14,155 | 790 | salary adjustment |
| N09-2-1100-1855 | FICA | 8,969 | 9,434 | 465 | salary adjustment |
| <u>Total Expenditures</u> | | <u>1,997,900</u> | <u>2,005,227</u> | <u>7,327</u> | |
| <u>Ending Fund Balance</u> | | <u>554,965</u> | <u>547,638</u> | <u>(7,327)</u> | |
| CD Special Fund | | | | | |
| <u>Revenues</u> | | | | | |
| J09-0-0030-0000 | TFR from other funds | 312,344 | 315,444 | 3,100 | |
| <u>Total Revenues</u> | | <u>737,844</u> | <u>740,944</u> | <u>3,100</u> | |
| <u>Expenditures</u> | | | | | |
| J09-1-1100-1100 | Grants manager | 80,305 | 82,706 | 2,401 | salary adjustment |
| J09-1-1100-1600 | Longevity | 12,100 | 12,635 | 535 | salary adjustment |
| J09-1-1100-1850 | IMRF Pension | 29,895 | 30,960 | 1,065 | salary adjustment |
| J09-1-1100-1855 | FICA | 17,566 | 18,191 | 625 | salary adjustment |
| <u>Total Expenditures</u> | | <u>749,818</u> | <u>754,444</u> | <u>4,626</u> | |
| <u>Ending Fund Balance</u> | | <u>130,902</u> | <u>129,376</u> | <u>(1,526)</u> | |

CDBG Fund

Expenditures

| | | | | |
|----------------------------|------------------------------|-----------------|-----------------|----------------|
| K09-1-2500-5010 | TFR to CD Special Fund (J09) | 9,149 | 11,555 | 2,406 |
| <u>Total Expenditures</u> | | <u>821,198</u> | <u>823,604</u> | <u>2,406</u> |
| <u>Ending Fund Balance</u> | | <u>(24,463)</u> | <u>(26,869)</u> | <u>(2,406)</u> |

HOME Program Fund

Expenditures

| | | | | |
|----------------------------|------------------------------|------------------|------------------|----------------|
| J42-5-3500-5010 | TFR to CD Special Fund (J09) | 67,214 | 70,314 | 3,100 |
| <u>Total Expenditures</u> | | <u>1,951,376</u> | <u>1,954,476</u> | <u>3,100</u> |
| <u>Ending Fund Balance</u> | | <u>(284,086)</u> | <u>(287,186)</u> | <u>(3,100)</u> |

Supportive Housing Program Fund

Expenditures

| | | | | |
|----------------------------|------------------------------|-----------------|-----------------|----------------|
| J43-1-1500-5010 | TFR to CD Special Fund (J09) | 3,635 | 1,866 | (1,769) |
| <u>Total Expenditures</u> | | <u>166,720</u> | <u>164,951</u> | <u>(1,769)</u> |
| <u>Ending Fund Balance</u> | | <u>(43,685)</u> | <u>(41,916)</u> | <u>1,769</u> |

Emergency Solutions Grant

Expenditures

| | | | | |
|----------------------------|------------------------------|---------------|---------------|--------------|
| J46-1-1500-5010 | TFR to CD Special Fund (J09) | 1,360 | 723 | (637) |
| <u>Total Expenditures</u> | | <u>51,652</u> | <u>51,015</u> | <u>(637)</u> |
| <u>Ending Fund Balance</u> | | <u>2,009</u> | <u>2,646</u> | <u>637</u> |