



**CITY OF URBANA, ILLINOIS
FINANCE DEPARTMENT**

MEMORANDUM

TO: Mayor Prussing and City Council Members

FROM: Elizabeth Hannan, Finance Director

DATE: January 19, 2017

**SUBJECT: FY2017 Budget Amendment –
Two Police Officers and Crime Mapping Software**

Introduction: Attached is an Ordinance revising the FY2017 annual budget to add two Police Officer positions and provide for purchase of crime mapping software.

Discussion:

Police Officers: The addition of two Police Officer positions for the last quarter of FY2017 will increase expenditures by \$52,277. This includes costs for salaries and benefits, as well as one-time costs for the initial set of uniforms and equipment, training, and pre-employment physicals. The annual, recurring cost for these positions is expected to be approximately \$96,000 each. The table below provides additional detail on costs for a Police Officer position, both for the last quarter of the current fiscal year and on an annual, recurring basis.

| Cost for Each Police Officer Position | | |
|---|---------------------------------------|--------------------------------------|
| <u>Item</u> | <u>Last Quarter FY17 Cost</u> | <u>Annual Recurring Cost</u> |
| Salaries | \$15,710 | \$65,481 |
| Benefits (holiday pay, med FICA, insurance, pensions) * | 3,483 | 28,208 |
| Uniforms & Equipment ** | 3,600 | 1,246 |
| Physical | 3,120 | 823 |
| Training | 225 | 0 |
| Total | \$26,138 | \$95,758 |

* no City pension contributions in FY2017 due to tax levy cycle

** does not include additional vehicles, which are not required at this time

Due to the timing of the tax levy, the City will not make additional pension contributions for any new officers until the next tax levy is extended in 2018. These costs also do not include additional vehicles, which the Police Department has advised are not needed at this time.

Crime Mapping Software: This budget amendment also includes \$12,600 for crime mapping software, which will be used by the Crime Analyst to evaluate crime data. Staff believes that this is a reasonable estimate for this software. However, the selection process has not been completed, and it is possible additional funds may be required. The recurring cost beginning in FY2018 is estimated to be \$2,200. This software will allow the Crime Analyst to provide additional analysis that is responsive to Council requests for information.

Fiscal Impact: The estimated ending fund balance in the General Operating Fund after this amendment is \$8,829,291, which is about 27% of recurring expenditures. After adjusting for funds reserved for replacement of computer equipment and a potential repayment of hospital property tax revenues, the remaining fund balance is \$4,670,422, which is 14.3% of recurring expenditures. This is below the 15% goal established in the City's Financial Policies, and will be addressed as part of developing the budget for FY2018.

Estimated recurring expenditures, including the two new Police Officer positions, are \$32.7 million, which is 98.8% of budgeted recurring revenue, a margin of about \$400,000. With sales and income tax revenues showing weak performance, it is likely that budget reductions will be necessary in FY2018 to achieve a balanced budget. Staff will provide additional information on concerns about revenues in the quarterly report, which will be provided around end of this month.

Recommendation: Approve the budget amendment authorizing these adjustments to the FY2017 budget.

ORDINANCE NO. 2017-01-003

**AN ORDINANCE REVISING THE
ANNUAL BUDGET ORDINANCE FOR FY2016/17
(Two Police Officer Positions & Crime Mapping Software)**

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> |
|---|--------------------------------|--------------------------|--------------------------|------------------------|-------------------------------------|
| <u>General Operating Fund</u> | | | | | |
| <u>Expenditures</u> | | | | | |
| 020-4-1300-3100 | Pre-employment Physicals | 17,000 | 23,240 | 6,240 | full amount for 2 Officers |
| 045-2-1100-1104 | Police Officers | 2,059,186 | 2,090,606 | 31,420 | 2 Officers for 1/4 of year |
| 045-2-1100-1500 | Holiday Pay | 162,998 | 164,448 | 1,450 | 2 holidays in last quarter |
| 045-2-1100-1800 | Health Insurance | 356,626 | 361,666 | 5,040 | 2 Officers for 1/4 of year |
| 045-2-1100-1855 | FICA | 54,188 | 54,665 | 477 | medFICA only |
| 045-2-1200-2141 | Uniforms & Equipment - Initial | 40,060 | 47,260 | 7,200 | full amount for 2 Officers |
| 045-2-1300-3031 | Initial Training | 2,000 | 2,450 | 450 | Spanish + Web Training - 2 Officers |
| 045-4-1300-3948 | Information Services | - | 12,600 | 12,600 | Crime Mapping Software |
| <u>Total Expenditures</u> | | <u>35,979,705</u> | <u>36,044,582</u> | <u>64,877</u> | |
| <u>Ending Fund Balance (estimated)</u> | | <u>8,894,798</u> | <u>8,829,921</u> | <u>(64,877)</u> | updated balance |
| Assigned - Computer Equipment | | <u>159,499</u> | <u>159,499</u> | <u>-</u> | |
| Unassigned Fund Balance | | <u>8,747,770</u> | <u>8,670,422</u> | <u>(64,877)</u> | |