



**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:** January 10, 2018  
**SUBJECT:** **FY2019 Budget Amendment #8 – 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:**

**Interfund Transfer – Information Technology (IT):** Before FY2019, unspent funds for computer equipment were reserved as part of the General Fund fund balance. In FY2019, IT now has its own fund (610) and is no longer a part of the General Fund. As a result, there will be a one-time interfund transfer to complete the transition. This change adjusts the amount to include unspent funds for FY2018.

**Workers' Compensation Claims:** This budget amendment would increase the budget to pay workers' compensation claims by \$450,000. The need for increased funding is largely attributable to the successful settlement of several worker's compensation claims during FY2019. These claims can often take several years to settle, and the amount required from year-to-year is difficult to predict.

**Rebudget Equipment Replacement:** Due to changes in timing of expenditures, \$8,262 unspent funds for air supply hoses and escape packs will be rebudgeted in the Vehicle and Equipment Replacement Fund.

**Illinois American Water Company (IAWC) Grant:** The Fire Department recently received \$1,000 grant from IWAC for the replacement of Rapid Intervention Team (RIT) equipment on E254 (campus engine). This equipment is used by rescue teams in the event that a firefighter is lost or injured on the scene of an incident.

**Think Urbana Marketing:** The Enterprise Zone (EZ) program has raised over \$40,000 in new General Fund revenues in each of the past two fiscal years. Only halfway through the current fiscal year, the EZ fee revenue has already exceeded \$40,000. This budget amendment will increase the marketing line by \$3,100, allowing staff to initiate new Single Family Residential (SFR) projects, thus

further increasing EZ fee revenues and long-term equalized assessed value (EAV).

**Debt Service Payment:** Due to an oversight, the budgeted amount for debt service interest payments in TIF 2 for the Boneyard Creek Improvement is \$6,292 less than the actual amount. This budget amendment increase the budget by the same amount.

**Temporary Employee:** Because of a vacant position, a transfer of \$5,500 from a personnel line to a contractual services line will be completed to pay for a temporary contract employee in the Building Safety division.

**Rebudget Capital Improvement Projects:** Funds for the Airport Road West Reconstruction project 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.

**LRC Charges:** Due to an oversight, some interdepartmental charges for the Landscape Recycling Center services were not recorded in FY2018. This amendment will allow for those charges to be made in FY2019.

**Fiscal Impact:** These changes to the budget do not have a significant fiscal impact on the General Fund. All of the increases in the General Fund are for one-time expenditures and will not occur again in the future.

**Alternatives:**

1. Forward the Ordinance amending the FY2019 budget to City Council for approval on January 21, 2019.
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 Tuesday, January 22, 2019 City Council meeting.

**ORDINANCE NO. 2019-01-004**

**AN ORDINANCE REVISING THE ANNUAL BUDGET ORDINANCE**

**(Budget Amendment #8 - 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 ORDAINED 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 - 08 - Exhibit A**

		<u>Current Budget</u>	<u>Revised Budget</u>	<u>Difference</u>	<u>Reason</u>
<b><u>GENERAL OPERATING FUND (100)</u></b>					
<u>Revenues</u>					
100-41120	STATE GRANTS - PUBLIC SAFETY	-	1,000	1,000	IAWC grant - replacement of campus engine (1x)
<u>Total Revenues</u>		<u>33,616,607</u>	<u>33,617,607</u>	<u>1,000</u>	
<u>Expenditures</u>					
10030300-51900	FIRE - OPERATIONS - OTHER SUPPLIES	16,673	17,673	1,000	IAWC grant - replacement of campus engine (1x)
10040401-52909-40902	PW - URBAN FORESTRY - ADV/MKTING/PUBLIC EDUCATION - GREENSCAPES	157,538	194,376	36,838	rebudget greenscapes program (1x)
10040402-59099	PW - LANDSCAPE MANAGEMENT - OTHER INTERDEPT CHARGES	21,715	42,527	20,812	FY18 LRC fees (1x)
10040424-59099	PW - STREET MAINT. & CONSTRUCTION - OTHER INTERDEPT CHARGES	-	19,068	19,068	FY18 LRC fees (1x)
10050501-52909	CD - ECONOMIC DEVELOPMENT - ADV/MKTING/PUBLIC EDUCATION	9,363	12,463	3,100	replenish Think Urbana marketing funds (1x)
10050522-50110	CD - RENTAL HOUSING - SALARY - REGULAR EMPLOYEES	86,402	80,902	(5,500)	transfer to accommodate a temporary employee (1x)
10050522-52199	CD - RENTAL HOUSING - OTHER PROFESSIONAL SERVICES	3,462	8,962	5,500	transfer to accommodate a temporary employee (1x)
10060610-59610	GENERAL SERVICES - TFR TO INFORMATION TECH FUND	176,680	225,810	49,130	IT transfer (1x)
<u>Total Expenditures</u>		<u>33,878,347</u>	<u>34,008,295</u>	<u>129,948</u>	
<u>Ending Fund Balance (estimated)</u>		<u>4,820,877</u>	<u>4,728,767</u>	<u>(92,110)</u>	
<b><u>VEHICLE &amp; EQUIPMENT REPLACEMENT FUND (300)</u></b>					
<u>Expenditures</u>					
30060600-53440	OTHER EQUIPMENT	832,845	841,107	8,262	rebudget air supply hoses and escape packs
<u>Total Expenditures</u>		<u>3,717,007</u>	<u>3,725,269</u>	<u>8,262</u>	
<u>Ending Fund Balance (estimated)</u>		<u>5,010,603</u>	<u>5,010,603</u>	<u>-</u>	
<b><u>LANDSCAPE RECYCLING CENTER FUND (301)</u></b>					
<u>Revenues</u>					
301-44310	LANDSCAPE RECYCLING FEES	695,000	740,064	45,064	FY18 LRC fees (1x)
<u>Total Revenues</u>		<u>701,975</u>	<u>747,039</u>	<u>45,064</u>	
<u>Ending Fund Balance (estimated)</u>		<u>64,617</u>	<u>109,681</u>	<u>45,064</u>	
<b><u>HOME RECYCLING FUND (302)</u></b>					
<u>Expenditures</u>					
30240452-59099	PW - OTHER INTERDEPT CHARGES	-	4,596	4,596	FY18 LRC fees (1x)
<u>Total Expenditures</u>		<u>589,320</u>	<u>593,916</u>	<u>4,596</u>	
<u>Ending Fund Balance (estimated)</u>		<u>97,230</u>	<u>92,634</u>	<u>(4,596)</u>	
<b><u>TIF 2 (342)</u></b>					
<u>Expenditures</u>					
34250501-54200	ECONOMIC DEVELOPMENT - INTEREST PAYMENTS	45,117	51,409	6,292	debt service interest payment
<u>Total Expenditures</u>		<u>1,773,184</u>	<u>1,779,476</u>	<u>6,292</u>	
<u>Ending Fund Balance (estimated)</u>		<u>39,285</u>	<u>32,993</u>	<u>(6,292)</u>	
<b><u>TIF 4 (343)</u></b>					
<u>Expenditures</u>					
34350501-53301-40104	CAPITAL PROJECTS - AIRPORT ROAD WEST RECONSTRUCTION	459,552	1,122,947	663,395	rebudget capital improvement project
<u>Total Expenditures</u>		<u>1,596,900</u>	<u>2,260,295</u>	<u>663,395</u>	
<u>Ending Fund Balance (estimated)</u>		<u>1,066,931</u>	<u>1,066,931</u>	<u>-</u>	

**Budget Amendment 2018/19 - 08 - Exhibit A**

	<u>Current Budget</u>	<u>Revised Budget</u>	<u>Difference</u>	<u>Reason</u>
<b>CENTRAL TIF (344)</b>				
<u>Expenditures</u>				
34450501-59099      PW - OTHER INTERDEPT CHARGES	-	588	588	FY18 LRC fees (1x)
<u>Total Expenditures</u>	<u>1,012,922</u>	<u>1,013,510</u>	<u>588</u>	
<u>Ending Fund Balance (estimated)</u>	<u>-</u>	<u>(588)</u>	<u>(588)</u>	
<b>RETAINED RISK FUND (370)</b>				
<u>Expenditures</u>				
37060154-52721      WORKER'S COMP CLAIMS	250,000	700,000	450,000	workers' compensation claims
<u>Total Expenditures</u>	<u>940,975</u>	<u>1,390,975</u>	<u>450,000</u>	
<u>Ending Fund Balance (estimated)</u>	<u>2,044,694</u>	<u>1,594,694</u>	<u>(450,000)</u>	
<b>INFORMATION TECHNOLOGY FUND (610)</b>				
<u>Revenues</u>				
610-49100            IT - TFR FROM GENERAL FUND	907,080	956,210	49,130	IT transfer (1x)
<u>Total Revenues</u>	<u>1,077,615</u>	<u>1,126,745</u>	<u>49,130</u>	
<u>Ending Fund Balance (estimated)</u>	<u>178,432</u>	<u>227,562</u>	<u>49,130</u>	