

AN ORDINANCE ESTABLISHING ANNUAL
BUDGET ORDINANCE PROCEDURES

WHEREAS, the City of Urbana on the date hereof has a population in excess of 25,000 people, and

WHEREAS, the City of Urbana is therefore a City vested with Home Rule Powers under the Constitution of the State of Illinois of 1970.

THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF URBANA, ILLINOIS, as follows:

Section 1. Establishment of Budget Policy.

That there be and is hereby established a budget policy which shall be implemented by the Mayor in the orderly preparation of an annual budget. The Mayor shall appoint a Budget Director to serve at the pleasure of the Mayor. The Budget Director may hold other positions or offices with the City of Urbana and may be paid an additional salary for Budget Director.

Section 2. Powers and Duties of Budget Director in Implementing the Budget Policy.

The Budget Director shall have the following powers and duties:

- (a) Permit, encourage and establish the use of efficient planning, budgeting, auditing, reporting, accounting and other fiscal management procedures in all departments, commissions and boards.
- (b) Compile an annual budget.
- (c) Examine all books and records of all departments, commissions, and boards which relate to money received by the City and paid out by the City, debts and accounts receivable, amounts owed by or to the City.
- (d) Obtain such additional information from the departments, commissions, and boards as may be useful for purposes of compiling an annual budget, such information to be furnished by the departments, commissions and boards in the form required by the Mayor.
- (e) Establish and maintain such procedures as shall insure that no expenditures are made by the departments, commission or boards except as authorized by the budget.

Section 3. Compilation and Contents of Budget.

The budget shall contain estimates of revenue available to the City for the fiscal year for which the budget is drafted together with recommended expenditures for the City and all of the departments, commissions and boards. Revenue estimates and expenditure recommendations shall be presented in a manner which is in conformity with good fiscal management practices. The budget shall contain actual or estimated revenues and expenditures for the two years immediately preceding the fiscal year for which the budget is prepared. Each budget shall show the specific fund from which each anticipated expenditure shall be made.

Section 4. Passage of Annual Budget - Effect

Passage of the annual budget ordinance by the City Council and approval of the Mayor shall be in lieu of passage of the Appropriation Ordinance as heretofore required. The annual budget ordinance shall be adopted before the beginning of the fiscal year to which it applies. Subsequent to the passage of the annual budget ordinance an ordinance shall be passed establishing the property taxes to be levied for the fiscal year in accordance with applicable law. Such ordinance shall establish the property taxes as may be required by the approved annual budget ordinance and shall be known and referred to as the Tax Levy Ordinance.

Section 5. Capital Improvement, Repair or Replacement Fund.

Money may be accumulated in a separate fund for the purpose or purposes of specific capital improvements, repairs and/or replacement of specific types of City equipment or other tangible property both real and personal to be designated as the "Capital Improvement, Repair or Replacement Fund". Expenditures from the Capital Improvement, Repair or Replacement Fund shall be budgeted in the fiscal year in which the capital improvement, repair or replacement will occur. Any funds which remain in the Capital Improvement, Repair or Replacement Fund after the completion or abandonment of any project for which the fund was inaugurated, and which are no longer necessary for other capital improvements, repairs or replacement may, by recommendation of the Mayor and approval of the City Council, be transferred to the general operating fund of the City.

Section 6. Revision of Annual Budget Ordinance

During the fiscal year, the Budget Director with the permission of the Mayor, may make revisions to the approved annual budget ordinance within any Department or Commission or Fund by deleting, adding to or changing approved expenditures providing said revisions do not result in the deletion or basic change of any activity or program approved by the annual budget ordinance or the transfer of funds between personal services, and purchase of materials and supplies or contractual services, and further provided that said revisions do not cause total expenditures within the budget to exceed revenue as stated in the annual budget ordinance.

Section 7. Public Inspection, Notice and Hearing on Budget.

The Mayor shall make the proposed annual budget ordinance conveniently available for public inspection at least fourteen days prior to the public hearing on the annual budget ordinance as hereinafter provided. Notice of the availability for inspection of the proposed annual budget ordinance shall be given by publication in a newspaper having a general circulation in the City at least fourteen days prior to the time of the public hearing of the annual budget ordinance.

Section 8. Public Hearing

At least one public hearing which may be continued from time to time as required shall be held on the proposed annual budget ordinance prior to final approval thereof, notice of which shall be given by publication in a newspaper having a general circulation in the City at least fourteen days prior to the time of such hearing.

Section 9. Annual Financial Report.

Within a reasonable time after the conclusion of each fiscal year the City Clerk shall prepare and submit to the Mayor and City Council an annual report of the financial condition of the City and summary of revenue and expenditures of the immediate preceding fiscal year. It shall be the duty of the City Clerk to see that the annual fiscal report is complete and made available to the Mayor and City Council and made available for public inspection. The City Clerk shall have available for public inspection all supporting information.

Section 10. It is hereby determined and ordained that the State law requiring an annual appropriation ordinance shall not be applicable within the City of Urbana.

Section 11. Any expenditures listed in the annual budget ordinance may be expended by the City upon the approval of the Mayor and Budget Director without further Council action in accordance with all laws and ordinances regarding bidding, provided, however, that the expenditure for any item budgeted for \$3,000.00 or more and which is bid at 10% above the budgeted amount must be submitted to the City Council for approval.

This Ordinance shall be effective immediately upon its passage and approval for the purpose of the preparation of Budget for Fiscal Year 1974-1975.

This Ordinance is hereby passed by the affirmative vote, the "ayes" and "nays" being called of a majority of the Members of the Council of the City of Urbana, Illinois, at a regular meeting of said Council on the 15TH day of APRIL, 1974.

PASSED by the City Council this 15TH day of APRIL, 1974.

Duane Eckerty
Duane Eckerty, City Clerk

APPROVED by the Mayor this 24 day of April, 1974.

Hiram Paley
Hiram Paley, Mayor