



Legislation Details (With Text)

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Title: An Ordinance Amending The Annual Budget For The Fiscal Year Beginning January 1, 2023 and Ending December 31, 2023 (Amendment #2 For The 2023 Fiscal Year).

Sponsors:

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Attachments: 1. Exhibit A

Date	Ver.	Action By	Action	Result
5/28/2024	1	City Council	adopted	Pass
5/21/2024	1	Committee of the Whole	(PLACED ON UNFINISHED BUSINESS)	
5/16/2024	1	Finance Committee	recommended for approval	Pass

TO: Mayor Richard C. Irvin, Mayor

FROM: Christopher A. Minick, Chief Financial Officer/City Treasurer
Stacey L. Peterson, Director of Financial Operations

DATE: May 9, 2024

SUBJECT:

An Ordinance Amending the Annual Budget for the Fiscal Year Beginning January 1, 2023 and Ending December 31, 2023 (Amendment #2 for the 2023 Fiscal Year)

PURPOSE:

To obtain the City Council's approval of a proposed amendment to the 2023 City Budget.

BACKGROUND:

Pursuant to 65 ILCS 5/8-2-9.1 through 9.10, the City of Aurora operates under the budget system of government finance. The City Council adopted the 2023 budget on December 6, 2022 through the passage of Ordinance No. O22-082

While the city attempts to anticipate all potential expenditures for a fiscal year when that year's budget is developed, circumstances occasionally arise that require expenditures that were not contemplated in the original financial plan. 65 ILCS 5/8-2-9.6 permits a municipality operating under the budget system to amend its annual budget by a two third's vote of its governing body.

The City Council Approved a previous amendment to the 2023 City Budget on May 9, 2023.

DISCUSSION:

The attached, proposed ordinance, including its Exhibit A, would provide for certain changes in the 2023 City Budget. Below is an explanation for each change. The item numbers discussed below correspond to the item numbers assigned to each change detailed in Exhibit A.

Items 1 and 19 through 21: CDBG COVID Program (Offsetting Revenues and Expenditures Increases Totaling \$146,600). These items adjust the budget for the COVID-19 CDBG funding allocation to the city.

Items 2 and 24 through 30: Block Grant Fund (Offsetting Revenues and Expenditures Increases Totaling \$1,075,500). These items adjust the budget for the actual annual CDBG Program allocation to the city. At the time the 2023 budget was prepared, we did not have final allocation information. The amounts included in the original 2023 budget reflected only an estimate of the allocation.

Items 3 and 34: Transfer from 2008B TIF Bond Proj TIF 3 Fund to TIF # 3 Fund (\$1,679,400). These items provide resources for the final projects in TIF # 3.

Items 4 and 31: Economic Development, TIF # 4 Bell Gale Fund (Offsetting Revenue and Expenditure Increase of \$3,400). This item provides for the payment of redevelopment costs for the Bell Gale project for which the developer qualified for reimbursement under Resolution No. R12-239. Adequate fund balance was available in the fund to cover the costs.

Items 5 and 13: Transfer from General Fund to Capital Improvements Fund (\$22,000,000). These items provide resources to the Capital Improvements fund to cover capital projects.

Items 6 and 7; 35 through 42: 2023 General Obligation Bond Fund (Increase Revenue of \$34,157,200 and Expenditure Increase of 2,987,700). These items adjust the budget to account for the 2023A GO bonds the city issued for various capital improvement projects. Debt Service Fund interest payment \$764,000.

Items 8 and 14: Transfer from General Fund to Debt Service Fund (\$5,500,000). These items provide resources for the payment of principal and interest.

Items 9 and 11: Transfer from General Fund to Property and Casualty Fund (\$5,500,000). These items provide resources to the Property and Casualty Fund to cover the accrued costs associated with property and casualty insurance claims.

Items 10 and 12: Transfer from the General Fund to the Employee Compensated Benefits Fund (\$2,000,000). These items provide resources to the Employee Compensated Benefits Fund to cover the accrued costs of severance and sick leave.

Item 15: Repairs & Mtce. Services/Computer-Network, Information Technology, General Fund (Expenditure Increase of \$240,000). This item provides resources for the camera services true-up.

Item 16: Special Programs/Other, Economic Development, General Fund (Expenditure Increase of \$1,100,000). This item provides for funding of the economic development agreement with La Quinta

De Los Reyes.

Items 17 and 18: Repairs & Mtce. Services Other, Wireless 911 Surcharge Fund (Expenditure Increase of \$176,000). This item provides \$16,000 for resources to pay for Getac devices going into the new fire trucks and provided \$160,000 for completion of the PSAP remodel.

Item 22: Professional Fees/Consulting, Economic Development, Gaming Tax Fund (Expenditure Increase of \$128,700). This item provides for TIF consulting work completed in 2023.

Item 23: Expendable Tools and Supplies, Foreign Fire Insurance Tax Fund (Expenditure Increase of \$47,000). This item provides for the payment of costs for a trailer mounted portable air filling station for SBCA cylinders. Adequate fund balance was available in the fund to cover the additional costs.

Items 32 and 33: Capital Outlay Machine and Equip, Police ARPA Fund (Expenditure Increases Totaling \$221,200). This item serves to adjust the budget for the STEAM Academy in the amount of \$11,000 and police equipment \$210,200.

Items 43 and 44: Other Services & Charges, Water Billing, Water and Sewer Fund (Expenditure increase of \$118,000). This item provides for bank service fees and credit card fees.

Items 45 through 48: Property & Casualty Fund - Liability Insurance and Workers Compensation Claims (Expenditure Increase Totaling \$3,869,000). This item serves to adjust the budget for the payment of costs associated with general liability claims that were higher than expected during 2023. Adequate monies were available in the fund for the claims.

Item 49: Employee Health Insurance Fund (Expenditure Increasing Totaling \$984,000). The increase is due to the number of employees moving to the high deductible plan.

Item 50: Employee Compensation Benefits Fund (Expenditure Increasing Totaling \$1,212,000). This item serves to adjust the budget for the accrual of costs associated with employee severance, especially for firefighters and police officers, which were higher than expected during 2023. Adequate monies were available in the fund for the accrual of the costs.

If the proposed budget amendment is approved, budgeted expenditures in the 2023 budget will increase from \$601,916,053 to \$651,668,553.

IMPACT STATEMENT:

N/A

RECOMMENDATIONS:

That the City Council adopt the attached, proposed ordinance that would effect Amendment #2 to the 2023 City Budget.

cc: Finance Committee



CITY OF AURORA, ILLINOIS

ORDINANCE NO. _____
DATE OF PASSAGE _____

An Ordinance Amending The Annual Budget For The Fiscal Year Beginning January 1, 2023 and Ending December 31, 2023 (Amendment #2 For The 2023 Fiscal Year).

WHEREAS, the City of Aurora has a population of more than 25,000 persons and is, therefore, a home rule unit under subsection (a) of Section 6 of Article VII of the Illinois Constitution of 1970; and

WHEREAS, subject to said Section, a home rule unit may exercise any power and perform any function pertaining to its government and affairs for the protection of the public health, safety, morals, and welfare; and

WHEREAS, the City Council approved Ordinance No. O99-96 on November 9, 1999 adopting the budget system of finance for the City in lieu of the appropriation system in accordance with 65 ILCS 5/8-2-9.1 et. seq. and Code Section 2-312(a); and

WHEREAS, the City Council approved Ordinance No. O22-082 on December 6, 2022 adopting an annual budget for the City of Aurora for the fiscal year beginning January 1, 2023 and ending December 31, 2023; and

WHEREAS, the City Council approved Ordinance No. O23-031 on May 9, 2023 amending the annual budget for fiscal year beginning January 1, 2023 and ending December 31, 2023 (Amendment # 1 for the 2023 Fiscal Year), and

WHEREAS, the City of Aurora deems that it is necessary to incur certain expenditures during its 2023 fiscal year that were unanticipated at the time the annual budget for 2023 was adopted but are necessary so as to ensure the protection of the public health, safety, morals, and welfare; and

WHEREAS, the City of Aurora, in an exercise of its home rule powers, desires to amend its annual budget for the fiscal year beginning January 1, 2023 and ending December 31, 2023 so as to provide for the incurrence of said expenditures that were unanticipated at the time the annual budget was adopted; and

WHEREAS, adequate monies are available in the City treasury to pay said unanticipated expenditures.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Aurora, Illinois, as follows:
SECTION 1: That the annual budget of the City of Aurora for the fiscal year beginning January 1, 2023 and ending December 31, 2023 is amended as shown in the attached Exhibit A.

SECTION 2: That this ordinance shall be in full force and effect, and shall be controlling upon its passage and approval.

SECTION 3: That all ordinances or parts of ordinances thereof in conflict herewith are hereby repealed to the extent of any such conflict.

SECTION 4: That any Section or provision of this ordinance that is construed to be invalid or void shall not affect the remaining Sections or provisions, which shall remain in full force and effect thereafter.