



Agenda Cover Memorandum

Meeting Date: May 22, 2017

Fiscal Year: 2017

Meeting Type: Committee of the Whole City Council Budget Workshop

Item Title: Approve FY17 Year-End Budget Transfers and Amendments

Item Type: Transfer Budget Amendment Purchase Order Other

Action Requested: Approval For Discussion Feedback Requested For Your Information

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Background:

Article 2, Chapter 9, Section 6 of the municipal code states that if a purchase order encumbrance or manual journal entry causes the respective total fund-department-object budget amount to be exceeded, steps must be taken to address the budget overage. As part of the annual audit preparation process staff has been recording final expenses and journal entries, and in some cases this has resulted in budget amounts being exceeded. Staff is requesting approval of FY17 budget transfers and amendments as outlined in the attached schedules to address budget overages.

As a reminder, budget transfers move funds from one expenditure line to another within a fund and do not impact the bottom line or fund balance. Budget amendments impact the fund balance or impact both a revenue and an expenditure within a fund. Any impact to fund balance is noted on the corresponding schedule.

Finance staff continues to work on FY17 year-end entries. Additional transfers or amendments will be brought to Council if needed.

Recommendation:

Approve FY17 Year-End Budget Transfers and Amendments

Budget Implications:

Does Action Require an Expenditure of Funds: Yes No

If Yes, Total Cost:

If Yes, is this a Budgeted Item: Yes No Requires Budget Amendment

If Budgeted, Budget Code (Fund, Department, Object Code): Shown in the attached schedule

Attachment(s), if any:

- FY17 General Fund Budget Amendment
- FY17 Water Fund Budget Transfer
- FY17 Uptown TIF Budget Amendment
- FY17 Debt Service Budget Amendment
- FY17 IMRF Fund Budget Amendment
- FY17 Foreign Fire Tax Fund Budget Amendment
- FY17 Asset Forfeiture Fund Budget Amendment

FY17 YEAR END BUDGET TRANSFERS AND AMENDMENTS - GENERAL FUND

<u>Line Item</u>	<u>Description</u>	<u>Budget Before</u> <u>Transfer/Amendment</u>	<u>Transfer/</u> <u>Amendment</u>	<u>Budget After</u> <u>Transfer/Amendment</u>
100-2011-949100	Police Pension Payments	\$ 1,967,159.00	\$ 94,020.27	\$ 2,061,179.27
100-2021-949100	Fire Pension Payments	\$ 1,796,398.00	\$ 66,186.98	\$ 1,862,584.98
100-811000	Property Tax - General	\$ (4,500,000.00)	\$ (42,560.09)	\$ (4,542,560.09)
100-811002	Property Tax - Police Pension	\$ (1,967,159.00)	\$ (72,140.18)	\$ (2,039,299.18)
100-811003	Property Tax - Fire Pension	\$ (1,796,398.00)	\$ (45,506.98)	\$ (1,841,904.98)
BOTTOM LINE / IMPACT TO FUND BALANCE			\$ -	

Supporting information

Property tax receipts for police and fire pension are passed directly through to the corresponding pension fund. Collections and corresponding pass through (expense) were greater than budgeted due to timing differences.

FY17 YEAR END BUDGET TRANSFERS AND AMENDMENTS - WATER FUND

<u>Line Item</u>	<u>Description</u>	<u>Budget Before</u> <u>Transfer/Amendment</u>	<u>Transfer/</u> <u>Amendment</u>	<u>Budget After</u> <u>Transfer/Amendment</u>
502-3051-915200	Overtime	\$ 90,000.00	\$ 16,157.70	\$ 106,157.70
502-3054-948500	General Contractual	\$ 260,000.00	\$ (16,157.70)	\$ 243,842.30
BOTTOM LINE / IMPACT TO FUND BALANCE			\$ -	

Supporting information

A vacancy in the Water Pump Operator position resulted in a need for overtime in the Water Supervisor position. Savings in the cost of the water loss survey and water rate study are covering the unanticipated overtime cost.

FY17 YEAR END BUDGET TRANSFERS AND AMENDMENTS - UPTOWN TIF FUND

<u>Line Item</u>	<u>Description</u>	<u>Budget Before</u> <u>Transfer/Amendment</u>	<u>Transfer/</u> <u>Amendment</u>	<u>Budget After</u> <u>Transfer/Amendment</u>
204-1027-948500	General Contractual	\$ 804,000.00	\$ 49,985.03	\$ 853,985.03
204-3072-997100	Uptown Streetscaping	\$ -	\$ 14,784.65	\$ 14,784.65
204-811000	Property Tax	\$ (2,500,000.00)	\$ (64,769.68)	\$ (2,564,769.68)
BOTTOM LINE / IMPACT TO FUND BALANCE			\$ -	

Supporting information

The Intergovernmental Agreement (IGA) with School District 207 was settled in Fiscal Year 2017 resulting in two fiscal years of payments being made to the school in Fiscal Year 17 out of the general contractual line. This caused the line to be over budget.

An update of the design of the Uptown Streetscape was approved by Council. The corresponding budget was never established. \$14,784.65 is the actual expense incurred in FY17. Remaining expenses for the design will need to be budgeted and expensed in FY18.

Excess property tax collections are covering both items referenced above.

FY17 YEAR END BUDGET TRANSFERS AND AMENDMENTS - DEBT SERVICE FUND

<u>Line Item</u>	<u>Description</u>	<u>Budget Before</u> <u>Transfer/Amendment</u>	<u>Transfer/</u> <u>Amendment</u>	<u>Budget After</u> <u>Transfer/Amendment</u>
308-6110-999200	Bond Principal	\$ 100,000.00	\$ 230,239.01	\$ 330,239.01
BOTTOM LINE / IMPACT TO FUND BALANCE			\$ 230,239.01	

Supporting information

Bond issuance 2006A for TIF debt was refunded in 2016 with bond issuance 2016. As part of the refunding, the principal on issuance 2006A was paid down to allow for private placement of the 2016 issuance. As a result of paying down the principal, this bond fund has a negative fund balance. The FY18 Uptown TIF budget includes a transfer to cover this negative fund balance. This fund will be closed in FY18 upon that transfer.

FY17 YEAR END BUDGET TRANSFERS AND AMENDMENTS - IMRF FUND

<u>Line Item</u>	<u>Description</u>	<u>Budget Before</u> <u>Transfer/Amendment</u>	<u>Transfer/</u> <u>Amendment</u>	<u>Budget After</u> <u>Transfer/Amendment</u>
206-6050-949101	FICA/Medicare Expense	\$ 819,921.33	\$ 4,231.82	\$ 824,153.15
206-811000	Property Tax - FICA/Medicare	\$ (946,360.00)	\$ (4,231.82)	\$ (950,591.82)
BOTTOM LINE / IMPACT TO FUND BALANCE			\$ -	

Supporting information

FICA/Medicare expense is paid on actual wage expense. The total costs for the year were less than 1% greater than budget. Excess property tax revenue is covering the shortfall.

FY17 YEAR END BUDGET TRANSFERS AND AMENDMENTS - FOREIGN FIRE TAX FUND

<u>Line Item</u>	<u>Description</u>	<u>Budget Before</u>		<u>Transfer/</u>		<u>Budget After</u>	
		<u>Transfer/Amendment</u>		<u>Amendment</u>		<u>Transfer/Amendment</u>	
222-2023-952000	Materials	\$	-	\$	64,598.49	\$	64,598.49
222-816000	Foreign Fire Insurance Tax	\$	-	\$	(63,595.01)	\$	(63,595.01)
BOTTOM LINE / IMPACT TO FUND BALANCE				\$	1,003.48		

Supporting information

A FY17 budget was not established for this fund. FY17 expenditures were slightly greater than revenue collections. Fund balance is available to cover the shortfall.

FY17 YEAR END BUDGET TRANSFERS AND AMENDMENTS - ASSET FORFEITURE FUND

<u>Line Item</u>	<u>Description</u>	<u>Budget Before</u>		<u>Transfer/ Amendment</u>		<u>Budget After</u>	
		<u>Transfer/Amendment</u>		<u>Amendment</u>		<u>Transfer/Amendment</u>	
221-2012-952014	State Asset Forfeiture Expense	\$	-	\$	11,915.01	\$	11,915.01
221-853714	State Asset Forfeiture Revenue	\$	-	\$	(31,406.68)	\$	(31,406.68)
BOTTOM LINE / IMPACT TO FUND BALANCE				\$	(19,491.67)		

Supporting information

A FY17 activity related to state asset forfeitures was not expected so no budget was established for the activity. Revenue totaling \$31,406.68 was received. Of this \$11,915.01 was spent on authorized items.