



## Agenda Item Summary

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**Submitted By**

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**Reviewed By**

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**Agenda Item Title**

**An Ordinance Amending the Fiscal Year 2021 Annual Budget.**

**Overview**

An ordinance is hereby presented to appropriate funds for FY21. Continuously, staff evaluates all expenditures and certain adjustments must be made based on various circumstances. On a quarterly basis (and sometimes more often if needed), these amendments are recommended to the Village Board for approval.

**Recommendation**

Adopt the Ordinance.

**Fiscal Impact**

A summary of the amendments presented for Board consideration by Fund are summarized are as follows:

American Rescue Plan	\$14,079,820
CDBG	\$309,254
Farmer's Market	\$12,000
General	\$978,020
Health Grants	\$453,501
Motor Fuel	\$140,000
Parking	\$59,528
<b>TOTAL</b>	<b>\$16,032,123</b>

Included in the \$16,032,123 are carryovers from the prior year of \$309,254 and new funding requests of \$15,722,869. However, the largest component of the new funding request includes non-cash interfund transfers-out from the new American Rescue Plan (ARP) Fund to the General, Sustainability, CIP, and Parking Funds for "lost" revenues. This interfund transfer-out from the ARP Fund of \$14,079,820 will be offset with the same amount of corresponding revenue in the other four Funds mentioned and thus, will net out to zero overall.

Excluding the ARP interfund transfers-out, the new funding requests per this agenda item total \$1,643,049, the largest component is \$560,000 for firefighter overtime. Some of this overtime may possibly be

reimbursable by FEMA if the Village can provide evidence that such overtime was a direct result of COVID-19 (i.e. transporting COVID patients, sanitizing the ambulance after transport, etc.). Any eligible firefighter/paramedic overtime which is identified as a direct result of COVID will be submitted to FEMA under the next and final batch of expenses.

In addition to firefighter overtime, the next largest allocation of the new funding requests includes \$453,501 for various health expenditures related to COVID-19 which will primarily be funded by revenues from previously awarded mass vaccination and contact tracing health grants.

Assuming a worst-case scenario and none of the \$560,000 in firefighter overtime is reimbursed by FEMA, the new funding requests will draw down the fund balance by \$1,189,548 after excluding the non-cash interfund transfer amounts and the increase in health grant expenditures which will be reimbursed by various grants.

Please refer to the detailed budget amendment sheets attached to this agenda item for in-depth information on each of the amendments being recommended by staff for Board approval.

### **Background**

The annual budget which provides a ceiling on spending by account, department, and fund is approved each December for the subsequent fiscal year. While every effort is made during the budget process to project and forecast spending for the following year, there are instances when a budget amendment may be required in the following situations:

- 1) Funds were not entirely spent in the preceding year and it is thus necessary to shift the unspent budget into the current fiscal year (a “Carryforward” budget amendment).
- 2) Unforeseen expenditures which were not budgeted are necessary (a “New Money” budget amendment).
- 3) Funds are merely moved from one account to another within the budget (a “Reclassification” budget amendment).

### **Alternatives**

Additional information will be provided upon request.

### **Previous Board Action**

Ordinance 21-36 was adopted on April 19, 2021

### **Citizen Advisory Commission Action**

N/A

### **Anticipated Future Actions/Commitments**

N/A

### **Intergovernmental Cooperation Opportunities**

N/A

