

**VILLAGE OF DOWNERS GROVE
REPORT FOR THE VILLAGE COUNCIL MEETING
DECEMBER 21, 2010 AGENDA**

SUBJECT:	TYPE:	SUBMITTED BY:
Budget Amendment for Fiscal Year 2010	✓ Resolution Ordinance Motion Discussion Only	Judy Buttny Finance Director

SYNOPSIS

An ordinance has been prepared to amend the adopted budget for FY10 for activities in the CBD TIF Debt Services Fund and Municipal Buildings Fund that generated additional revenues and/or expenses not considered at the time the original budget ordinance was adopted.

STRATEGIC PLAN ALIGNMENT

The Five Year plan and Goals identified *Exceptional Municipal Organization*. A supporting objective of this goal is *Financially Sound and Sustainable Village Government*.

UPDATE & RECOMMENDATION

This item was discussed at the December 14, 2010 Council meeting. Staff recommends approval on the December 21, 2010 active agenda.

FISCAL IMPACT

The proposed ordinance will increase the FY10 budget authorization by \$12,165,000, largely resulting from specific accounting requirements. The explanation for the increases within each fund appears below. It is important to note that \$12 million dollars of this amount is accounted for by the two debt refundings, which resulted in approximately \$864,000 of present value savings to the Village, but necessitated an increase in revenues and expenses. Also, the \$165,000 budget amendment requested for the Municipal Buildings Fund is due to a timing issue as funds for the budgeted phone system that were expected to be paid in 2009 were actually disbursed in 2010.

BACKGROUND

Every fiscal year, which ends on December 31, Village staff reviews expenses and determines if any of the funds are expected to exceed the amount authorized by Council in the budget ordinance. For FY10, a budget amendment is being proposed for the following funds. It is important to note that the General Fund, the primary operating fund of the Village, requires no amendment, due to the continuous operational efficiencies implemented during the fiscal year.

- CBD TIF Debt Service Fund: Increase expenses and revenues by \$12,000,000 for both of the 2010 debt refundings which resulted in \$864,000 of present value savings to the Village in debt service payments.
- Municipal Buildings Fund: Increase expenses by \$165,000 due to the timing of payments for the budgeted phone system in the Municipal Buildings Fund. This project was budgeted in 2009 and installation began in 2009, but completion of the project and final payments were paid against the 2010 budget. The payments did not exceed the total project budget; it is simply a timing issue.

ATTACHMENTS

Ordinance

**VILLAGE OF DOWNERS GROVE
COUNCIL ACTION SUMMARY**

INITIATED: Dir. of Finance **DATE:** December 21, 2010
 (Name)

RECOMMENDATION FROM: _____ **FILE REF:** _____
 (Board or Department)

NATURE OF ACTION:

STEPS NEEDED TO IMPLEMENT ACTION:

- Ordinance
 Resolution
 Motion
 Other

Motion to approve "AN ORDINANCE PROVIDING FOR AN AMENDMENT TO ORDINANCE #5102 AND THE VILLAGE OF DOWNERS GROVE BUDGET FOR FISCAL YEAR 2010," as presented.

SUMMARY OF ITEM:

This ordinance adopts certain amendments to the 2010 Budget.

RECORD OF ACTION TAKEN:

ORDINANCE NO. _____

**AN ORDINANCE PROVIDING FOR AN AMENDMENT TO ORDINANCE #5102 AND
THE VILLAGE OF DOWNERS GROVE BUDGET FOR FISCAL YEAR 2010**

WHEREAS, on December 1, 2009, the Village Council of the Village of Downers Grove adopted Ordinance #5102 entitled “AN ORDINANCE ADOPTING THE FISCAL YEAR 2010 BUDGET IN LIEU OF PASSAGE OF AN APPROPRIATION ORDINANCE”; and

WHEREAS, a proposed amendment to the fiscal 2010 budget has been prepared; and

WHEREAS, the Village Council of the Village of Downers Grove has examined said amendment and has determined that it is necessary, desirable and in the public interest to further amend the fiscal 2010 budget as provided herein.

NOW, THEREFORE, BE IT ORDAINED by the Council of the Village of Downers Grove, in DuPage County, Illinois, as follows:

SECTION 1. That Ordinance #5102 entitled “AN ORDINANCE ADOPTING THE FISCAL YEAR 2010 BUDGET IN LIEU OF PASSAGE OF AN APPROPRIATION ORDINANCE”, as amended, be and is hereby further amended as follows:

Expenses By Fund	FY 2010 Adopted Budget	FY 2010 Amendment	FY 2010 Amended Budget
223 Major Buildings Fund Debt Service Fund	\$400,000	\$165,000	\$565,000
338 CBD TIF Debt Service Fund	\$2,875,427	\$12,000,000	\$14,875,427
Total Village & Library Budget	\$117,590,413	\$12,165,000	\$129,755,413

SECTION 2. That, except as amended herein, the original budget ordinance shall remain in full force and effect.

SECTION 3. That this Ordinance shall be in full force and effect from and after its adoption and publication as required by law.

Mayor

Passed:

Published:

Attest: _____

Village Clerk