

**VILLAGE OF DOWNERS GROVE**  
**Report for the Village Council Meeting**

**5/2/2017**

<b>SUBJECT:</b>	<b>SUBMITTED BY:</b>
FY16 Budget Amendment Ordinance	Judy Buttny Finance Director

**SYNOPSIS**

An ordinance has been prepared to amend the Village Budget for FY16 to reflect expenses that were not foreseen at the time the budget was adopted. This amendment is needed because the Village refunded stormwater bonds in FY16 to capture savings resulting from favorable interest rates. This refunding is recorded both as an expense and a revenue.

**STRATEGIC PLAN ALIGNMENT**

The goals for 2015-2017 include *Steward of Financial, Environmental and Neighborhood Sustainability*.

**FISCAL IMPACT**

Approval of this ordinance has no fiscal impact. The ordinance is required to bring the budgeted amounts in line with actual expenses.

**UPDATE & RECOMMENDATION**

This item was discussed at the April 18, 2017 Village Council meeting. Staff recommends approval at the May 2, 2017 Village Council meeting.

**BACKGROUND**

The Village's FY16 Budget was authorized by ordinance in November 2015 and the Village's fiscal year began on January 1, 2016 and closed on December 31, 2016.

When, as a result of unforeseen circumstances, expenses in any of the Village's funds exceed the amount authorized in the budget ordinance, the Village is required by law to pass an amendment to the budget ordinance to adjust the budget for the expenses. No amendments are required for revenues. The explanation for the amendment required is provided below:

Stormwater Fund: Increase expenses and revenues by \$5,500,000 for the refunding of the Stormwater bonds which resulted in \$1,000,000 of present value savings to the Village in debt service payments. This is due to the accounting entry required to show the proceeds from the new lower interest rate bond going into the fund (revenue entry) and paying off the old higher interest rate bond coming out of the fund (expense entry).

The following table summarizes the budget amendment:

<b>Fund</b>	<b>FY16 Adopted Budget</b>	<b>Amount of Budget Amendment</b>	<b>FY16 Budget, as Amended</b>
Stormwater Fund	\$7,487,008	\$5,500,000	\$12,987,008
<b>Total Village &amp; Library Budget</b>	<b>\$129,971,503</b>	<b>\$5,500,000</b>	<b>\$135,471,503</b>

**ATTACHMENTS**

Ordinance

VILLAGE OF DOWNERS GROVE  
COUNCIL ACTION SUMMARY

INITIATED: Director of Finance      DATE: May 2, 2017  
(Name)

RECOMMENDATION FROM: \_\_\_\_\_      FILE REF: \_\_\_\_\_  
(Board or Department)

**NATURE OF ACTION:**

- Ordinance
- Resolution
- Motion
- Other

**STEPS NEEDED TO IMPLEMENT ACTION:**

Motion to approve "AN ORDINANCE PROVIDING FOR AN AMENDMENT TO ORDINANCE #5491 AND THE VILLAGE OF DOWNERS GROVE BUDGET FOR FISCAL YEAR 2016", as presented.



**SUMMARY OF ITEM:**

This ordinance adopts certain amendments to the 2016 Budget.

**RECORD OF ACTION TAKEN:**

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**ORDINANCE NO. \_\_\_\_\_****AN ORDINANCE PROVIDING FOR AN AMENDMENT TO ORDINANCE #5491 AND THE VILLAGE OF DOWNERS GROVE BUDGET FOR FISCAL YEAR 2016**

WHEREAS, on November 3, 2015, the Village Council of the Village of Downers Grove adopted Ordinance #5491 entitled "AN ORDINANCE ADOPTING THE FISCAL YEAR 2016 BUDGET IN LIEU OF PASSAGE OF AN APPROPRIATION ORDINANCE"; and

WHEREAS, proposed amendments to the fiscal year 2016 budget have been prepared; and

WHEREAS, the Village Council of the Village of Downers Grove has examined said amendments and have determined that it is necessary, desirable and in the public interest to further amend the fiscal year 2016 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 #5491 entitled "AN ORDINANCE ADOPTING THE FISCAL YEAR 2016 BUDGET IN LIEU OF PASSAGE OF AN APPROPRIATION ORDINANCE", as amended, be and is hereby further amended as follows:

<b>Expenses By Fund</b>	<b>FY 2016 Adopted Budget</b>	<b>FY 2016 Amendment</b>	<b>FY 2016 Amended Budget</b>
443 Stormwater Fund	\$7,487,008	\$5,500,000	\$12,987,008
<b>Total Village &amp; Library Budget</b>	<b>\$129,971,503</b>	<b>\$5,500,000</b>	<b>\$135,471,503</b>

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