

MEMORANDUM

August 31, 2023

TO: Mayor John P. Kahl and Members of the City Council

FROM: City Attorney Scott A. Brunton

SUBJECT: Supplemental Appropriation Ordinance for 2023-2024 Fiscal Year

DISCUSSION:

The City has incurred some additional expenses for the current 2023-2024 fiscal year that were not anticipated when the 2023-2024 Appropriation Ordinance was approved in March 2023. The provisions of the Illinois Municipal Code allow for the adoption of a Supplemental Appropriation Ordinance when a municipality has available cash reserves or receives unanticipated revenues from new revenue sources or above prior estimated revenues from regular revenue sources.

The City has sufficient funds in cash reserves to fund these additional expenses that will be incurred during the 2023-2024 fiscal year, and this Supplemental Appropriation Ordinance provides the City with the required authority to use the City's cash reserves for funding these additional expenses.

RECOMMENDATION: Approval.

ORDINANCE NO. 4746

**AN ORDINANCE PROVIDING FOR SUPPLEMENTAL APPROPRIATIONS
FOR THE FISCAL YEAR COMMENCING THE FIRST MONDAY IN MAY A.D. 2023**

WHEREAS, on March 7, 2023, the City Council and Mayor adopted Ordinance No. 4706, being the annual appropriation for the City of East Peoria for the fiscal year beginning May 1, 2023, and ending April 30, 2024 (the “Annual Appropriation Ordinance”); and

WHEREAS, the City has incurred unexpected additional expenses for the following projects and debt service payments as set forth herein that became necessary to complete during the 2023-2024 fiscal year:

- Additional audit related costs (Municipal Audit Fund);
- Preliminary engineering services for new Police Department facility (Police Department);
- Development project loan for multi-use development in Levee District (W. Washington Street TIF);

(collectively the “Projects”); and

WHEREAS, the City has incurred these unexpected additional Project costs in the following amounts in addition to the amounts set forth in the Annual Appropriation Ordinance:

- Additional audit related costs: \$50,000.00;
- Preliminary engineering services for new Police Department facility: \$500,000.00; and
- Fund development project loan for multi-use development in Levee District: \$16,000,000.00;

(collectively the “Additional Project Costs”); and

WHEREAS, the Additional Project Costs exceed the amounts appropriated for the respective Project line items for the respective City Departments in the Annual Appropriation Ordinance; and

WHEREAS, no excess funds exist in the Annual Appropriation Ordinance that can be lawfully transferred to pay the Additional Project Costs within the respective departments; and

WHEREAS, the City also maintains undesignated cash reserves in the City’s General Fund that can be used to cover the Additional Project Costs that were not appropriated in the Annual Appropriation Ordinance; and

WHEREAS, Section 8-2-9 of the Illinois Municipal Code (65 ILCS 5/8-2-9) provides the City with the authority to make supplemental appropriations during the fiscal year after the Annual Appropriation Ordinance has been adopted in order to appropriate undesignated reserve funds that were not appropriated under the Annual Appropriation Ordinance; and

WHEREAS, the City Council hereby finds that it is necessary and in the best interests of the City to appropriate additional funds through the following supplemental appropriation to the Annual Appropriation Ordinance as provided herein;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF EAST PEORIA, TAZEWELL COUNTY, ILLINOIS, THAT:

Section 1. The above-listed recitals are hereby found to be true, correct, and accurate, and are hereby incorporated herein.

Section 2. The following supplemental funds, or so much thereof as may be authorized by law, be and the same are hereby appropriated for corporate purposes of the City of East Peoria, Illinois, to defray all necessary expenses and liabilities of said City of East Peoria as hereinafter specified, for the fiscal year from May 1, 2023 to April 30, 2024 (the "Supplemental Appropriation"). The funds comprising the Supplemental Appropriation are from fund balances available upon the adoption of the Annual Appropriation Ordinance, but were not appropriated by the Annual Appropriation Ordinance. Accordingly, this Supplemental Appropriation is in addition to the sums appropriated from the same sources and for the same purposes as described in the Annual Appropriation Ordinance or as new line items in the respective departments:

MUNICIPAL AUDIT FUND:

Total Municipal Audit Fund	\$50,000
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POLICE DEPARTMENT:

Engineering Services	\$500,000
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W. WASHINGTON STREET TIF:

Development Agreement/Loan Disbursement	<u>\$16,000,000</u>
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TOTAL SUPPLEMENTAL APPROPRIATION	\$16,550,000
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Section 3. This Ordinance is in addition to all other ordinances on the subject and shall be construed with all such ordinances or parts of ordinances except that to the extent that such ordinances or parts of ordinance are in conflict with the provisions of this Ordinance, those ordinances or parts of ordinance in conflict with the provisions of this

Ordinance are hereby superseded and repealed by this Ordinance, and any conflicts shall be governed by this Ordinance.

Section 4. This Ordinance is hereby ordered to be published in pamphlet form by the East Peoria City Clerk and said Clerk is ordered to keep at least three (3) copies hereof available for public inspection in the future and in accordance with the Illinois Municipal Code.

Section 5. This Ordinance shall be in full force and effect from and after its passage, approval and ten (10) day period of publication in the manner provided by law.

PASSED BY THE COUNCIL OF THE CITY OF EAST PEORIA, TAZEWELL COUNTY, ILLINOIS, IN REGULAR AND PUBLIC SESSION BY A TWO-THIRDS VOTE IN COMPLIANCE WITH SECTION 8-2-9 OF THE MUNICIPAL CODE (65 ILCS 5/8-2-9) THIS ____ DAY OF _____, 2023.

APPROVED:

Mayor

ATTEST:

City Clerk

EXAMINED AND APPROVED:

Corporation Counsel

CERTIFICATE OF PUBLICATION

I, MORGAN CADWALADER and the undersigned, do hereby certify that I am the duly qualified and acting Clerk of the City of East Peoria, a municipal corporation of and in the County of Tazewell, Illinois, that the foregoing Ordinance No. 4746 is a true and accurate copy of the Ordinance passed by the City Council and Mayor of the City of East Peoria on the meeting date set forth therein, and that the Ordinance was published by me in pamphlet form this _____ day of _____, 2023, by making three (3) copies thereof available on that date for public inspection.

City Clerk

STATE OF ILLINOIS)
) SS
COUNTY OF TAZEWELL)

CERTIFICATE

I, MORGAN R. CADWALADER, DO HEREBY CERTIFY THAT I am the City Clerk in and for the City of East Peoria, a municipal corporation of and in the County of Tazewell, Illinois; that the foregoing is a true and correct copy of an Ordinance No. 4746 duly passed by the Mayor and City Council of the City of East Peoria entitled "An Ordinance Providing for Supplemental Appropriations for the Fiscal Year Commencing the First Monday in May A.D 2023", at a regular meeting held on the _____ day of _____, 2023, the Ordinance being a part of the official records of said City.

DATED this _____ day of _____, 2023.

Morgan R. Cadwalader, City Clerk

(SEAL)