

City of Willoughby Hills

Interoffice Memo

Date: December 5, 2014
To: Mayor Robert Weger and Members of City Council
From: Frank J. Brichacek, Director of Finance *FJB*
Subject: 2014 Operating Budget Revisions - Final

The attached schedule details the final revisions to the 2014 which I feel will be necessary for City Departments to complete 2014 within budget based upon my current projections of 2014 expenditures. There are no significant increases to any of the fund appropriations. In most cases, all that is necessary are reallocations of the departmental appropriations within expenditure categories. In order for this ordinance to be certified by the County Budget Commission it must be adopted by City Council and approved by the Mayor by no later than December 31, 2014. Accordingly, I am requesting that this ordinance be adopted by City Council on its first reading at the December 11th, 2014 Council meeting.

The proposed appropriation revisions are summarized as follows:

General Fund

No changes are being proposed for the General Fund's overall 2014 appropriation of \$6,405,400. The following reallocations of the General Fund appropriation are proposed;

- **Mayor's Court 110.120** - A reallocation of \$2,000 from the Court's operating budget to its wage and benefit budget to provide additional funding for the part-time court clerk. At this time I am projecting that the amount expended for the part-time court clerk will be very close to what was budgeted.
- **Service Department 110.350**
 - A reallocation of \$18,600 to from the Operations & Maintenance Budget to the Personnel and Benefits budget to provide for the cost of Service Department labor on various building maintenance projects.
 - An increase of \$35,000 in the General Fund Subsidy Transfer to the Street Construction, Maintenance and Repair Special Revenue Fund No. 250 to finance an increase in that fund's 2014 appropriation.
- **Recreation 110.460** – An increase of \$1,000 in the General Fund Subsidy Transfer to provide for the cost of administrative staffing and expenses which are not financed by Recreation user fees.
- **Community Center 110.465** – An increase of \$7,000 in the Personnel and Benefits budgets to provide for the cost of staffing the Community Center.
- **Building Department 110.570** – A total increase of \$4,000 to provide for the following changes:
 - An increase of \$2,000 to provide additional funding for the new Zoning Clerk who has worked several hours more than her predecessor and a slight under-estimation in the amount budgeted for the Building Commissioner's salary.
 - An increase of \$2,000 to provide for the cost of engineering services related to the discovery of an abandoned sewerage plant buried on a property in the City.
- **Safety Forces Subsidy Transfer 110.234** – A reallocation of \$47,000 from this account to finance increases in the budgets above. This reallocation is possible base upon my projection that only \$3,455,000 of the budgeted \$4,125,200 budgeted General Fund Subsidy will be required, mainly the result of open part-time police and dispatch positions, open full time dispatch positions and under-runs in the amount of overtime projected to be worked by the Police.

Mayor and Members of City Council
Re: 2014 Operating Budget Revision No. 31 - Final
December 6, 2014
Page 3 of 3

Veteran's Memorial Special Revenue Fund No. 215

An increase in this fund's 2014 \$300 appropriation in the amount of \$300 to provide for the cost installing memorial bricks and flowers in excess of the amount budgeted. This fund's appropriation increase is being financed by the sale of memorial bricks and donations for the maintenance of the memorial which were received during 2014.

Police Pension Special Revenue Fund No. 220

No change to this fund's 2014 \$75,700 appropriation is being proposed. \$500 is being reallocated from the Benefit budget to the Operations and Maintenance budget to fund the cost of property tax collection fees charged by Lake County which exceeded the amount budgeted.

Safety Forces Special Revenue Fund No. 234

A decrease in this fund's 2014 appropriation of \$5,031,400 in the amount of \$47,000 based upon the following changes:

- **Administration 234.110** – An increase of \$1,200 in the amount of the 3% fee charged by the Regional Income Tax Agency for the collection of the portion of the City's income tax dedicated to financing the Safety Forces. The 2014 budget was based upon projected collections of \$803,500. Actual revenue for 2014 is projected to be \$934,000.
- **Police Department 234.230** – A total decrease of \$31,200 in the amount budgeted mainly due to part-time officers working fewer hours during the year than was budgeted.
- **Dispatchers 234.235** – A total decrease of \$17,000 in the amount budgeted mainly resulting from open full-time dispatch positions during the year.
- **Fire Department 234.240** – A reallocation of \$6,000 from the Benefits budget to the Personnel budget mainly to provide for overtime worked in excess of the amount budgeted made necessary due to the extended absence of a full-time firefighter.

Street Construction, Maintenance and Repair Special Revenue Fund No. 250

An increase in this fund's 2014 appropriation of \$1,167,900 in the amount of \$35,000 to provide for the following:

- **Personnel and Benefits** – An increase of \$19,000 resulting from the more service department labor being performed for street maintenance purposes than was anticipated in the 2014 budget. This increase is offset by budget under-runs in other funds.
- **Operations & Maintenance** – An increase of \$16,000 mainly resulting from projected vehicle and equipment maintenance and repairs exceeding the amount budgeted by approximately \$30,000.

Recreation Operations Special Revenue Fund No. 280

An increase in this fund's 2014 appropriation of \$70,200 in the amount of \$6,800 to provide for the following:

- **Personnel and Benefits** – An increase of \$2,800 mainly the result of the retirement of the Recreation Board Secretary and the transition from the former person to the new person. During this transition period, the retiring secretary was paid to train the new secretary.
- **Transfer to Recreation Capital Project Fund No. 460** – An increase of \$4,000 to provide for the transfer of revenue in excess of expenditures for various recreation functions such as the Pancake Breakfast and Craft Shows which generated more "profit" than was budgeted.

Park Maintenance Special Revenue Fund No. 285

No change to this fund's 2014 \$42,800 appropriation is being proposed. \$900 is being reallocated to fund a slight over-run in the amount of labor charged to this fund.

Capital Improvements Fund No. 420

An increase in this fund's 2014 appropriation of \$254,000 in the amount of \$1,300 to provide for collection fees charged by Lake County for the collection of Estate Tax remitted to the City in the second half of 2014. This amount was not anticipated due to the elimination in 2013 of the Estate Tax by the State Legislature. The City received \$94,068 in Estate Tax revenue during 2014.

Fire Department Capital Project Fund No. 441

An increase in this fund's 2014 appropriation of \$127,400 in the amount of \$3,000 to provide additional financing for the cost of the collection of EMS fees by the City's billing agent. The cost of this service is based upon revenue collected and was simply underestimated in the 2014 adopted budget.

Engineering and Inspection Trust Fund No. 823

An increase in this fund's 2014 appropriation of \$60,000 in the amount of \$30,000 to provide for the payment of engineering fees for private plan reviews that exceeded the amount projected in the 2014 operating budget. The purpose of this fund is to hold in trust moneys collected from property owners for engineering reviews of their projects. Any remaining funds that were received by the City after the engineering work is completed are refunded to the property owner.

Enclosure

Appropriations					
Fund/Activity		Current Appropriation	Increase/ (Decrease)	Revised Appropriation	
110		GENERAL FUND			
110	110	General Fund - Administration			
		Personnel	\$396,800	\$0	\$396,800
		Benefits	93,900	0	93,900
		Operations & Maintenance	791,500	0	791,500
		Total	\$1,282,200	\$0	\$1,282,200
110	120	General Fund - Court			
		Personnel	\$33,300	\$1,000	\$34,300
		Benefits	5,200	1,000	6,200
		Operations & Maintenance	36,200	(2,000)	34,200
		Total	\$74,700	\$0	\$74,700
110	234	General Fund - Safety Forces			
		Transfer to Safety Forces SR Fund 234	\$4,125,200	(\$47,000)	\$4,078,200
		Total	\$4,125,200	(\$47,000)	\$4,078,200
110	350	General Fund - Service Department			
		Personnel	\$0	\$7,800	\$7,800
		Benefits	0	10,800	10,800
		Operations & Maintenance	\$240,700	(\$18,600)	\$222,100
		Transfer To SCMR SR Fund 250	348,300	35,000	383,300
		Transfer To Capital Improvement Fund 42	2,000	0	2,000
		Total	\$591,000	\$35,000	\$626,000
110	460	General Fund - Recreation			
		Transfer To Recreation SR Fund 280	\$27,200	\$1,000	\$28,200
		Total	\$27,200	\$1,000	\$28,200
110	465	General Fund - Community Center Operations			
		Personnel	\$40,500	\$6,000	\$46,500
		Benefits	6,300	1,000	7,300
		Operations & Maintenance	130,700	0	130,700
		Total	\$177,500	\$7,000	\$184,500
110	570	General Fund - Building Department			
		Personnel	\$86,600	\$2,000	\$88,600
		Benefits	28,900	0	28,900
		Operations & Maintenance	12,100	2,000	14,100
		Total	\$127,600	\$4,000	\$131,600

110		General Fund - Total			
		Personnel	\$557,200	\$16,800	\$574,000
		Benefits	134,300	12,800	147,100
		Operations & Maintenance	1,211,200	(18,600)	1,192,600
		Transfer to Other Funds	4,502,700	(11,000)	4,491,700
		TOTAL - GENERAL FUND	\$6,405,400	\$0	\$6,405,400

SPECIAL REVENUE FUNDS					
200		FEMA Grants Fund			
202		Operations & Maintenance	\$0	\$0	\$0
		Total	\$0	\$0	\$0
203		Law Enforcement Grants Fund			
		Personnel	\$0	\$0	\$0
		Benefits	0	0	0
		Operations & Maintenance	0	0	0
		Advance Repayment To Law Enforcement Trust Fund 800	0	0	0
		Total	\$0	\$0	\$0
210		Court Improvement Fund			
		Personnel	\$49,300	\$0	\$49,300
		Benefits	26,500	0	26,500
		Operations & Maintenance	7,500	0	7,500
		Total	\$83,300	\$0	\$83,300

ORDINANCE NO. 2014 - 81

EXHIBIT "A"

PAGE 1 OF 5

Appropriations				
Fund/Activity		Current Appropriation	Increase/ (Decrease)	Revised Appropriation
110	GENERAL FUND			Appropriation
215	Veterans Memorial Fund			
	Operations & Maintenance	\$300	\$300	\$600
	Total	\$300	\$300	\$600
218	Community Center Donation Fund			
	Operations & Maintenance	\$200	\$0	\$200
	Total	\$200	\$0	\$200
220	Police Pension Fund			
	Benefits	\$73,000	(\$500)	\$72,500
	Operations & Maintenance	2,700	500	3,200
	Total	\$75,700	\$0	\$75,700
234	Safety Forces Fund			
234	110 Administration			
	Operations & Maintenance	\$28,300	\$1,200	\$29,500
	Total	\$28,300	\$1,200	\$29,500
234	230 Police Department			
	Personnel	\$1,926,300	(\$24,000)	\$1,902,300
	Benefits	564,500	(6,000)	558,500
	Operations & Maintenance	314,700	(1,200)	313,500
	Advance To Employee Termination SR Fund 296	0	0	0
	Total	\$2,805,500	(\$31,200)	\$2,774,300
234	235 Dispatchers			
	Personnel	\$343,600	(\$12,000)	\$331,600
	Benefits	137,400	(5,000)	132,400
	Operations & Maintenance	199,500	0	199,500
	Transfer To Debt Service Fund 310	107,800	0	107,800
	Total	\$788,300	(\$17,000)	\$771,300
234	240 Fire Department			
	Personnel	\$785,000	\$6,000	\$791,000
	Benefits	310,800	(6,000)	304,800
	Operations & Maintenance	199,600	0	199,600
	Transfer To Fire Levy SR Fund 240	59,400	0	59,400
	Transfer To Debt Service Fund 310	54,500	0	54,500
	Advance To Employee Termination SR Fund	0	0	0
	Total	\$1,409,300	\$0	\$1,409,300
234	Safety Forces Special Revenue Fund - Total			
	Personnel	\$3,054,900	(\$30,000)	\$3,024,900
	Benefits	1,012,700	(17,000)	995,700
	Operations & Maintenance	742,100	0	742,100
	Transfer to Other Funds	221,700	0	221,700
	TOTAL - Safety Forces Fund	\$5,031,400	(\$47,000)	\$4,984,400
240	Fire Levy			
	Personnel	\$548,600	\$0	\$548,600
	Benefits	86,600	0	86,600
	Operations & Maintenance	24,900	0	24,900
	Total	\$660,100	\$0	\$660,100
250	Street Construction, Maintenance & Repair Fund			
	Personnel	\$270,100	\$17,000	\$287,100
	Benefits	97,800	2,000	99,800
	Operations & Maintenance	800,000	16,000	816,000
	Total	\$1,167,900	\$35,000	\$1,202,900
255	License Fee Fund			
	Operations & Maintenance	\$19,500	\$0	\$19,500
	Transfer To SCMR SR Fund 250	61,500	0	61,500
	Transfer To Pleasant Valley Bridge Maint	53,200	0	53,200
	Total	\$134,200	\$0	\$134,200
260	State Highway Fund			
	Operations & Maintenance	\$32,800	\$0	\$32,800
	Total	\$32,800	\$0	\$32,800

ORDINANCE NO. 2014 - 81

EXHIBIT "A"

PAGE 2 OF 5

Appropriations				
	Fund/Activity	Current Appropriation	Increase/ (Decrease)	Revised Appropriation
110	GENERAL FUND			
	Appropriation			
270	Road Levy Fund			
	Personnel	\$214,200	\$0	\$214,200
	Benefits	83,800	0	83,800
	Operations & Maintenance	217,600	0	217,600
	Transfer To Debt Service Fund 310	223,600	0	223,600
	Total	\$739,200	\$0	\$739,200
280	Recreation Operations Levy			
	Personnel	\$13,300	\$2,300	\$15,600
	Benefits	2,000	500	2,500
	Operations & Maintenance	46,800	0	46,800
	Transfer To Rec. Capital Project Fund 460	8,100	4,000	12,100
	Total	\$70,200	\$6,800	\$77,000
285	Park Maintenance Fund			
	Personnel	\$25,300	(\$300)	\$25,000
	Benefits	5,900	(600)	5,300
	Operations & Maintenance	11,600	900	12,500
	Total	\$42,800	\$0	\$42,800
296	Employee Termination Fund			
	Personnel	\$0	\$0	\$0
	Benefits	0	0	0
	Operations & Maintenance	900	0	900
	Advance Repayment To Safety Forces SR Fund 234	22,200	0	22,200
	Total	\$23,100	\$0	\$23,100
297	W.H.I.S.P.E.R. Fund			
	Operations & Maintenance	\$5,000	\$0	\$5,000
	Total	\$5,000	\$0	\$5,000
298	Garfield Park Fund			
	Operations & Maintenance	\$4,000	\$0	\$4,000
	Total	\$4,000	\$0	\$4,000
200	Special Revenue Fund Group - Total			
	Personnel	\$4,175,700	(\$11,000)	\$4,164,700
	Benefits	1,388,300	(15,600)	1,372,700
	Operations & Maintenance	1,915,900	17,700	1,933,600
	Transfer to Other Funds	590,300	4,000	594,300
	TOTAL - SPECIAL REVENUE FUND GROUP	\$8,070,200	(\$4,900)	\$8,065,300
300	DEBT SERVICE FUNDS			
310	Bond Retirement Fund			
	Operations & Maintenance	\$2,980,200	\$0	\$2,980,200
	Total	\$2,980,200	\$0	\$2,980,200
320	Special Assessment Bond Retirement Fund			
	Operations & Maintenance	\$800	\$0	\$800
	Total	\$800	\$0	\$800
300	Debt Service Fund Group - Total			
	Operations & Maintenance	\$2,981,000	\$0	\$2,981,000
	TOTAL - DEBT SERVICE FUND GROUP	\$2,981,000	\$0	\$2,981,000

ORDINANCE NO. 2014 - 81

EXHIBIT "A"

PAGE 3 OF 5

Appropriations			
Fund/Activity	Current Appropriation	Increase/ (Decrease)	Revised Appropriation
110	GENERAL FUND		Appropriation

CAPITAL PROJECT FUNDS				
400	CAPITAL PROJECT FUNDS			
420	Capital Improvement Fund			
	Operations & Maintenance	\$178,000	\$1,300	\$179,300
	Transfer To Debt Service Fund 310	76,000	0	76,000
	Total	\$254,000	\$1,300	\$255,300
423	Classic TIF Fund			
	Operations & Maintenance	\$6,100	\$0	\$6,100
	Transfer To Debt Service Fund 310	102,000	0	102,000
	Total	\$108,100	\$0	\$108,100
441	Fire Dept. Capital Project Fund			
	Operations & Maintenance	\$6,100	\$3,000	\$9,100
	Transfer To Debt Service Fund 310	121,300	0	121,300
	Total	\$127,400	\$3,000	\$130,400
443	Pleasant Valley Rd. Bridge Maintenance Fund			
	Operations & Maintenance	\$15,000	\$0	\$15,000
	Total	\$15,000	\$0	\$15,000
444	Fire Dept. Equipment Capital Project Fund			
	Operations & Maintenance	\$1,100	\$0	\$1,100
	Transfer To Debt Service Fund 310	13,900	0	13,900
	Total	\$15,000	\$0	\$15,000
460	Recreation Capital Project Fund			
	Operations & Maintenance	\$34,800	\$0	\$34,800
	Total	\$34,800	\$0	\$34,800

400	Capital Project Fund Group - Total			
	Operations & Maintenance	\$241,100	\$4,300	\$245,400
	Transfers to Other Funds	313,200	0	313,200
	TOTAL - CAPITAL PROJECT FUND GROUP	\$554,300	\$4,300	\$558,600

ENTERPRISE FUNDS				
600	ENTERPRISE FUNDS			
610	Sewer Service Fund -			
	Personnel	\$134,500	\$0	\$134,500
	Benefits	42,800	0	42,800
	Operations & Maintenance	1,037,500	0	1,037,500
	Transfer to Debt Service Fund 310	463,700	0	463,700
	Total	\$1,678,500	\$0	\$1,678,500
641	ECTW Assessment Area "C"			
	Personnel	\$0	\$0	\$0
	Benefits	0	0	0
	Operations & Maintenance	0	0	0
	Total	\$0	\$0	\$0

600	Enterprise Fund Group - Total			
	Personnel	\$134,500	\$0	\$134,500
	Benefits	42,800	0	42,800
	Operations & Maintenance	1,037,500	0	1,037,500
	Transfer to Other Funds	463,700	0	463,700
	TOTAL - ENTERPRISE FUND GROUP	\$1,678,500	\$0	\$1,678,500

ORDINANCE NO. 2014 - 81

EXHIBIT "A"

PAGE 4 OF 5

Appropriations				
	Fund/Activity	Current Appropriation	Increase/ (Decrease)	Revised Appropriation
110	GENERAL FUND	Appropriation		
800	TRUST & AGENCY FUNDS			
800	DEA Fund			
	Personnel	\$0	\$0	\$0
	Benefits	0	0	0
	Operations & Maintenance	120,000	0	120,000
	Transfer to Law Enforcement Fund 203	0	0	0
	Advance To Law Enforcement Grants Fund 203	0	0	0
	Total	\$120,000	\$0	\$120,000
802	Law Enforcement Trust Fund			
	Personnel	\$0	\$0	\$0
	Benefits	0	0	0
	Operations & Maintenance	23,000	0	23,000
	Total	\$23,000	\$0	\$23,000
805	Unclaimed Moneys Trust Fund			
	Operations & Maintenance	\$36,000	\$0	\$36,000
	Total	\$36,000	\$0	\$36,000
809	Petty Cash Trust Fund			
	Operations & Maintenance	\$700	\$0	\$700
	Total	\$700	\$0	\$700
819	Zoning Escrow Agency Fund			
	Operations & Maintenance	\$4,400	\$0	\$4,400
	Total	\$4,400	\$0	\$4,400
821	Construction Bond Trust Fund			
	Operations & Maintenance	\$50,000	\$0	\$50,000
	Total	\$50,000	\$0	\$50,000
823	Engineering & Inspection Trust Fund			
	Operations & Maintenance	\$60,000	\$30,000	\$90,000
	Total	\$60,000	\$30,000	\$90,000
800	Trust & Agency Fund Group - Total			
	Personnel	\$0	\$0	\$0
	Benefits	0	0	0
	Operations & Maintenance	294,100	30,000	324,100
	Transfer to Other Funds	0	0	0
	TOTAL - TRUST & AGENCY FUND GROUP	\$294,100	\$30,000	\$324,100
	TOTAL - ALL FUNDS			
	Personnel	\$4,867,400	\$5,800	\$4,873,200
	Benefits	1,565,400	(2,800)	1,562,600
	Operations & Maintenance	7,680,800	33,400	7,714,200
	Transfer to Other Funds	5,869,900	(7,000)	5,862,900
	TOTAL - ALL FUND GROUPS	\$19,983,500	\$29,400	\$20,012,900

ORDINANCE NO. 2014 - 81

EXHIBIT "A"

PAGE 5 OF 5