

**ORDINANCE 11-61 Passed November 14, 2011**

**AMENDING THE FISCAL YEAR 2011  
BUDGET OF THE CITY OF DEKALB,  
ILLINOIS.**

**WHEREAS**, the City of DeKalb is a home rule municipality within Article VII, Section 6A of the Illinois Constitution and, pursuant to the powers granted to it thereby and under 65 ILCS 5/1-1 *et seq.*; and,

**WHEREAS**, the City of DeKalb currently utilizes a budget process as contemplated by Article 8, Division 2 of the Illinois Municipal Code including but not limited to 65 ILCS 5/8-2-9.1 through 65 ILCS 5/8-2-9.10; and,

**WHEREAS**, the City of DeKalb City Council has determined that use of the budget process is necessary and advantageous and support the public health, welfare, safety and morals and has codified that process through provisions of the City of DeKalb Municipal Code; and,

**WHEREAS**, the City of DeKalb City Council has previously authorized and the City has previously made entries upon its balance sheet making inter-fund loans between certain funds maintained by the City of DeKalb; and,

**WHEREAS**, the City of DeKalb has a population of less than 500,000 and has passed this ordinance amending the Municipal Budget for Fiscal Year 2011 ("FY 2011 Budget") by a two-thirds majority vote of the corporate authorities then holding office; now,

**THEREFORE, BE IT ORDAINED** by the corporate authorities of the City of DeKalb:

**SECTION ONE: BUDGET AMENDED:**

The City Council hereby ratifies and affirms the following inter-fund transfers previously made by the City, as reflected on the Fund Balance Summary of the Budget for FY 2011:

Transfer of \$767,000 from General Fund to Workers Compensation Fund; Transfer of \$206,000 from General Fund to Airport Fund.

The foregoing inter-fund transfers were originally contemplated to be inter-fund loans that would, over time, be repaid from the fund that was the recipient of the loan back to the fund that was the source of the loan. The inter-fund transfers were made to provide for proper fund balances within the City's various funds, and to pay expenses from cash available to the City in its existing funds. The City has now determined that the repayment of such inter-fund loans is not necessary or advantageous and is not required under applicable law, and that similarly, certain other fund debts should be forgiven. Accordingly, by approval of this Ordinance, the City Council approves the forgiveness of the above-described inter-fund loans, and forgiveness of debt owed to the General Fund approved as follows:

Forgiveness of Debt of \$704,000 in the Capital Projects Fund; Forgiveness of Debt of \$1,934,000 in the Airport Fund.

This action shall have an impact upon the Fund Balance Summary as reflected in the FY 2011 Budget, which impact is described as follows:

| Descriptions               | Capital Fund | Workers Compensation | Health Insurance | Liability/Property Fund | Airport Fund   | General Fund   |
|----------------------------|--------------|----------------------|------------------|-------------------------|----------------|----------------|
| Beginning Balance 7/1/10   | (516,670.00) | (1,757,014.00)       | 1,200,325.00     | (23,862.00)             | (1,709,222.00) | 3,508,222.00   |
| Current Year Activity      | (155,491.00) | 870,152.00           | (592,408.00)     | (34,591.00)             | (427,894.00)   | 2,800,086.00   |
| Transfer Cash-General Fund |              | 767,000.00           | -                | -                       | 206,000.00     | (973,000.00)   |
| Transfer Cash-Health Ins.  |              | 120,000.00           | (60,000.00)      | 60,000.00               |                |                |
| Advance from other funds   | 704,000.00   |                      |                  |                         | 1,934,000.00   | (2,638,000.00) |
| Ending Balance 6/30/11     | 31,839.00    | 138.00               | 547,917.00       | 1,547.00                | 2,884.00       | 2,697,308.00   |
| Fund Policy                | Planned Cost | 1,000,000.00         | 4%               | 25%                     | 25%            | 25%            |
| Current Fund Balance       | Planned Cost | 138.00               | 11%              | 0.98%                   | 0.39%          | 10.41%         |

| Cash Balance                      | General Fund |
|-----------------------------------|--------------|
| Beginning Balance<br>-audit draft | 1,223,670.00 |
| Transfer of Cash                  | (973,000.00) |
| Ending Balance                    | 250,670.00   |

The City Council hereby approves, affirms and ratifies both the inter-fund loans and the forgiveness of said loans, and approves, affirms and ratifies an amendment to the FY 2011 Budget as described above.

**Section 2.** That each section, paragraph, sentence, clause and provision of this ordinance is separable and if any provision is held unconstitutional or invalid for any reason, such decision shall not affect the remainder of this ordinance, nor any part thereof, other than that part affected by such decision.

**Section 3.** That except as to the amendments heretofore mentioned, all Sections of the Municipal Code of the City of DeKalb, Illinois shall remain in full force and effect.

**Section 4.** Upon its passage and approval according to law, this Ordinance shall, by authority of the City Council, be published in pamphlet form. On the tenth day after the date of publication, this Ordinance shall be in full force and effect. Publication date: November 15, 2011. Effective date: November 25, 2011.

**PASSED BY THE CITYCOUNCIL** of the City of DeKalb, Illinois, at a regular meeting, held on the 14<sup>th</sup> day of November, 2011 and approved by me as Mayor on the same day. Received and filed by voice vote. Waiver of second reading requirement in Section 2.04 (e) of the Municipal Code passed by roll call vote: 7-0. Aye: Jacobson, Teresinski, Lash, Gallagher, Naylor, Baker, O' Leary. Passed on second reading by roll call vote: 7-0. Aye: Jacobson, Teresinski, Lash, Gallagher, Naylor, Baker, O' Leary. Nay: None.

**ATTEST:**

  
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STEVE KAPITAN, City Clerk

  
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KRIS POVLSEN, Mayor

