



REPORT TO TOWN BOARD

FROM: Andrew J. Quarnstrom, Township Supervisor

DATE: January 10th, 2023

SUBJECT: Fiscal Year 2022/2023 Budget Amendment, Ordinance 2023-0101

A. Introduction: The purpose of this Ordinance is to amend the FY 2022/2023 budget. These amendments include a budget transfer from the Township Administration Fund to the General Assistance Fund in the amount of \$372,000.00, an amendment to the Emergency Rental Assistance line in the amount of \$113,388.49, establishing the Low Barrier Shelter Fund (fund 820), establishing and transferring operational funds to the Prosperity Gardens account, establishing the Low Barrier Shelter Fund in the amount of \$1,961,999.13, and amending the Low Barrier Shelter Fund in the amount of \$1.2 million for the purchase of 70 E. Washington.

B. Recommended Action: The Township Administration recommends approval of this Ordinance.

C. Summary:

These amendments are a culmination of previously discussed amendments as well as new budget changes as it relates to the shelter and higher than expected costs in the Township's General Assistance programs.

D. Background:

1. City of Champaign Grant: The City of Champaign Township implemented an Emergency Rental Assistance program in 2018. Since then, the program has expanded in scope and partnership and the Township now works closely with Cunningham Township and Regional Planning Commission to operate a no wrong door concept for rental assistance in Champaign County. In April of 2022, the City of Champaign granted the City of Champaign Township \$50,000.00 for the sole purpose of supplementing the Township's emergency rental assistance program which had, through March of the 2021/2022 fiscal year, expended over 90% of its budgeted amount. The Township spent \$36,611.54 through June 30th of 2022. In August of 2022, 2022-801, the Township amended its budget to allocate the remaining \$13,388.46 to the FY 2022/2023 budget year. In September of 2022, 2022-0901, the Township amended its budget to increase the amount of rental assistance the Township will provide in FY 2022/2023 by \$100,000.00 for a total of \$165,000.00 in FY 2022/2023. This amendment will approve two previously discussed budget amendments to increase the rental assistance fund by \$113,338.48 for a total available budget in FY 2022/2023 of \$176,388.46.

2. Strides Low Barrier Shelter: In September of 2022, 2022-0902, the Township established the Low Barrier Shelter Fund (fund 820) and the corresponding revenues and expenditures associated with operating and staffing of the shelter. The amendment increased revenues by \$1,961,999.33 and expenditures by \$1,961,999.33. In December, the Township purchased 70 E. Washington, Champaign to be used as the Strides Low Barrier shelter. The cost of this purchase exceeded the original budget line

item for Property Rights and Acquisition (82080815-53000) established for the Township to lease a space to operate a low barrier shelter. This amendment accounts for the increased costs associated with the purchase rather than leasing by increasing expenditures by \$1.2 million, and increase the corresponding revenues offset by \$1.2 million.

3. General Assistance Fund. Historically, the City of Champaign Township General Assistance Fund has maintained a fund balance of between \$270,000 and \$250,000. Beginning in FY 2019/20, with the onset of the COVID-19 pandemic, the General Assistance Fund saw unprecedented financial demand as it relates to services. To accommodate this increased level of service the budgeted expenditures, primarily for rental assistance, were increased above revenues. During the FY 2021/2022 financial audit, the deficit was identified as an issue to address as the fund balance had been completely depleted and the FY 2021/2022 ending fund balance was negative by \$185,416.53. In addition, the adopted FY 2022/2023 budget for the General Assistance Fund is project to be at a deficit, where expenditures are above budgeted revenues by \$186,197.33, which would bring the total projected ending fund balance for FY 2022/23 to a negative \$371,613.86. To address this deficit, the proposed budget amendment will authorize a one-time transfer of available fund balance from the Supervisors' Administration Fund to the General Assistance Fund in the amount of \$370,000. This transfer will reduce the available fund balance in the Supervisors' Administration Fund and result in a projected ending fund balance for the fund of \$96,884.17. In addition, this budget amendment will bring the General Assistance Fund back into balance with a projected ending fund balance of \$386.14.

E. Alternatives:

1. Approve Ordinance 2023-0101, An Ordinance Amending the City of Champaign Township Budget and Appropriation for FY 2022/2023.
2. Do not approve Ordinance 2023-0101, An Ordinance Amending the City of Champaign Township Budget and Appropriation for FY 2022/2023 and provide staff with alternative direction.

F. Discussion of Alternatives:

Alternative 1 approves Ordinance 2023-0101 and allocates funding appropriately to the various funds noted in Exhibit A.

a. Advantages

- Approving Ordinance 2023-0101 will ensure funding is appropriate for Township programs and operational needs.

b. Disadvantages

- No disadvantage to approving Ordinance 2023-0101.

Alternative 2 Do not approve Ordinance 2023-0101.

a. Advantages

- None.

b. Disadvantages

- Not approving this amendment would negatively impact the Township's ability to provide programming and its operational needs.

G. Community Input: Input can be given during the public comments section of the meeting at which this item is considered as well as a public hearing on this budget amendment slated for January 10th, 2023.

H. Budget Impact: Outside of actual budget transfer, no additional budget impact is recognized.

I. Staffing Impact: Approximately two hours of staff time was dedicated to this amendment and the associated report.

Prepared by:

Andrew Quarnstrom
Township Supervisor