



## Memorandum

To: Honorable Mayor and Members of the City Council  
Administration and Public Works Committee

From: Wally Bobkiewicz, City Manager  
Martin Lyons, Assistant City Manager/Treasurer

Subject: Resolution 67-R-11: FY 2012 Budget of the City of Evanston

Date: November 23, 2011

### Recommended Action:

Staff recommends approval of Resolution 67-R-11 adopting the FY 2012 Budget of the City of Evanston, in the amount of \$250,096,993.

### Summary:

Staff recommends approval of the FY 2012 Budget of the City of Evanston, in the amount of \$250,096,993. The annual budget is a policy document which sets the financial course for the City and defines the service priorities provided to the community. It is the culmination of months of effort by the City staff and public to balance available resources with the actual and desired services required by Evanston residents, businesses and visitors.

The FY 2012 Proposed Budget document was published on October 7, 2011. After publishing the document, a series of meetings involving the City Council and public were held to facilitate a community dialogue and to discuss possible changes to balance the FY 2012 budget. A summary of the changes to the Proposed Budget which are recommended for inclusion in the FY 2012 Adopted Budget is provided below.

### General Fund:

The FY 2012 Proposed Budget for the General Fund includes revenues totaling \$85,013,206 and expenditures totaling \$87,436,000, resulting in a deficit of \$2,422,794. In an effort to address the General Fund deficit, staff submitted a series of recommended revenue enhancements and expenditure reductions for City Council consideration. Additionally, staff proposed several "Below the Line" adjustments to be considered during City Council deliberations relative to the General Fund budget. The

City Council reviewed the initial staff budget-balancing proposals and requested the following adjustments be included in the FY 2012 Adopted Budget:

- Eliminate 3% property tax increase.
- Raise parking meter rates by \$0.25 citywide beginning February 1, 2012.
- Reduce the proposed recreation fee increases by \$150,000.
- Transfer the cost of unpaid ticket collection to violators beginning April 1, 2012.
- Exclude parking meter expirations from the \$5.00 parking fine increase, to be implemented by April 1, 2012.
- Adjust athletic contest and real estate transfer tax revenue projections.
- Reduce property tax allocation to the Solid Waste Fund by \$554,033.
- Retain Crossing Guard program in-house.
- Eliminate the vacant Zoning Planner position.
- Eliminate the \$500,000 transfer to the Capital Improvement Fund.
- Restore the four Forestry Worker III positions proposed for elimination.

In addition to these changes, staff will proceed with the creation of a Library Fund as part of the FY 2012 budget. As a result of this change, the FY 2012 budget for the Library Department, totaling \$4,649,599, will be moved from the General Fund to the newly created Library Fund. Revenues totaling \$4,649,599 will also be moved from the General Fund to the Library Fund. The net impact of this change on the General Fund balance is \$0. A complete list of adjustments to the General Fund budget has been provided as an attachment to this report. The total General Fund adjustments will result in budgeted revenues of \$82,700,787 and expenditures of \$82,696,543 which will produce a budgeted surplus of \$4,244.

#### Homelessness Prevention and Rapid Re-Housing Program (HPRP)

As part of the FY 2012 Proposed Budget, staff projected HPRP revenues and expenditures totaling \$288,460. This projection was made several months ago based on programmatic information available at the time. Staff has reviewed the remaining HPRP grant funds available from HUD and has updated its previous projection. As a result, staff recommends reducing the FY 2012 HPRP revenues and expenditures to \$80,000. This will effectively close the HPRP in FY 2012.

#### Capital Improvements Fund

Based on Council deliberations of the 2012 Capital Improvements Plan, Staff is proposing the reduction in projects financed through property tax supported debt by \$1.1 million, reducing the total projects funded in this manner to \$5,180,213. The table listed below provides a summary of this reduction:

Description	Department	Funding Source	Project Ranking	FY12 Funding Request
<b>RECOMMENDED PROJECTS</b>				
Service Center Parking Deck Structural and Waterproofing Repairs	PRCS	GO Debt	1	700,000
Lakefront - Lagoon Area Improvements	PRCS	GO Debt	1	50,000
Bridge Street Bridge (HBP)	Public Works	GO Debt	1	50,000
Chicago Avenue Streetscape	Public Works	GO Debt	1	100,000
Church Street Brick Sidewalk Replacement - Ridge to Chicago	Public Works	GO Debt	1	240,000
Church Street Rehab - Ridge to Chicago	Public Works	GO Debt	1	160,000
Citywide Pavement Evaluation	Public Works	GO Debt	1	200,000
Davis Street Brick Sidewalk Replacement - Hinman to Orrington	Public Works	GO Debt	1	230,000
Fire Station #2 Boiler/Chimney & Apparatus Floor Heating	PRCS	GO Debt	2	210,000
CIP Street Resurfacing - Watermain Projects I	Public Works	GO Debt	2	900,000
Police Fire Roof Replacement	PRCS	GO Debt	3	400,000
New Salt Dome	Public Works	GO Debt	3	460,000
Civic Center Parking Lot Lighting Improvements	PRCS	GO Debt	4	350,000
Service Center Locker Room Renovations	Public Works	GO Debt	4	392,500
Fire Station #1 Mechanical Upgrade	PRCS	GO Debt	5	150,000
City Works Sign, Signal and Street Light Inventory and Upgrade	Public Works	GO Debt	5	100,000
Civic Center Renovations	PRCS	GO Debt	6	487,713
<b>SUBTOTAL - RECOMMENDED PROJECTS</b>				<b>5,180,213</b>
<b>PROJECTS PREVIOUSLY RECOMMENDED PER PROPOSED BUDGET</b>				
Bridge Rehab Program - Isabella	Public Works	GO Debt	6	710,000
Main Library Pump and Fan Replacement	PRCS	GO Debt	7	30,000
Metra Station Heating Control Replacements	PRCS	GO Debt	8	10,000
Downtown Brick Replacement Program	Public Works	GO Debt	9	350,000
<b>SUBTOTAL - PREVIOUSLY RECOMMENDED PROJECTS</b>				<b>1,100,000</b>

### Sewer Fund

The FY 2012 Proposed Budget did not include the recognition of Sewer Surcharge revenues and debt service payments made in connection with this new charge enacted in 2010. Larger not-for-profit Sewer customers were charged a surcharge to cover capital and debt service costs in the Sewer Fund. This refinancing of Sewer Debt was accomplished in the 2011A Bond issue. The sewer surcharge revenues that will be transferred to the Debt Service Fund equals \$117,215 which is approximately 20% of the debt service associated with the \$8.0 million in debt issued for this refinancing. This change does not impact the City's 2011 tax levy ordinances, but will increase the abatement request made to the County. The tax levy abatement resolutions for 2011 taxes/payable in 2012 will be presented at the December 12, 2011 Council meeting.

### Solid Waste Fund

The FY 2012 Proposed Budget included a recommendation to allocate \$1.8M of property tax revenue to the Solid Waste Fund. The recommended \$1.8M property tax allocation would typically be collected as revenue for the General Fund. As part of the budget review process, the City Council directed staff to increase the monthly rate for refuse carts beginning February 1, 2012. The refuse cart fee increases would be as follows:

- Increase the small refuse cart fee by \$1.00 to \$7.95.
- Increase the large refuse cart fee by \$4.00 to \$14.95.

Refuse cart fees are collected as revenue in the Solid Waste Fund. By increasing the refuse cart rates, the recommended \$1.8M allocation of property tax revenues to the Solid Waste Fund can be reduced. Staff anticipates the refuse cart increases will generate approximately \$554,033 in new revenue in FY 2012. This revenue projection

includes a potential 10% migration of residents from large refuse carts to small carts to avoid the higher fee. As a result of the refuse cart fee adjustments, staff has lowered the property tax allocation to the Solid Waste Fund to \$1,245,967.

In addition to the refuse cart fee increases, staff recommended a series of revenue enhancements for the Solid Waste Fund as part of the FY 2012 Proposed Budget. These revenue enhancements, totaling \$182,000, were developed by Public Works staff, in conjunction with AFSCME Local 1891 represented employees, and are as follows:

- Increase fee for special pickups to \$35 for the first three cubic yards and \$15 for additional three cubic yards. The current rate is \$25 for first three cubic yards and \$10 for every additional three cubic yards.
- Increase yard waste sticker fee by \$0.25, from \$1.75 to \$2.00.

Attachments:

Resolution 67-R-11

FY 2012 General Fund Budget Reduction Worksheet

11/23/2011

**67-R-11**

**A RESOLUTION**

**Approving the 2012 Fiscal Year  
Budget of the City of Evanston**

**WHEREAS**, 65 Illinois Compiled Statutes 5/8-2-9.1 *et seq.* and Title 1, Chapter 8 of the City Code, require the City Manager to submit to the City Council a proposed budget for the ensuing fiscal year that presents a complete revenues and expenditures plan for each fund; and

**WHEREAS**, in accordance with legal requirements, the City Manager submitted the proposed budget for the 2012 fiscal year to the City Council for its review and the required hearings on said budget were conducted and properly noticed to the public thereto; and

**WHEREAS**, the City Council has reviewed the proposed budget, with a total expenditure amount of \$250,096,993

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL  
OF THE CITY OF EVANSTON, COOK COUNTY, ILLINOIS:**

**SECTION 1:** That the City of Evanston's 2012 fiscal year budget, with a total expenditure amount of \$250,096,993, summarized in the document attached hereto and incorporated herein as Exhibit A, is hereby adopted, and the City Manager is directed to implement said budget.

**SECTION 2:** That this Resolution shall be in full force and effect from and after the date of its passage and approval in the manner provided by law.

  
Elizabeth B. Tisdahl, Mayor

Attest:

  
Rodney Greene, City Clerk

Adopted: November 28, 2011

## EXHIBIT A

**City of Evanston- Fiscal Year 2012****Adopted Budget Summary**

<b>Fund Name</b>	<b>Fund #</b>	<b>2012 Adopted Budget</b>
General	100	\$ 82,696,543
Homelessness Prev. & Rapid Re-Housing Program	190	80,000
Neighborhood Stabilization Program	195	7,449,363
Motor Fuel	200	2,236,990
Emergency Telephone	205	1,266,845
Special Service Area # 4	210	398,000
CDBG	215	1,696,193
CDBG Loan	220	20,000
Economic Development	225	2,393,618
Neighborhood Improvement	235	50,000
HOME	240	663,958
Affordable Housing Fund	250	230,590
Library Fund	260	4,649,599
Washington National TIF	300	7,978,376
Special Service Area # 5	305	423,232
Southwest II TIF	310	856,203
Southwest TIF	315	608,920
Debt Service (G.O. Bonds)	320	13,122,403
Howard-Ridge TIF	330	1,567,736
West Evanston TIF	335	4,020,000
Capital Improvement	415	12,717,358
Special Assessment	420	1,472,660
Parking	505	15,251,140
Water	510	20,663,758
Sewer	515	21,461,143
Solid Waste	520	5,187,861
Fleet	600	5,718,513
Equipment Replacement	601	2,450,000
Insurance	605	16,765,991
Fire Pension	700	7,109,000
Police Pension	705	8,891,000
<b>Total All Funds</b>		<b>\$ 250,096,993</b>

CITY OF EVANSTON FY 2012 BUDGET REDUCTION WORKSHEET		
GENERAL FUND		
	FY 2012 INITIAL	FY 2012 FINAL
RECOMMENDED REVENUES	ADJUSTMENTS	ADJUSTMENTS
<b>GENERAL FUND BUDGET ADJUSTMENTS - REVENUES</b>		
<b>Citywide</b>		
Transfer from Compensated Absences	257,000	257,000
Transfer from IMRF Reserve	259,000	259,000
3% Property Tax Increase	1,230,000	-
Library Budget - Revenue	235,800	-
C-Ticket / Administrative Adjudication Fee Adjustments	23,000	23,000
Increase 1-Day liquor License Fees	2,850	2,850
Increased Collections of Money Owed to City	320,000	320,000
License Plate Recognition System	100,000	100,000
Increase Parking Fines by \$5 (9 mo.)	530,000	220,000
Contract Out Crossing Guard Program (To be implemented in Sept, 2012 - 50% of Yearly Savings)	50,000	-
Police and Fire Fee Increases (10% Increase)	20,000	20,000
Recreation Program Fee Adjustments	300,000	150,000
Revenue from Township - Job Training & Mentoring	50,000	50,000
Moving Van Permit Fee	50,000	50,000
Increase Parking Meters by \$0.25 Citywide (11 mo.)	-	641,667
Athletic Tax Adjustment	-	53,663
Real Estate Transfer Tax Adjustment	-	100,000
Transfer Cost of Ticket Collection Agency Fee to Violators (9 mo.)	-	90,000
Creation of Library Fund - Revenue	-	(4,649,599)
<b>SUBTOTAL REVENUE ADJUSTMENTS</b>	<b>\$ 3,427,650</b>	<b>\$ (2,312,419)</b>
	FY 2012 INITIAL	FY 2012 FINAL
RECOMMENDED REDUCTIONS	ADJUSTMENTS	ADJUSTMENTS
<b>CITY-WIDE BUDGET ADJUSTMENTS - EXPENDITURES</b>		
<b>Department Reduction Detail</b>		
<b>Citywide</b>		
Salary and Benefit Adjustments (\$546,562 Citywide Savings)	475,000	475,000
Non-Represented Employees - 2% Merit / Step Increase	(160,000)	(160,000)
Health Insurance Restructuring (est. \$600K all Funds) - Change of Employee Contributions, Dependent Audit and Plan Design	500,000	500,000
Reduction in Support for ECMC	100,000	100,000
<b>Subtotal Citywide</b>	<b>\$ 915,000</b>	<b>\$ 915,000</b>
<b>Administrative Services</b>		
City Cell Phone Stipend Reduction and Reduction of City-Owned Cell Phones	15,000	15,000
Addition of Collections Coordinator Position (Full-Time Contracted)	(50,000)	(50,000)
Crossing Guard Program - Contract Out Savings	41,375	-
Elimination of Parking Supervisor Position	70,800	70,800
Elimination of Tech Support Specialist I	106,000	106,000
Transfer of 50% of GIS Specialist to Water Fund	54,000	54,000
Decrease Budget for Unemployment Insurance	100,000	100,000
Information Technology Infrastructure	(150,000)	(150,000)
Contractual Risk Management Services	(100,000)	(100,000)
<b>Subtotal Administrative Services</b>	<b>\$ 87,175</b>	<b>\$ 45,800</b>

CITY OF EVANSTON FY 2012 BUDGET REDUCTION WORKSHEET		
GENERAL FUND		
	FY 2012 INITIAL	FY 2012 FINAL
RECOMMENDED REDUCTIONS	ADJUSTMENTS	ADJUSTMENTS
<b>Community and Economic Development</b>		
Elimination of Minority / Women / Evanston Based Business Coordinator	120,000	120,000
Elimination of Community Intervention Coordinator (vacant)	86,000	86,000
Elimination of Zoning Planner Position (vacant)	-	100,225
Addition of Management Analyst Position	(80,000)	(80,000)
<b>Subtotal Community and Economic Development</b>	<b>\$ 126,000</b>	<b>\$ 226,225</b>
<b>Police</b>		
Department-wide Efficiencies	15,000	15,000
311 Program Adjustments	50,000	50,000
<b>Subtotal Police</b>	<b>\$ 65,000</b>	<b>\$ 65,000</b>
<b>Fire</b>		
Reduction in Hireback Overtime	50,000	50,000
Increase in Training	(28,000)	(28,000)
<b>Subtotal Fire</b>	<b>\$ 22,000</b>	<b>\$ 22,000</b>
<b>Health</b>		
Addition of Environmental Health Practitioner	(85,000)	(85,000)
<b>Subtotal Health</b>	<b>\$ (85,000)</b>	<b>\$ (85,000)</b>
<b>Parks, Recreation and Community Services</b>		
Reduce Unemployment Cost of Seasonals	100,000	100,000
Elimination of Parks PW II Position (vacant)	86,800	86,800
Elimination of Secretary II Position	64,000	64,000
Reclassify Health Program Coordinator to Assistant Youth Coordinator	34,000	34,000
Addition of Assistant Youth Coordinator	(55,000)	(55,000)
Job Training / Mentoring Program Expense - Funding from Township	(50,000)	(50,000)
Safe Summer Programs	50,000	50,000
Reduction in hours for the Facilities Supervisor - Noyes	20,000	20,000
Inclusion Specialist Reclass to Full-Time	(30,000)	(30,000)
Forestry Program Modifications (Elimination of 4 Parks Forestry Worker III Positions and Addition of \$243,000 in Contractual Services)	140,000	-
Elimination of Management Analyst	80,000	80,000
<b>Subtotal Parks, Recreation and Community Services</b>	<b>\$ 439,800</b>	<b>\$ 299,800</b>
<b>Library</b>		
Creation of Library Fund - Expense	-	4,649,599
Library Budget - Expense	(235,800)	(140,000)
<b>Subtotal Library</b>	<b>\$ (235,800)</b>	<b>\$ 4,509,599</b>

CITY OF EVANSTON FY 2012 BUDGET REDUCTION WORKSHEET		
GENERAL FUND		
	FY 2012 INITIAL	FY 2012 FINAL
RECOMMENDED REDUCTIONS	ADJUSTMENTS	ADJUSTMENTS
<b>Public Works</b>		
Street Sweeping Staffing Change (1 Full-time Equipment Operator I (vacant) to 2 Part-time)	30,000	30,000
Elimination of Civil Engineer II	107,000	107,000
Property Tax Allocation to Solid Waste Fund	(1,800,000)	(1,245,967)
Reduction of Worker's Comp / Liability Cost	100,000	100,000
Transfer to Capital Projects Fund	(500,000)	-
Fleet Maintenance Activities	(250,000)	(250,000)
<b>Subtotal Public Works</b>	<b>\$ (2,313,000)</b>	<b>\$ (1,258,967)</b>
<b>TOTAL PROPOSED REVENUES (General Fund)</b>	<b>\$ 85,013,206</b>	<b>\$ 85,013,206</b>
<b>TOTAL PROPOSED EXPENDITURES (General Fund)</b>	<b>\$ 87,436,000</b>	<b>\$ 87,436,000</b>
<b>TOTAL PROPOSED DEFICIT (General Fund)</b>	<b>\$ 2,422,794</b>	<b>\$ 2,422,794</b>
<b>TOTAL REVENUE ADJUSTMENTS (General Fund)</b>	<b>\$ 3,427,650</b>	<b>\$ (2,312,419)</b>
<b>TOTAL EXPENDITURE REDUCTIONS (General Fund)</b>	<b>\$ (978,825)</b>	<b>\$ 4,739,457</b>
<b>TOTAL DEFICIT REDUCTION (General Fund)</b>	<b>\$ 2,448,825</b>	<b>\$ 2,427,038</b>
<b>TOTAL REVISED PROPOSED REVENUES (General Fund)</b>	<b>\$ 88,440,856</b>	<b>\$ 82,700,787</b>
<b>TOTAL REVISED PROPOSED EXPENSES (General Fund)</b>	<b>\$ 88,414,825</b>	<b>\$ 82,696,543</b>
<b>NET BALANCE (General Fund)</b>	<b>\$ 26,031</b>	<b>\$ 4,244</b>
	FY 2012 INITIAL	FY 2012 FINAL
POTENTIAL ADDITIONAL REDUCTIONS - "BELOW THE LINE"	ADJUSTMENTS	ADJUSTMENTS
<b>Citywide</b>		
Additional Three Day Holiday Furlough - Columbus Day, President's Day and Veteran's Day (\$389,544 Citywide Savings - Subject to Collective Bargaining)	302,000	-
Non-Represented Employees - 1% Additional Merit / Step Increase	80,000	-
Reduction of 1 Parking Enforcement Officer (vacant)	60,000	-
Additional Parks and Recreation Fee Adjustments	100,000	-
Additional 1% Property Tax Increase	400,000	-
<b>SUBTOTAL POTENTIAL ADDITIONAL REDUCTIONS</b>	<b>\$ 942,000</b>	<b>\$ -</b>

**CITY OF EVANSTON FY 2012 BUDGET REDUCTION WORKSHEET  
GENERAL FUND**

	FY 2012 INITIAL	FY 2012 FINAL
<b>RECOMMENDED REDUCTIONS - OTHER FUNDS</b>	<b>ADJUSTMENTS</b>	<b>ADJUSTMENTS</b>
<b>Utilities (Water / Sewer Fund)</b>		
Transfer of 50% of GIS Specialist Position from General Fund	\$ (54,000)	\$ (54,000)
<b>Subtotal Utilities</b>	<b>\$ (54,000)</b>	<b>\$ (54,000)</b>
<b>Solid Waste (Solid Waste Fund)</b>		
Solid Waste Revenue Increases	182,000	-
Solid Waste Expense Reductions	226,000	-
Property Tax Allocation to Solid Waste Fund	1,800,000	1,245,967
Increase Small Can Refuse Fee by \$1.00 to \$7.95 (11 mo.)	-	45,833
Increase Large Can Refuse Fee by \$4.00 to \$14.95 (11 mo.)	-	508,200
<b>Subtotal Solid Waste Fund</b>	<b>\$ 2,208,000</b>	<b>\$ 1,800,000</b>
<b>TOTAL ADJUSTMENTS (Other Funds)</b>	<b>\$ 2,154,000</b>	<b>\$ 1,746,000</b>
	FY 2012 INITIAL	FY 2012 FINAL
<b>ONE-TIME BUDGET ITEMS</b>	<b>ADJUSTMENTS</b>	<b>ADJUSTMENTS</b>
<b>One-Time Revenues</b>		
Transfer from Township	250,000	-
Transfer from Special Assessment for Capital Projects	800,000	-
<b>Subtotal One-Time Revenues</b>	<b>\$ 1,050,000</b>	<b>\$ -</b>
<b>One-Time Expenses</b>		
Vehicle Replacement	150,000	-
Forestry IT Hardware / Software	100,000	-
Capital Projects	800,000	-
<b>Subtotal One-Time Expenses</b>	<b>\$ 1,050,000</b>	<b>\$ -</b>
<b>NET BALANCE ONE-TIME BUDGET ITEMS</b>	<b>\$ -</b>	<b>\$ -</b>
	FY 2012 INITIAL	FY 2012 FINAL
<b>OTHER NON-BUDGETARY ITEMS</b>	<b>ADJUSTMENTS</b>	<b>ADJUSTMENTS</b>
Modify Township Operations - Tax-Payer Savings Only	\$ 50,000	\$ 50,000
<b>TOTAL NON-BUDGET ITEMS</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>