



SPECIAL CITY COUNCIL MEETING

**Tuesday, March 22, 2011
6:00 p.m.**

**CITY OF EVANSTON, ILLINOIS
COUNCIL CHAMBERS
LORRAINE H. MORTON CIVIC CENTER
2100 RIDGE AVENUE, EVANSTON 60201**

AGENDA

- 1) Roll Call
 - 2) Close for Executive Session - Personnel
- Reconvene at 7 pm for Special City Council Meeting
- 3) Public Comment
 - 4) FY2012 Budget Issues and Community Priorities
 - 5) Close for Executive Session – Litigation and Minutes
 - 6) Adjournment



Memorandum

To: Honorable Mayor and Members of the City Council

From: Joellen Earl, Administrative Services Director

CC: Wally Bobkiewicz, City Manager
Martin Lyons, Asst. City Manager/Treasurer

Subject: FY2012 Budget Issues and Community Priorities

Date: March 18, 2011

Recommended Action:

On Tuesday March 22, 2011 the City Council will be presented with a financial analysis for the City of Evanston. The presentation will provide historical and projection data for the City's operating and capital financial activities from 2008-09 through 2013. No formal action is requested.

Funding Source:

N/A

Summary:

The national and local economy continues to show a mixture of slow recovery which should mean improved stability for the City of Evanston operating budget for 2011. Unfortunately, the financial troubles of the State of Illinois will continue to be a destabilizing influence on the City budget until long term solutions are found at the state level. The presentation to be provided on Tuesday March 22, 2011 to the City Council will be both a review and projection of City financials that will help frame the discussion on resource allocation for the 2012 budget and beyond. The presentation will include:

- General Fund Revenue Projections – Sales, Income, Property and Utility taxes make up a large portion of our operating revenues. In 2010 the City reviewed fees and made several changes to fee levels. Based on the total current revenue picture, further adjustments to revenues can be discussed.
- General Fund Expenditure Projections – Communities across the country are re-examining and prioritizing core and non-core City services. This expense review will show the reductions made to date as a backdrop for future discussions as the City continues to address expense/revenue gaps.

- Infrastructure and Capital Needs – Over the past twelve months the City has considered capital funding on two separate occasions. We continue to reduce capital programs to only those areas that absolutely must be maintained. This review of Infrastructure and Capital Needs is designed to facilitate a discussion of future expenses and ongoing revenue sources to support these expenses with minimal and targeted debt issuance.

The information provided in this report will be used to guide the City's upcoming internal budget research and preparation, as well as the community review process contemplated in the next few months.

The discussion document will be posted to the City's website after City Council discussion on March 22, 2010.