



CITY COUNCIL

OCTOBER 15, 2011

ROLL CALL – PRESENT:

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| Alderman Braithwaite | Alderman Grover |
| Alderman Wilson | Alderman Rainey |
| Alderman Holmes | Alderman Burrus |
| Alderman Tendam | Alderman Fiske |

A quorum was present.

ABSENT: Alderman Wynne

PRESIDING: Mayor Elizabeth B. Tisdahl

A SPECIAL MEETING of the City Council was called to order by Mayor Tisdahl Saturday, October 15, 2011, 9:15 a.m. in the Council Chamber for the purpose of conducting a Budget Presentation on the FY 2012 Proposed Budget.

Alderman Wynne arrived at 9:23 a.m.

Mayor Tisdahl welcomed everyone to the meeting and called on City Manager to begin the presentation.

City Manager Bobkiewicz explained that he would begin with a “State of the City” report and then Mr. Marty Lyons would give an overview of the general and other funds followed by discussion and questions and answers.

To begin, Mr. Bobkiewicz stated that this was a very difficult budget to do. In March he expressed his concerns that we had come to the end of the line where reduction of additional expenditures and lack of an increase in revenues would get us where we need to go. We reached out to the community for feedback and provided the results several weeks ago. He said we have come to the point where we do not have the ability to make additional reductions without raising revenues. The budget has several changes to revenues necessary to allow us to continue to provide important quality of life services our residents expect. One of the challenges however, is that it is very difficult for many of our residents to continue to pay higher taxes, charges, fees, etc. But feedback he has received tells him people are in Evanston because of the quality of life services we provide. So, what is the balance between revenues and expenditures? He will provide a framework with options that he thinks makes sense but will ultimately be up to City Council to make the decisions to balance the budget. With that said, he proceeded with his report and answered questions and heard comments from aldermen.

Alderman Grover asked what our goals are in the way of how much debt we are carrying. What should our budget look like?

Mr. Bobkiewicz answered that there is no particular number or dollar amount – we need to grow the economic pie – increase economic activity, bring businesses here, create new jobs, continue to be proactive, look ahead to the next 10-15 years.

Mr. Bobkiewicz then called on Marty Lyons for his presentation.

Mr. Lyons started by thanking staff for their help in creating the budget. He continued with a focus on the status of general funds and other funds. The 2012 budget will be a 12-month calendar budget. There is a projected deficit for the year of approximately \$2.4 million with the anticipation of a year-end surplus of about \$942,000. Some of this amount can be attributed to the 2011 10-month budget year. Which of our expenses would stay in a 10-month budget? Our estimate of what we think we would be able to manage is a little over 1% below budget on the expense side.

Alderman Rainey said though she understands some things can be attributed to a 10-month budget, some things are not, such as real estate transfer tax. The increase in the over budgeted revenue we received has nothing to do with a short budget year.

A request was made to provide Council with a list of large sale properties in 2011.

Regarding the Solid Waste Fund, Mr. Lyons explained that it is a new fund that is not self-sufficient. A discussion is needed to determine what revenue source would be used to make it self-sufficient over the coming years such as property tax, higher user fees or other tax. The General Fund will most likely be the source for any subsidy when user fees themselves don't cover all costs. We budgeted a \$1.0 million but came in at \$1.45 million deficit because of an error omitting the solid waste refuse contract included in the 2011 budget. The contract was valued at \$1.2 million. Through reductions in other parts of the budget, the difference was about \$450,000.- \$500,000. The contract is now included in both the 2011 and 2012 budgets.

Mayor Tisdahl inquired whether in terms of the contract, would it be environmentally wise to charge more for solid waste than for recycling. Could we increase the fees for our larger garbage cans?

Mr. Lyons replied that yes, it would be possible. A sustainability goal would be for citizens to use the smaller cans and by definition, putting more into recycling.

Mayor Tisdahl then asked to see some numbers on that.

Alderman Burrus suggested thinking about composting to reduce what is put into trash.

City Manager Bobkiewicz mentioned that Public Works has been working on converting old refuse cans to compost cans. He will have numbers put together for Council.

Alderman Rainey asked for clarification from the legal department as to whether it was a legal requirement that Evanston recycle or is it an option.

Mr. Bobkiewicz and Mr. Lyons then went through the line items of the General Fund revenue adjustments. Aldermen asked a few questions but mainly requested written details to various areas of the proposed budget.

Mr. Bobkiewicz thanked all of the people involved who worked on the budget. He then highlighted the calendar and reminded Council that the next meeting would be October 29 with the opportunity for public comment.

After a short break, there were many more questions and explanations and many more requests for detailed information for certain budget line items.

Mayor Tisdahl confirmed that Mr. Bobkiewicz wants Council to give him their top four priorities to be placed on the October 24 Council meeting agenda.

With no further comments or questions, Alderman Holmes motioned to adjourn. Alderman Wilson seconded.

Meeting adjourned at 11:40 a.m.

Respectfully submitted by Elaine Autwell, Deputy City Clerk