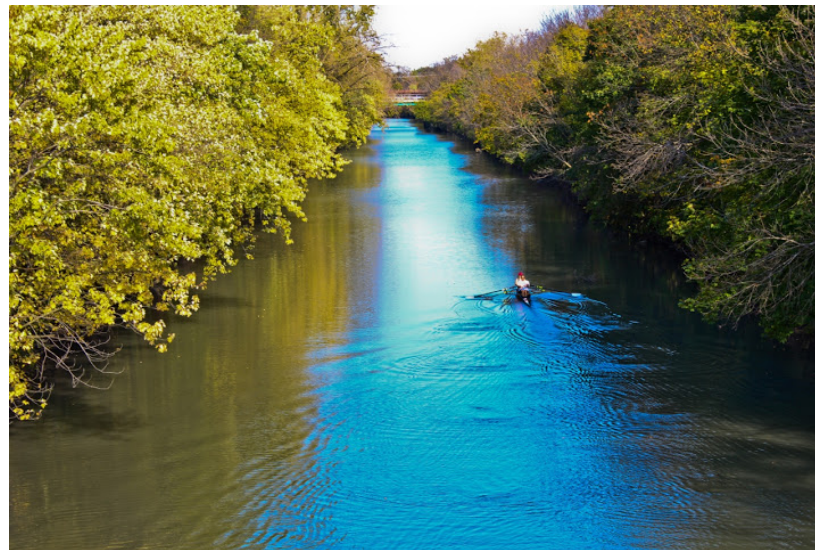


EVANSTON

2019-2020 City Council Goals

Stabilize Long-Term City Finances



Wally Bobkiewicz, City Manager

March 2, 2019

STABILIZE LONG-TERM CITY FINANCES

What can this mean?

- Track and analyze historic property tax trends
- Diversify and expand revenue to meet needs into the future
- Make responsible long-term financing decisions for infrastructure and facilities
- Long-range city-wide financial planning
- Prepare for state government budgetary choices under new Governor

STABILIZE FINANCES

Track and Analyze Property Tax Trend

- Levy powers as a Home Rule Community
- City share as a % of total Tax Bill
- Tax to EAV ratio
- Debt to EAV ratio
- TIF EAV- not part of General EAV

STABILIZE FINANCES

Diversify and Expand Revenue

- Expand revenue base through economic development - more retail / commercial/industrial development
- Smart use of TIF incentives to encourage appropriate development
- Annual review of fees/taxes to reflect economic environment and competitiveness
- Realignment of some of the fees and taxes with a focus on minimum direct impact on residents

STABILIZE FINANCES

Responsible Financing Decisions

- Invest in infrastructure and facilities
- Continuous review of overall debt and debt ratios.
- Efficient use of alternative debt financing tools and refinancing options
- Funding Police and Fire Pensions to ensure timely disbursements to pensioners
- Maintain fund balances for General Fund and other major Enterprise funds to a level consistent with adopted policies.

STABILIZE FINANCES

Long-Range Financial Planning

- 5-year financial plan for General and other major Enterprise funds
- To be updated annually before budget process
- Should include analysis of financial environment, revenue and expenditure forecasts, debt position, and strategies for achieving and maintaining fund balances
- Also include plan monitoring mechanisms, such as key indicators of financial health
- Provides framework for creation of annual budget

STABILIZE FINANCES

Long-Range Financial Planning

- Examples of long-range plans:
 - [City of San Clemente, CA](#)
 - [City of Pleasant Hill, CA](#)
 - [City of Redmond, WA](#)
 - [Township of Springwater, CA](#)
 - [City of Stockton, CA](#)

STABILIZE FINANCES

Prepare for State Government Actions

- Conservative budgeting of income and sales tax revenue in anticipation of possible changes
- Expand revenue base to reduce reliance on income tax and sales tax revenue
- Explore various grant opportunities from the State of Illinois

STABILIZE FINANCES

CARP Goals

- Develop a facility energy management and purchasing strategy & zero emissions vehicle purchasing strategy
- Evaluate the options available for the City to develop a municipal alternative retail electric supplier (ARES)
- Develop a stormwater utility to provide funds to incentivize improved stormwater management for property owners

STABILIZE FINANCES

Possible measures to track

- Equalized Assessed Value
- Bond Rating
- Ratio of Outstanding GO Debt to EAV
- General Fund Balance
- Overall City cash balance
- Investment income
- Amazon and credit card spending
- Revenue recovered through secondary debt collection agency
- % of on-time home rule tax payments
- Pension funding ratio
- Water sales revenue to outside communities
- Expenditures per capita: All General Fund Services
- Expenditures per capita: Fire & EMS
- Sworn police overtime as a percentage of total sworn police compensation
- Workers comp claims per 100 FTEs
- PILOT contributions from Northwestern and other major nonprofits

QUESTIONS?