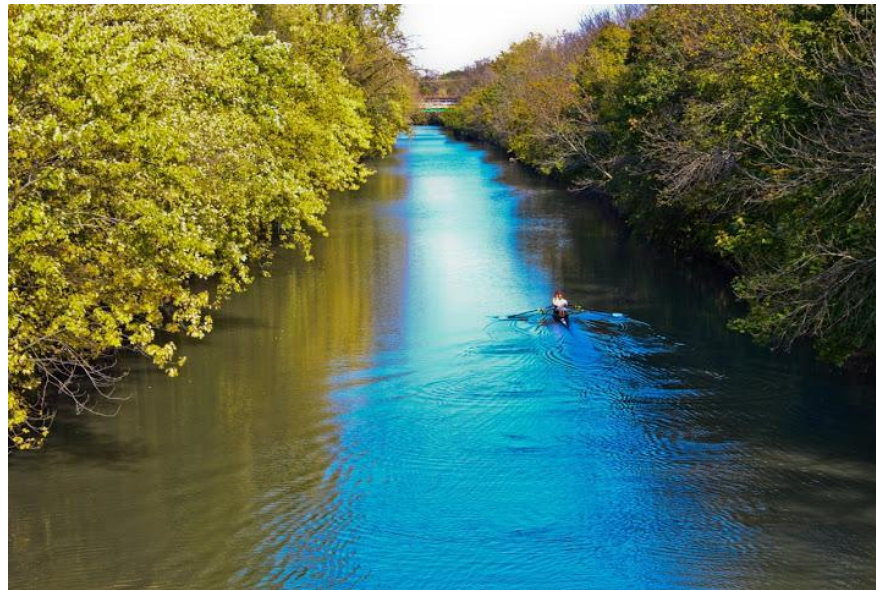


EVANSTON

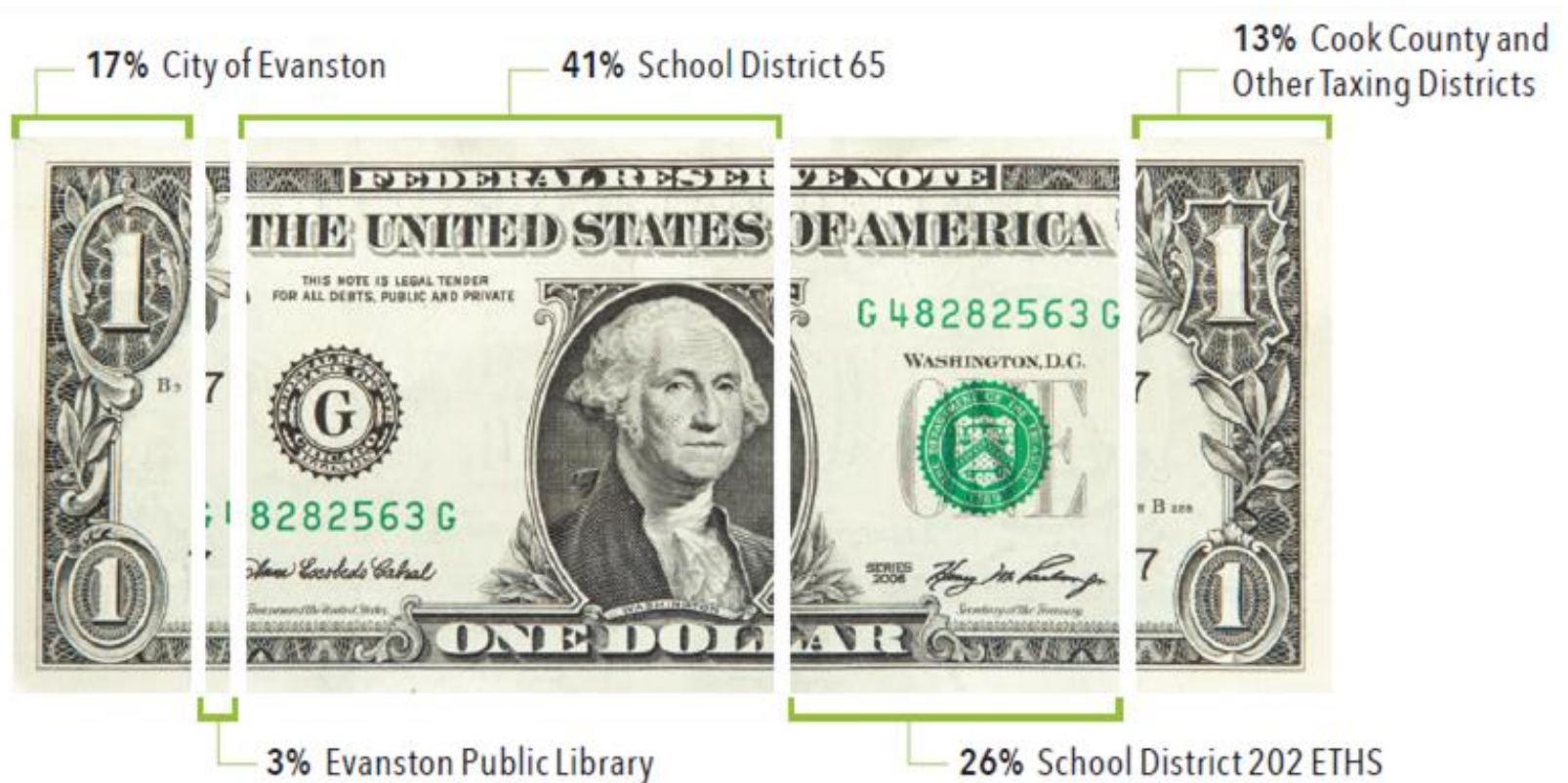
2020-21 Proposed Budget



October 14, 2019

PROPERTY TAXES

For every dollar you pay in property tax, the City receives 17 cents.



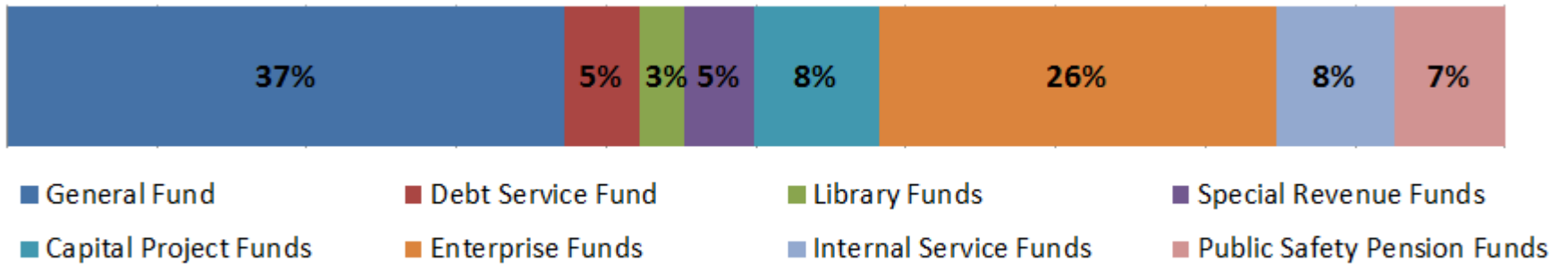
TWO-YEAR BUDGET

Council will adopt a budget ordinance and tax levies for 2020 Budget only.

The 2021 Projected Budget will serve as a policy guide for the coming year, and will be amended and formally adopted during fall of 2020.

ALL FUNDS BUDGET

2020 Total Proposed Budget = \$317,296,977



2020 Total Projected Budget = \$317,296,977

ALL FUNDS BUDGET

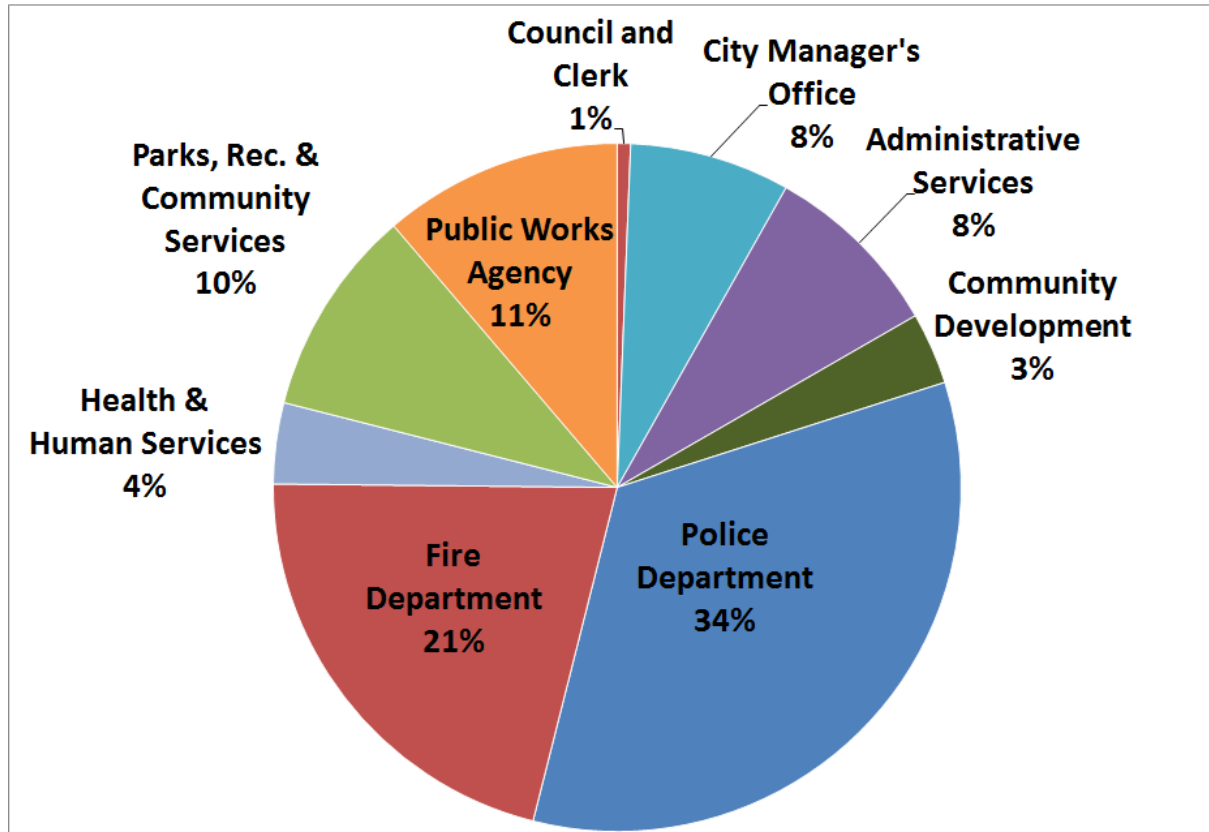
Fund Name	Fund #	2020 Proposed Revenues	2020 Proposed Expenses	2020 Adopted Surplus (Deficit)	12/31/20 Estimated Fund Balance*
General	100	118,076,525	117,970,285	106,240	13,912,972
General Assistance	175	1,108,500	1,315,848	(207,348)	71,445
Health and Human Services	176	898,471	887,706	10,765	35,175
Good Neighbor Fund	180	1,002,000	1,000,000	2,000	10,102
Library Fund	185	8,513,448	8,472,778	40,670	1,920,060
Library - Debt Service	186	480,144	480,144	-	4,582
Library - Capital	187	543,000	543,000	-	1,084,313
Neighborhood Stabilization	195	-	-	-	-
Motor Fuel	200	3,232,400	2,432,987	799,413	2,568,570
Emergency Telephone	205	1,569,421	1,621,374	(51,953)	1,171,023
Special Service Area # 4	210	592,665	592,665	-	(226,836)
CDBG	215	1,963,875	1,963,875	-	61,852
CDBG Loan	220	175,000	175,000	-	123,194
Neighborhood Improvement	235	-	-	-	71,074
HOME	240	659,678	659,678	-	7,324
Affordable Housing Fund	250	222,181	1,713,366	(1,491,185)	2,004,304

ALL FUNDS BUDGET

Fund Name	Fund #	2020 Proposed Revenues	2020 Proposed Expenses	2020 Adopted Surplus (Deficit)	12/31/20 Estimated Fund Balance*
Debt Service	320	15,842,484	15,840,981	1,503	623,345
Howard-Ridge TIF	330	700,766	541,113	159,653	2,399,730
West Evanston TIF	335	737,135	740,000	(2,865)	708,650
Dempster-Dodge TIF	340	222,797	167,870	54,927	159,697
Chicago-Main TIF	345	607,043	753,820	(146,777)	531,565
Special Service Area #6	350	221,500	221,500	-	3,099
Special Service Area #7	355	154,600	154,600	-	-
Special Service Area #8	360	60,200	60,200	-	-
Capital Improvement	415	12,752,000	17,051,881	(4,299,881)	8,733,798
Crown Construction	416	4,050,000	8,330,000	(4,280,000)	1,832,475
Crown Center Maintenance	417	175,000	-	175,000	175,000
Special Assessment	420	413,000	957,930	(544,930)	1,535,841
Parking	505	13,275,689	13,362,194	(86,505)	2,840,638
Water	510	48,123,470	50,147,012	(2,023,542)	3,724,409
Sewer	515	14,036,200	14,717,225	(681,025)	4,299,507
Solid Waste	520	5,953,800	5,837,705	116,095	(899,475)
Fleet	600	3,152,793	3,161,051	(8,258)	32,569
Equipment Replacement	601	2,149,641	2,460,000	(310,359)	604,911
Insurance	605	21,043,478	19,437,285	1,606,193	(8,213,604)
Fire Pension	700	13,898,503	10,076,897	3,821,606	82,170,671
Police Pension	705	20,843,068	13,449,007	7,394,061	130,589,822
Total All Funds		\$ 317,450,475	\$ 317,296,977	\$ 153,499	\$ 254,671,803

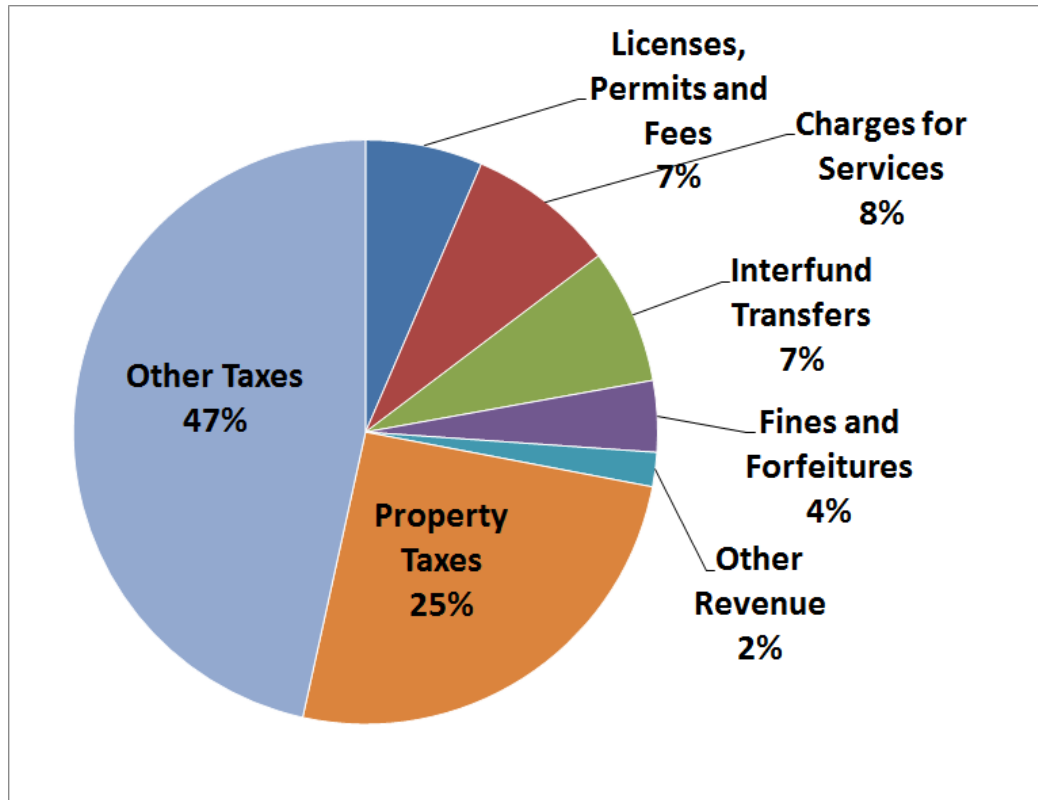
GENERAL FUND BUDGET

2020 Baseline Expenses = \$117,970,285



GENERAL FUND BUDGET

2020 Baseline Revenues = \$118,076,525



GENERAL FUND BUDGET

Baseline General Fund Budget Includes:

- \$1.5 million increase to home rule sales tax, due to rate increase of 0.25% adopted by City Council on September 23.
- Increase of \$1.8 million for salary and wage increases as determined by union contracts
- Increases in health insurance expenses and IMRF pension contribution requirements
- Increases of \$924,000 in recreation fee revenue and \$900,000 in for new Crown Community Center. Includes \$175,000 for new Crown Maintenance Fund.

HUMAN SERVICES FUND

- To affirm the City's commitment to its most vulnerable residents, all social services are being moved out of the General Fund to the Human Services Fund.
- Proposed addition of 3 FTE positions to Human Services as recommended in the social services review earlier this year.
- Organizing the fund in this manner will create a dedicated revenue source for social services provided by the City and separate these services from general operations.

HUMAN SERVICES FUND

Human Services Fund

	<u>Expenses</u>
Mental Health Board Distribution	736,373
Presence Health Contract	143,333
Other Program Costs	8,000
Baseline Human Services Fund Expenses	\$887,706
Youth & Young Adult Division	1,502,154
Human Services & Community Health Divisions	783,814
New Positions for Social Services Reorganization (3 FTE)	300,000
Proposed Human Services Fund Expenses	\$3,473,674
	<u>Revenues</u>
Human Services Grant Revenue	\$93,000
Transfer from Library Fund	\$70,000
New Human Services Tax Levy	\$3,310,674
Proposed Human Services Fund Revenue	\$3,473,674

BUDGET BALANCING WORKSHEET

- \$1.5 million contribution to General Fund reserves
- New revenues proposed:
 - Recreational Cannabis tax
 - Self-storage user fee (5%)
 - Increase in amusement tax rate from 4% to 5%
 - Improved Fire Department cost recovery
- Increases to Police and Fire overtime expenses, offset with other expense reductions or revenue
- General Fund savings of \$858,600 by moving qualified expenses to Motor Fuel Tax Fund

CHANGES TO OTHER FUNDS

- Final year of construction spending for new Crown Community Center is 2020. Debt payments for project continue.
- Parking Fund - budget includes increase in parking meter rates to \$2 per hour, as passed by City Council during 2019 budget process
- Water and Sewer Funds
 - Proposed increase to water rates of 5.4%
 - Proposed decrease to sewer rates of 4.46%
 - Change is net neutral to Evanston residents on combined water and sewer rate

PROPERTY TAXES

The property tax rate and tax levy are **not** the same.

Tax Levy: Amount of money requested by the City and other taxing bodies (schools, county, etc.)

Tax Rate: Tax levy divided by the total value (EAV) of all properties in the City.

If property values increase, an increase in the tax levy may not lead to an increase in the rate.

PROPERTY TAXES

	2019 Adopted Budget 2018 Tax Levy	2020 Proposed Budget 2019 Proposed Tax Levy	Proposed Change	Increase as % of total levy
General Fund Tax Levy	11,845,303	9,295,303	(2,550,000)	-5.1%
Human Services Fund	-	3,310,674	3,310,674	6.7%
Solid Waste Fund	820,000	1,332,500	512,500	1.0%
Debt Service Fund	10,879,993	12,521,931	1,641,938	3.3%
Fire Pension Fund	7,986,584	8,967,037	980,453	2.0%
Police Pension Fund	10,177,308	10,900,650	723,342	1.5%
City Total	41,709,188	46,328,095	4,618,907	9.3%
General Assistance Total	900,000	1,080,000	180,000	0.4%
Library Fund	6,750,000	7,252,000	502,000	1.0%
Library Debt Service	353,437	480,145	126,708	0.3%
Library Total	7,103,437	7,732,145	628,708	1.3%
City and Library Total Net Levy	49,712,625	55,140,240	5,427,615	10.9%

PROPERTY REASSESSMENT

- Initial projections from Cook County show total City Equalized Assessed Value (EAV) increasing by 60% (\$2.7 billion to \$4.5 billion).
- Final numbers will not be known until July 2020. Appeals are still in progress.
- The City expects to see a shift of property tax burden from residential properties to commercial properties based on the County's preliminary numbers.

PROPERTY REASSESSMENT

	Actual	Projection #1	Projection #2
	Budget Year 2019	Budget Year 2020	Budget Year 2020
Evanston Total EAV	\$2,720,580,914	\$4,522,418,264	\$3,600,000,000
City and Library Net Levy	\$49,712,625	\$55,140,240	\$55,140,240
City and Library Tax Rate	1.8%	1.2%	1.5%

PROPERTY REASSESSMENT

Projection #1: EAV of \$4.5 billion

	2018 LEVY (2019 Budget)		2019 ESTIMATED LEVY (2020 Budget)		
Market Value of Property	Equalized Value of Property	Estimated City Tax	Equalized Value of Property*	Estimated City Tax***	Amount of Increase
\$100,000	\$29,109	\$540.85	\$36,386	\$443.64	-\$97.20
\$200,000	\$58,218	\$1,081.69	\$72,773	\$887.29	-\$194.40
\$300,000	\$87,327	\$1,622.54	\$109,159	\$1,330.93	-\$291.60
\$500,000	\$145,545	\$2,704.23	\$181,931	\$2,218.22	-\$486.00
\$700,000	\$203,763	\$3,785.92	\$254,704	\$3,105.51	-\$680.40
Levy Year	Net Levy**	Levy % Increase	Total Rate	City Rate	
2018	49,712,625	-	9.41%	1.86%	
2019	55,140,240	10.9%	5.782%	1.219%	
* Assumes average 25% increase in Assessments for 2019					
** Includes Library and General Asst Levy in calculating 2018 Rate of 1.858% of EAV for the City					
*** Estimated Tax before Home Owner and Senior's exemption					

All numbers presented are estimates based on data available as of October 1, 2019 and are subject to change.

PROPERTY REASSESSMENT

Projection #2: EAV of \$3.6 billion

Market Value of Property	2018 LEVY (2019 Budget)		2019 ESTIMATED LEVY (2020 Budget)		
	Equalized Value of Property	Estimated City Tax	Equalized Value of Property*	Estimated City Tax***	Amount of Increase
\$100,000	\$29,109	\$540.85	\$36,386	\$557.32	\$16.47
\$200,000	\$58,218	\$1,081.69	\$72,773	\$1,114.64	\$32.95
\$300,000	\$87,327	\$1,622.54	\$109,159	\$1,671.96	\$49.42
\$500,000	\$145,545	\$2,704.23	\$181,931	\$2,786.59	\$82.37
\$700,000	\$203,763	\$3,785.92	\$254,704	\$3,901.23	\$115.31
Levy Year	Net Levy**	Levy % Increase	Total Rate	City Rate	
2018	49,712,625	-	9.41%	1.86%	
2019	55,140,240	10.9%	7.264%	1.532%	
* Assumes average 25% increase in Assessments for 2019					
** Includes Library and General Asst Levy in calculating 2018 Rate of 1.858% of EAV for the City					
*** Estimated Tax before Home Owner and Senior's exemption					

All numbers presented are estimates based on data available as of October 1, 2019 and are subject to change.

MORE INFORMATION

- **Budget Website:** cityofevanston.org/budget
 - Budget Memos - more detail on proposals and answers to questions asked during the City Council discussions
 - Form to submit additional questions and feedback, or email budgetinquiries@cityofevanston.org
- **Saturday, October 26:** Budget Public Hearing – 9 a.m.–12 p.m., Lorraine H. Morton Civic Center, Council Chambers
- **Monday, October 28:** Truth in Taxation Hearing at City Council Meeting
- Budget Discussions at City Council Meetings: **October 14, October 28, November 11, November 23**