Agenda

- 2020 Budget projections and Actuals
- COVID-19 grants update
- 2021 Budget Planning
2020 Projections

- 2020 Projected Revenue Shortfall = $12 million = 10%
- Expense reductions and new revenue = $8.3 million
  - Added from last meeting: grant revenue from CARES Act Cook County, approx. $600,000

- 2020 Budgeted surplus = $1.6 million
- **2020 Projected Year-End Deficit = $2.1 million**

- 2020 Projected Year-End Balance = $13.2 million
Cash/Investments

- Overall Cash/Investments balances as of August 7, 2020 (excluding Pensions and Library) - $63.1 million

- Major funds cash balances:
  - General Fund - $3.1 million
  - CIP Fund - $9.4 million
  - Water/Sewer Fund- $11.6 million

- Currently, the city has a line of credit of $15 million available from Byline Bank to ensure liquidity. The line of credit has not been used.
2020 June YTD - Revenue

- 2020 June YTD Revenue General Fund = $52.2 million
- 2020 6-Month Budgeted Revenue = $57.9 million
- Loss to Budget = $5.7 million = 10%
- 2019 6-Month YTD Revenue = $60.5 million
- Loss to Prior Year = $8.3 million = 14%
Sales Tax - by Liability Month
Basic and Home Rule Combined

- 2019
- 2020

January  | February | March  | April  | May

$1,800,000 | $1,600,000 | $1,400,000 | $1,200,000 | $1,000,000
Income Tax - By Liability Month

January 2019: $600,000, February 2019: $400,000, March 2019: $600,000, April 2019: $1,600,000, May 2019: $400,000, June 2019: $600,000

January 2020: $700,000, February 2020: $500,000, March 2020: $800,000, April 2020: $1,400,000, May 2020: $500,000, June 2020: $800,000

2019 vs. 2020 Comparison
June YTD Revenues

- Recreation Program Fees: $4,000,000
- Parking Tickets: $1,500,000
- Hotel Tax: $500,000
- Amusement Tax: $100,000
2020 June YTD = Expenses

- 2020 June YTD Expenses General Fund = $54.8 million
- 2020 6-Month Budgeted Expenses = $57.1 million
- Savings to Budget = $2.3 million

- 2019 6-Month YTD Expenses = $57.3 million
- Savings to Prior Year = $2.5 million
Outstanding Concerns for 2020

- Northwestern football season
  - Current $12 million revenue loss projection already includes loss of all athletic contest tax from football season
  - Possible ripple impact on other revenues
- Fall student population
- COVID-19 resurgence and rollback of business activities
- Ongoing work-from-home for offices in downtown Evanston
COVID-19 Response Funding

Funding confirmed = $3,593,491

- COVID-19 Contact Tracing Grant - $817,632
- CARES Act Coronavirus Relief Funds Cook County - $619,214
- CARES Act Provider Relief Fund (for EMT) - $51,631
- COVID-19 Crisis Grant - $58,457
- National Association of County and City Health Officials (NACCHO) - $50,000
- CDBG- CV - $1,080,243
- ESG-CV - $966,314
COVID-19 Response Funding

FEMA Public Assistance

- Total expenses submitted: $1,174,388
- Preliminary approval: $1,104,026
  - Federal share 75% = $828,019
    - Local share 25% = $276,006, anticipated covered by CDBG-CV
- Initial funding distribution of $414,010 expected soon
  - Remaining distribution of federal share to be distributed after final expense reconciliation
- Expenses included: Non-congregate housing through May 31, 2020; PPE purchases; Chandler temporary facility
2021 Budget Planning

- 2021 Projected General Fund Revenue Loss = $4-6 million
- Need to make up $1-2 million in deficit spending from 2020
- Holding all current vacancies would yield ~$4 million in savings for General Fund. Staff to examine impact on City services and residents from holding vacancies.
- Sale of certain City assets to be considered - Civic Center, Church Street parking garage
2021 Budget Community Conversations

- Thursday, September 10, 6 pm - Budget 101
- Wednesday, September 16, 6 pm - COVID-19 Budget Impacts
- Monday, September 21, 6 pm - Health and Human Services

- Virtual meetings, held on Zoom with registration required
- Presentation by City staff, breakout rooms with roundtable discussion questions, time at end for report out from discussions
- Staff to compile feedback to present to City Council with 2021 Proposed Budget in October
<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund Revenue Loss Projected</td>
<td>-$12,018,068</td>
</tr>
<tr>
<td><strong>Reductions Enacted</strong></td>
<td></td>
</tr>
<tr>
<td>Current Vacancies (including 6 layoffs, other retirements)</td>
<td>$2,985,000</td>
</tr>
<tr>
<td>Non-union furlough days</td>
<td>$632,245</td>
</tr>
<tr>
<td>AFSCME Furlough May 18</td>
<td>$67,745</td>
</tr>
<tr>
<td>AFSCME - 9 additional furlough days</td>
<td>$512,584</td>
</tr>
<tr>
<td>Furlough of PRCS Instructors (3 pay periods)</td>
<td>$120,000</td>
</tr>
<tr>
<td>Dutch Elm Inoculation - contract savings from budget</td>
<td>$100,000</td>
</tr>
<tr>
<td>Dutch Elm Inoculation - split with Capital Fund</td>
<td>$290,000</td>
</tr>
<tr>
<td>Savings on Crossing Guard Contract</td>
<td>$150,000</td>
</tr>
<tr>
<td>Friends of Robert Crown debt payment</td>
<td>$600,000</td>
</tr>
<tr>
<td>Other Department Expense Cuts</td>
<td>$491,117</td>
</tr>
<tr>
<td>Health Department Grant, to support current employee salaries</td>
<td>$254,000</td>
</tr>
<tr>
<td>CARES Act Cook County Support</td>
<td>$600,000</td>
</tr>
<tr>
<td>Reduction in interfund transfers (to Insurance Fund, Debt Service Fund, Equipment Replacement Fund)</td>
<td>$1,500,000</td>
</tr>
<tr>
<td><strong>Reductions enacted</strong></td>
<td>$8,302,691</td>
</tr>
<tr>
<td><strong>Adopted Budget Surplus</strong></td>
<td>$1,620,066</td>
</tr>
<tr>
<td><strong>Net Deficit Remaining (General Fund)</strong></td>
<td>-$2,095,311</td>
</tr>
</tbody>
</table>