

ROLL CALL - PRESENT:

| | |
|------------------------|-------------------|
| Alderman Jean-Baptiste | Alderman Kent |
| Alderman Wynne | Alderman Engelman |
| Alderman Bernstein | Alderman Rainey |
| | Alderman Feldman |

A Quorum was present

**NOT PRESENT AT
ROLL CALL:**

Aldermen Moran and Newman

ABSENT:

None

PRESIDING:

Mayor Lorraine H. Morton

A SPECIAL MEETING of the City Council was called to order by Mayor Morton on Saturday, January 19 2002 at 9:20 p.m. in the Council Chamber for the purpose of conducting a budget workshop.

Alderman Feldman moved to convene Council into Committee of the Whole. Seconded by Alderman Bernstein. Motion carried unanimously.

City Manager Roger Crum announced this was the first of a series of budget workshops with the primary focus on revenues. He reviewed budget problems confronting the City, staff's approach to problems, assumed community priorities and areas where significant cuts are proposed. Total staffing reductions include 27.5 FTE positions of which 9.5 are currently filled and 18 are vacant. He related they started with a \$3.6 million deficit and the proposed changes balanced the budget and when introduced had almost a \$500,000 surplus. The situation with state revenues has worsened, with those revenues down further by \$300,000.

Revenue Overview. Finance Director Bill Stafford noted that General Fund trends are structural with anticipated revenue increases of 2.5% and 5% expenditure increases that produce annual operating deficits of approximately \$2 million over the next several years. The recession and the economy exacerbate this. Guiding principles used are: conservative estimates on revenue; concern about cash flow, which will be needed to handle insurance costs this year, thus the importance of balancing current revenues with current expenditures. When they looked at new revenue they want many different types of revenues so they are not dependent on one that could substantially hurt the budget: do not want to put non-recurring revenues into the operating budget, instead to set aside such funds for insurance or capital needs. They looked at revenues that have natural growth within them that will grow more than 2.5%. Staff is concerned that the City is close to its tax capacity. At some point if a tax is too high, it becomes a disincentive. The economic development here has been good and they want that to continue. He stated that the City is running out of revenue options so they need to take a good look at the expenditure side.

Mr. Stafford stated there is \$71 million in General Fund revenue of which proposed new revenue is \$1.69 million. Property tax is the largest revenue at \$14.1 million, followed by sales tax, other taxes and funds, utility taxes, licenses and permits, state income tax, recreation fees, agencies and services, fines and library. The proposed property tax is a 5.69% increase of which the General Fund is at \$14.1 million with a cost-of-living increase comparable to tax caps of

3.40%; Fire/Police pension increases are dictated by state law and the actuarial report calls for 5.45% increase in fire and 7.10% increase in police pensions. The debt service increase of 9.34% provides for a \$6 million Capital Improvement Program (CIP). On the 1% sales tax, 3.7% under prior year's budget is predicted, resulting from a slowing economy and the tragedy of September 11. Sales tax is projected to hold at \$7.8 million. He explained the Home Rule Sales Tax is projected at \$4.9 million, an increase of 13.9% over prior year's estimate due to a rate increase July 1, 2001. This will be the first year with the full 1%. There is a 5% tax rate on electric, natural gas and telephone utilities with proposed \$6.9 million revenue and no increase from prior year's estimate. The state income tax is allocated by the state based on population. The City receives per capita numbers in August. Staff predicts a 1.8% decrease over prior year's estimate. Income tax revenues softened prior to September 11 because of layoffs. The City was down about 5.32% through November. One factor is that people's incomes went down and two, with the last census, while Evanston's population increased slightly it increased less than the state's population, so it is a net loser. Evanston last had a decrease in state income tax in 1986 during that recession when there was a 4% decrease. He went over state shared revenues originally budgeted and revised with a total decrease of \$372,000. The Real Estate Transfer Tax is projected as flat at \$2.5 million. He noted under licenses and permits that the City estimates building permits of \$2.3 million but budgeted at \$1.6 million. Historically, the City has received \$1.6 million. Staff suggests they continue to budget that amount and set aside the \$700,000 difference for the Insurance Fund. The reason not to budget the entire amount is the following year there would be a \$700,000 hole. Two revisions on fines are booting, which could add \$42,500 and alarm fines another \$20,000. Under other General Fund Revenues, he noted the Infrastructure Maintenance Fee would be changed from 5% to 6%. Transfers are the same as last year. Recreation and library have increased some while grants are flat.

New Revenue in Budget. Mr. Stafford noted increased building fees of \$225,000, increased vehicle license \$150,000 (\$50-\$55), food and beverage tax/lower liquor tax for \$700,000, parking ticket adjustments \$400,000, District 65 reimbursement \$134,000 (½ cost of crossing guards), District 202 reimbursement \$35,000 (½ cost of police officer) and special events charges of \$50,000 for a total of \$1.69 million. On the food and beverage tax, staff proposed a 1% tax on all prepared and served food (restaurants) and a 2% reduction on the current 6% liquor tax for restaurants only. One causes a \$900,000 increase and the other a \$200,000 decrease for a net of \$700,000. This is a growth area and they are concerned that they don't price themselves out of the market economically. Currently beer/wine served in an Evanston restaurant has a 14.75% tax, this would reduce that to 13.75%. The food would go from 8.75% to 9.75%. The concern is that mix stay competitive. He said this tax has natural growth potential and many out of town people eat in restaurants so some of the tax burden is shifted. It would also apply to fast-food establishment, which are not taxed presently.

Public Works Director David Jennings explained three parking ticket options. The first was increased meter violation fines from \$10-\$20 for \$400,000. The second option would generate \$563,000, leave expired meter fines at \$10 and increase fines for 13-15 violations that generate 95% of the revenue (street cleaning, no parking zone, over posted limit, no residential permit) Option three would raise \$383,000 and to get around the \$400,000 look at varied structures within the top 13 violations. Detail is in Budget Memo #5 and this is on the agenda of a Parking Committee meeting next week.

Summary. Mr. Stafford noted when the budget was presented, there was \$500,000 more in revenue than expenditures for a total of \$71.6 million. That was decreased due to less state revenue of \$372,000, so now there is \$128,000 more revenue plus the \$62,500 (booting/alarm fines) could be added to that number. Budgeted expenditures are \$71.1 million.

Revenue Enhancement Options. These came from the Budget Policy Committee: raising recycling fee from \$1 to \$2.86 monthly to raise \$400,000; charge for new refuse cans \$30,000; charge for special pickups \$75,000 and extend meter enforcement from 8:00 a.m. to 9:00 p.m. for \$400,000; an additional vehicle sticker charge of \$5 to \$60 for \$150,000; increase pet fees from \$4 and \$8 to \$10 and \$15 for \$15,000; 5% tax on video and game rentals \$20,000 and extend restaurant liquor hours in the downtown core and eliminate meal provision outside core area for \$100,000.

Other Funds. No increase is planned for water fund; sewer fund starts the third year of four year rate increase of 10%; fleet funds are balanced and equipment purchases are restricted to \$1 million a year and \$2 million is needed annually as the bonds phase out over the next three years. They are reviewing new garage rates; parking fund; police/fire pensions are increased per actuary; insurance fund has a potential \$7 million deficit and debt service is on a \$6 million bond issue.

Conclusions. Staff wants to avoid budgeting non-recurring revenues. Expenditure reductions are preferable to revenue

increases. The problem is real and state shared revenues could continue to be a problem as well as future adverse legal judgments. Insurance and medical costs will be higher. Reserves are dangerously low relative to insurance fund and this is a two-year budget process. Mr. Crum reiterated the management team would rather improve services for citizens but cannot spend money they don't have.

Questions about food/liquor tax. Alderman Feldman asked if anyone from the restaurants had requested an extension of hours for liquor sales in the core area? The Mayor and Management & Budget Director Pat Casey have had inquires, though no formal requests have been made. Alderman Feldman asked if hours were to be extended? Yes. Mr. Casey explained that current licenses have closing on weekdays at 1:00 a.m. and weekends at 2:00 a.m. and confirmed that some restaurants want to be open later than 2:00 a.m. on weekends.

Alderman Rainey asked if the number could be divided based on revenue from the core versus citywide? Was the figure based on liquor tax revenue or did it include an upgrade of a license? Mr. Casey stated it was a combination of liquor tax received for later hours and possible extension outside the core area of the meal provision. It was envisioned they would charge "X" dollars for a late-night license so a restaurant that wanted one would have their regular license and a special license for extended hours. She asked how many establishments in the core area have a "C" license? About 10 he thought. There are about 70 liquor licenses, with 40-50 licenses in the core area and an opportunity for licensees to upgrade to a "B" license. She asked how realistic the number is? Why would they not go for a license to serve liquor without food? He explained those that don't serve liquor without food are the smaller establishments in the core. She saw the only revenue increase from licenses would come from an upgrade of a "B" license.

Alderman Newman said it sounded like a great idea to extend hours for sale of liquor, but it was not fair to do it during the budget process because once it has been put into the budget they are compelled to change the ordinance and deny people who live next to a restaurant a chance to comment on extended hours. He noted that some 300 senior citizens live on the other side of Chicago Avenue from three restaurants. Once establishments are allowed to sell liquor without food, they can close the kitchen and stay open until 3 or 4:00 a.m. He suggested this be considered, but not during the budget process, so residents can comment. He recalled opposition to the license issued to Blind Faith Café and another is near the defunct Yesterdays restaurant, where 200 people live nearby.

Alderman Engelman wanted to talk about facilities outside the core area, noting there are no bars in Evanston. Mr. Casey stated with all restaurants, the kitchen must remain open. The model would be restaurants outside the core area that still have their kitchens open but would not have to serve a meal with a drink. Alderman Engelman asked how many restaurants outside the core area were included to reach the \$100,000? Mr. Casey would have to look again – it was a quick estimate. If the City were to expand liquor sales without food outside the core area, could it be done on a limited basis, i.e., one in each area to see how it works? Mr. Casey stated Council could create any rules it wishes regarding liquor sales. A special license could be created or a special area deemed appropriate for a test program. Mr. Casey will report on how many restaurants outside the core area would be involved.

Alderman Feldman asked if they assumed that a restaurant outside the core area has a bar and people are seated there, ordering drinks was not permitted? Mr. Casey stated it was not permitted unless they would be served food at the bar. He explained the liquor ordinance has an intent provision, that it is the intention of the establishment to serve a meal so that when a customer is waiting, it is appropriate to serve them a drink. Alderman Feldman brought up those who finish their meal, then go to the bar for a drink. Mr. Casey stated he would have to get a clarification on that scenario. Alderman Feldman reported that there are restaurants that serve clientele who come in at a certain time of the evening and sit at the bar. Mr. Casey confirmed that is allowed in the core area.

Alderman Wynne reported this was discussed in her citizens' group and one view was this produces "drunker drunks" in other than the core area. Her group wondered what the concomitant police costs might be and urged that be examined. Mayor Morton suggested the Police Department report on whether there is excessive drunkenness.

Alderman Bernstein recalled adding a position for grant writing and asked was the City not soliciting grants from county, state and federal governments? Mr. Crum stated recreation and police have somebody soliciting grants where generally grants are available. The City does not have someone who applies for citywide grants. Alderman Bernstein asked if this

was part of Donna Stuckert's job? It is not.

Alderman Rainey asked that expanding sale of liquor hours be off the budget agenda and referred it to the Liquor Commission and the A&PW Committee. She was looking for a breakdown of the \$100,000, not how to support the concept and thought it worthwhile to look at it at a later time. Mr. Crum noted it was not on the baseline budget and could be deferred without impact on the budget. Alderman Newman invited the Mayor to visit the Mather and Georgian to explain support for expanded hours. Mayor Morton urged them to look at what is best for the City.

Mayor Morton asked for an explanation of how the state money will be reduced due to the census. Mr. Stafford explained that when state income taxes are collected, they go into a pot at the state. Then they are allocated based upon population. While Evanston's population grew about 1,000, the state population went up 8%. So if a denominator goes up 8% and your community goes up 1%, then the percentage allocated to Evanston goes down. In other words, because the state's population increased more than Evanston's did, Evanston gets a smaller piece of the pie. Evanston will get less from the state because of the economy and is down 5.3% from November last year.

CITIZEN COMMENT:

Mike Rothschild, 2425 Payne St., asked to reconsider the head tax and saw the situation as worse if they are discussing having bars open later. He stated arguments for the head tax are the same as last year. Evanston's hospitals support the entire region and Evanston supplies the services and taxable property. Northwestern University services the whole country and the City supplies their services. He would expect the head tax to be passed just as it would with anybody with a revenue stream. He would lower the limit to 50 employees as in Chicago, or one as in Redmond, WA, where Bill Gates pays a head tax. In Redmond, too many nonresidents worked there and the city was short on revenue. Evanston has that problem plus properties where many people work who don't pay property taxes. He suggested it was time to renew this issue; last year it was essentially vetoed and supporters were outgunned, as they probably will be again. He said the argument will be that it scares business away but that happened some time ago and it was not the head tax but high property taxes. He stated the Council needs to work together on this and put the head tax back on the agenda.

Gerald Gordon, 1228 Lake St., reported meeting with Mr. Stafford and Mr. Crum on January 9 to discuss the current financial situation and size of cash and fund balances. They could not come to a meeting of the minds and agreed to disagree. He thanked them for the courtesy they extended to him

Junad Rizki, 7th Ward resident, asked Council to tell the truth about the cost of Evanston government versus other communities and to stop telling the public that property taxes have been reduced in recent years. He presented a graph prepared by Park Ridge, which is available to anyone, on the cost of other local governments. Evanston was not on the graph so he put figures for Evanston in. He did not suggest that taxes could not be raised, but did not think "nickel and diming" the public was the answer. He said Evanston's tax burden is 33% higher than most other communities. He recalled "the Diet" proposed by the Chamber of Commerce ten years ago, which recommended cutting the budget \$7 million and cutting 100-150 employees. While he did not agree with everything in the diet, he suggested there is plenty to be cut and they are playing politics. He noted 9 filled positions and 21 vacant positions are cut and asked where the money is. He asked why should District 65 pay for crossing guards when the City owns the streets; said the City is responsible for the safety of children and this should not be discussed. He termed raising video game fees and parking fees as harassment of citizens and urged Council to make real cuts.

Mayor Morton noted that Illinois law states that either a school district or municipality can provide crossing guards.

Eric Singer, Lucky Platter restaurant owner, commented on the proposed 1% tax on food noting the \$700,000 projected from the food/liquor tax revenue is not quite half of all new revenues proposed. He asked Council to invite restaurant owners in to talk about this tax because it is a big deal for them. They work on 10% margins or about \$1,200 a month to the Lucky Platter and would be passed on to customers. He said most of the business on Main Street is from residents, not out of town people. This increase will raise the tax rate from 8.75% to 9.75%. He asked about future implications and when will this tax start showing diminishing returns? He thought this tax could be discriminatory noting the many restaurants here and they look like a cash cow. He pointed out there are many other businesses in town and doctor's

offices. He did not think Whole Foods was included in this tax. He urged them to look at a transaction tax. He thought restaurants were willing to share in this burden, but to look at taxing other businesses and tax them at a ¼ or ½%.

Harry Schubart, 1218 Elmwood Ave., complimented Bill Stafford and Pat Casey on their work; noted the problems with Enron and that the City's paperwork is detailed, open for inspection and high quality, which he thought important. He pointed out that City expenses are handled conservatively with nothing unforeseen. He has learned by talking to downtown businesses that there could be an opportunity for another 80-100 street parking spaces, which would enhance revenue. Downtown businesses say the most important factor in attracting customers is available short-term street parking. He said business people emphasized this before the Parking Committee in 1995; noted that David Jennings had done an excellent job of adding street parking in a number of areas. He recalled meter feeding was brought up in 1995 and nothing has been done to attack this situation. He has discussed meter feeding with Troy Thiel, Parking Committee member, who told him that it costs more for employees to park in a City garage downtown than to feed a meter. He suggested a special reduced rate for downtown employees to park in City garages and that there is considerable room available for employees to park in them. Other suggestions for dealing with meter feeding should be considered at an open hearing at a later time. He stated the availability of street parking downtown could attract more people and more entrepreneurs. He noted in the Hill project there was extra retail space and the Klutznick project will provide even more retail. Hill has been unable to fill the retail space and has moved his headquarters from Northbrook to his building.

Alderman Newman wanted accurate information disseminated and asked David Jennings to provide a memo explaining the reason for empty spaces in the Maple Avenue garage, which is part of the interim-parking plan when the Klutznick project commences in February and the Sherman Avenue Garage is demolished.

Judith Treadway, 612 Mulford St., expressed appreciation to Council and newspapers for recognizing citizens who participated in the budget process and urged it be started earlier next time. She asserted that most citizens don't want an increase in the property tax; wish to retain City services not duplicated elsewhere and to provide City and social services to residents, not excluding the 9.5 jobs. She questioned raising the recycling fee from \$1 to \$2.86 a month for \$400,000 revenue because she wanted Council to consider the impact of an anticipated contract increase by the provider. She supports a charge for new refuse containers and special pickups; extending parking enforcement from 8:00 a.m. to 9:00 p.m.; vehicle sticker increase of \$5; increase on pet fees and on video rentals; extended restaurant/liquor hours and elimination of the meal provision outside the core area. Those increases amount to more than \$1 million. She supports increasing the Real Estate Transfer Tax by whatever is legally allowed. She noted there is a lot development and many conversions and suggested \$500,000 be added to the \$2.5 million proposed. She advocated for citizens who are against eliminating an animal warden. She suggested they increase the contract with Skokie for animal care/pickup; increase the fines for people who conduct dogfights; establish a finder's fee for licensed dogs who are found and/or dogs which are disposed of. She asked that a municipal tax be considered in the future. This tax would be for non-resident employees of city/schools/fire/police because the property tax funds these jobs. She asked for an increase in collaborative services with Northwestern University to improve functioning of city government and school services with training and projects for public entities. She suggested an increase in water rates to other municipalities that buy City water to offset increasing charges to employees for health insurance costs. She suggested people would rather take a pay cut than lose medical benefits. She asked for Council to allow citizen input on sanctioning or revoking business licenses from businesses that cause negative impacts to citizens. She stated the highest profit margin is in the sale of beverages. She supports the school district assuming 50% of the cost for crossing guards and believed that District 65 has a responsibility to children on their way to/from school.

Mayor Morton stated the City contracts for water sales to Skokie and Northwest Water Commission are long term and have an annual cost of living provision built in. Alderman Newman suggested the budget memos be put on Channel 16. Information on the water contracts and their length was also important to disseminate. Alderman Engelman asked about increasing the rate on the Real Estate Transfer Tax? It can be done only by referendum. Alderman Rainey thought Ms. Treadway said that most services are provided by the property tax. Alderman Rainey stated the total amount of revenue from property taxes for fire/police pensions, debt service and General Fund is \$28.4 million. The cost of running the City is \$143.8 million, so most of the funds come from other than the property tax.

Pete Rodriguez, Firehouse Grill owner and manager, spoke about the proposed 1% tax increase on food and noted that

not a day goes by without customers commenting on the tax. He thought they were at a point of diminishing returns and they would get less than \$700,000. He stated the price could be raised to a point where people start buying less. He stated this impacts all the businesses here. He described it as a tourniquet on a problem, which will get tighter and wondered if it would be raised again next year. He said this is strangling independent businesses here. He is outside the core area and does not want longer hours. He could stay open until 1:00 a.m. but everyone who comes in must order a meal. He asked how many people eat dinner at that hour? If somebody comes in for a glass a wine, he cannot sell it unless food is ordered. Somebody who wishes to come in for a glass of wine has to order food, which turns into a \$40-50 event. He asked if this was the answer to the \$700,000? He did not think the Main Street area would turn into Rush Street because he could serve wine without food. He believed going down the road of increased taxation was not the way and 1% would not make/break anybody but wondered about next year.

Alderman Newman asked if something was done about businesses outside the core, would he accept some kind of voluntary hours/regulation? Mr. Rodriguez could accept that and said there are two ways to increase revenue: raise prices and/or bring more people through various marketing methods.

Raymond Summers, 1920 Asbury Ave., president of AFSCME, offered the following suggestions: raise permit fees from \$50 to \$65, which would generate \$450,000; impose a 1% food/beverage tax for \$900,000; charge for replacement refuse cans and special refuse pickups for \$100,000; parking meters enforcement should be from 8:00 a.m. to 9:00 p.m., which would generate \$250,000 and increase parking garage rates by 5% for \$60,000. Increase parking fees to generate \$13,000; increasing fines across the board by 10% would generate additional \$40,000; increase service and program fees by CPI to bring in \$50,000; increase pet licenses and enforcement to generate \$15,000; create a tax on rental videos, movies and games to generate \$20,000; extend pub restaurant hours to generate an additional \$100,000; special events charge to generate \$50,000; increase building fees by 10%, which would bring in another \$225,000. Those suggested revenues total \$2,273,000 and will require essential employment. He noted it has been documented that reducing staff is not positive because it has negative consequences. The City is still dealing with repercussions of staff cuts in forestry. Years ago there was a reduction of staff in forestry and trees were untended. The result was Council had to deal with this problem and put people back on staff to do a job that was cut 5-6 years ago. He thought they would be doing the same thing again if the City does not have enough personnel. In 1991 in the bargaining unit he represents there were 175-177 employees and today 161 employees do the same job. When citizens complain that potholes are not filled, it is not that employees are not doing their job, it means there aren't enough people to do it. To accomplish what he proposed Council must consider having the proper number of employees. He suggested going to 170 contractual employees would create a positive cash flow on overtime. He noted there was unplanned overtime of \$2 million. He noted there are situations, such as a water main break, that are unplanned while other situations that cannot be categorized as unplanned but simply occur because there is not enough staff. By increasing staff, repetitive jobs can get done daily so workers don't have to go from one to the other to attend to an emergency. He expressed concern about the animal control warden. If there were an increase in pet fee revenue it would indicate they have a large community of animals here. To have 1.5 people carry on animal control duties was unthinkable. He said the position proposed to be cut has an individual employed here for 26 years and is protected by the collective bargaining act so that would have to be discussed. He noted they have been told the increase in health insurance cost is 30% nationally. He stated AFSCME's research offices investigated health insurance costs and found the trend for increases is between 12-15%. This information is from 40 major insurance companies. They wanted more investigation of insurance cost increases. Their research on comparable communities showed Evanston employees pay a fair share of health insurance costs.

Jonathan Perman, Chamber of Commerce, found the Budget Policy Committee meetings a useful exercise, commended Mr. Crum, staff and aldermen for participating and giving citizens and businesses an opportunity to provide input. He found it interesting that in nearly all of the five groups, the solutions developed did not include raising the property tax beyond the rate of inflation. There seemed to be consensus among a diverse group that that was the tolerance level for increasing property taxes. A raise beyond that was not brought up and he asked Council to weigh that in their deliberations. On parking fines, he has talked to a number of merchants and, while they agree that the current fees/fines on meter feeding should be continued or in some cases increased, they vehemently oppose increasing the overtime fine from \$10 to \$20. He was happy that alternatives have been proposed to that increase. The Chamber and Convention & Visitors Bureau convened a meeting of 20 restaurant owners and spoke with others who could not attend and, universally, restaurants are not excited about the food/beverage package tax. This tax would drop from 14.75% to

13.75% on liquor. This industry feels it is unfair to hit them because, in some cases, they have been hit hard recently with a decline in revenues. He pointed out the restaurant business is risky with a high failure rate. They fear raising the tax on food from 8.75% to 9.75% and would make it higher than any place except the downtown McCormick Place area at 9.75%. Once a food tax is adopted, there was concern about future increases. Hotel operators were concerned because when they compete for catering business, potential customers weigh comparisons, so this tax would make them less competitive. He suggested they work with the finance/budget departments to look at the real growth in restaurant tax revenue. He thought it important to distinguish between the aggregate numbers shown because the Home Rule Tax was increased last year and the impact of that tax on restaurant sales. If that growth is significant, there was a stronger case for a food/beverage tax. However, if they have seen modest increases or declines, conclusions about the tax would be different. He commented on selling liquor outside the core area without a meal and extending open hours for restaurants. He reported a half dozen restaurants in the core are interested in extension of hours. It appears that could be done with a special license and the Liquor Commission/Council would have control over who gets one. He noted in municipalities, a liquor license is thought of as a privilege, not a right. He reported there is a group of restaurants outside the core that are interested in selling liquor without food and stated it appears a special license could be offered for that, too.

Mimi Peterson, 1008 Ashland Ave., recalled in March 2000, the Fair Share Committee and 83% of those who voted asked Council to begin negotiations with Northwestern University to receive annual financial contributions toward Evanston's budget. Last year the chamber was filled with non-profit institutions that conveyed they were prepared to participate and make a significant contribution to the community. She stated property taxes here are overwhelming – similar to Markham and Blue Island. At some point people will not be able to live here anymore. She was speaking for neighbors who have young families and cannot afford to buy a home here. She was disappointed in the lack of action by Council in listening to voters, found it disrespectful of the democratic process to have failed to begin negotiations with Northwestern University. She referred to Budget Memo #22 about non-profit institutions' contributions to this budget. While one alderman addressed it, she suggested that did not go far enough. She said if the political will is that there cannot be any negotiation between the University and Council, they need to look for other action to charge for services they receive. Having requested an accurate cost/revenue analysis of what it actually costs taxpayers to provide services to the largest employer here, she suggested they need to work with what they know. One small part is \$100,000 in Police Department overtime costs that can be charged at \$17,000 per game for traffic control for football games. She disagrees with the concept of charging for specific use of fire service. She noted there are lists of direct service by the Fire Department and ordinances for cost recovery that could be used to come up with more than \$500,000 in revenue, but that falls short because it does not provide for fixed costs. They need to think about other non-profit institutions, such as churches, and consider the number of ambulance calls to churches; suggested they reconsider the head tax.

Jordan Heinz, 819 Foster St., president, Northwestern University undergraduate student body, stated that students are concerned about off-campus safety and, specifically, about street lighting. He spoke about the allocation for street lighting in the current Capital Improvement Program. When streetlights are replaced they believe the amount of brightness should be increased. He said when the street lighting was put in more than 20 years ago, it was not a priority among residents. It was thought lighting should be more subdued, thus the lights produce a relative low amount of wattage. On behalf of the NU community, they believe that sentiment has changed, especially near the University. Many students choose not to have cars so more of them walk to off-campus residences, frequently between 11:00 p.m. and 2:00 a.m. He noted the rate of replacing the old mercury bulbs with induction lighting is up to the City and asked to speed up that process so that sidewalks and streets are brighter at night.

Ann Gregerson, Risk Management chair for the Pan Hellenic Association representing 1,700 members, stated women students are concerned about walking at night and also believed this is a community concern. They understand some residents' concerns about bright lights shining into their homes. Their concern is for safety of students who walk home late at night from movies and businesses in the areas of Ridge to Sheridan and Davis to Lincoln.

Dan Kelch, Lulu's restaurant owner, suggested the City cut some programs that are not offered by communities similar in size to Evanston. These cuts should be weighed when considering the deficits of \$15 million that will appear in six years, so the issue is way beyond revenue generation. He understood citizens who participated in the Budget Policy Committee meetings proposed little program cutting and that is what makes Evanston what it is and he understood that. As a small businessman he is part of the community, too. His taxes pay for schools, city government and community services. He was not sure whether restaurant owners were invited to participate in the community input meetings but has heard there

was easy acceptance to place a burden on the restaurant community. He has heard aldermen and citizens say that restaurants make a lot of money on food and an inordinate amount on beverages. He countered that they do not know what it costs to operate a business. He stated that restaurants hope to keep 10 cents on every dollar of revenue, which is currently under pressure. For each dime they keep, two cents goes toward reinvestment so they can stay in business. He asserted that profit margins are low in the restaurant business. He is willing to stand with the community and what it decides and values, but does not accept that if the community decides it wants certain programs and services without cuts, then it cannot say don't fund them and push as much off onto a small business segment of the community. Restaurants saw that as unfair. He suggested if the City needs to raise revenues to fund these services and programs, do it equitably and all should be forced to pay. The burden should go across the board. One obvious way is through the property tax and he knows there is resistance to that. He reminded all that commercial enterprise property taxes are double the rate of residential property taxes. Restaurants will continue to support the community. He noted hotels and restaurants that donate food and sponsor many charitable events. He reported that Lulu's has contributed well over \$150,000 in food to various charitable events over the years. These businesses asked to be treated fairly and equitably.

Council Discussion. Alderman Newman was concerned about \$1 million in cuts such as reduction in basketball at Mason Park and Fleetwood-Jourdain; reductions in building maintenance; elimination of lakefront supervisor and arts grants program. His concern was that the community does not know these are happening and asked for a meeting where they look at the \$1 million in cuts, especially in the recreation area, so they could get public input. He referred to an \$800,000 line item for replacement of the Civic Center roof in the Capital Improvement Program and referred this to A&PW Committee to review that potential purchase. He noted the roof is the same quality as the one going on the new Levy Center, did not know its useful life and how long the City plans to be at 2100 Ridge. He asked that the A&PW Committee meet at 6:30 p.m. so other aldermen could be present.

Alderman Newman noted in the CIP materials on street lighting, Mr. Jennings told them the useful life of bulbs is 15 years and the bulbs have not been changed in 20 years. That means the City is probably at least five years behind on street lighting. He recalled in 1997 there was extensive discussion about lighting and since then not nearly enough has occurred. He said this has been a long expressed budget priority for Council. He found that if the City funds at the current rate of \$400,000, assuming they put in an extra \$500,000 a year, it will take five years to get all street lights up to where they should be. He stated many streetlights are dim now and some almost dysfunctional. He stated this affects every neighborhood and hoped to find additional money to cut the time it takes to replace current lighting.

Mayor Morton stated it was not quite correct that no lights have been replaced in 20 years; recalled that 5th Ward street lighting was increased. Alderman Newman was referring to the Tallmadge lights; noted lights were replaced in the downtown when the streetscape was done but the City has done only two streets and not done overall replacement. She recalled there was opposition by residents to brighter lighting when the Tallmadge lights were installed. She stated the City has tried to deal with insufficient lighting in many sections, noted that there are many homes without legible numbers and did not know how the Fire Department can find them when it is dark. She hoped that residents would put street numbers on their residences.

Alderman Kent recalled that street lighting came up before the CDBG Committee and that many areas need upgrading of lights. He thought 5th Ward lights are as high as they can go and there are still shadows.

After listening to Citizen Comment, Alderman Kent wanted to move the head tax off the table so they can deal with the municipal tax and head tax. He wanted the head tax referred to the Budget Policy Committee. When discussed last year it included only the three largest employers. A citizen mentioned several communities that have a head tax. He found an example in Philadelphia, which in 1994 initiated the Pilots Program – payment in lieu of taxes for non-profit organizations. He said the reason Evanston has so many social services is because they are not provided in other communities. People go where they can get help and that has traditionally been Evanston. In Philadelphia they targeted non-profits that were interested in the program because the city was in trouble like Evanston is currently. They found many organizations were concerned because services were needed as they are here. They are not talking about cutting police services nor the battered women's shelter because there isn't another one nearby. He pointed out non-profits of all sizes are embedded in this community that he thought would help the City out. They are asking them to come to the table. Non-profit executives filled this chamber because they thought they could offer something. If they can get away from the

three largest employers and do this equitably, he thought they have a better chance of accomplishing it but did not think it could be done for this budget year. He noted the Budget Committee was created to work on this. They have an indication from citizen input on the Budget Committee Compilation Sheet that it works because there were some bright ideas submitted. He noted that was listed on page 15. He thought this worthy because they are faced with a large deficit and the only mistake they made was not to refine and do more work on the head tax to make it more palatable.

Alderman Feldman stated that the head tax is on the table as part of the A&PW Committee agenda. He would be happy to move to remove it from the table and the Rules Committee would decide the committee to handle it.

Alderman Feldman asked for an explanation of Budget Memo #39 about Dutch elm disease reductions. Parks/Forestry & Recreation Director Doug Gaynor explained the bulk of the cut is for a full-time tradesman position that has been vacant for two years. This individual sharpened the saws used in tree trimming and the position was budgeted in this element originally. This does not affect the Dutch elm disease program and a contractual element for maintenance of equipment has been added. Alderman Feldman recalled discussion of an inoculation program for elm trees and asked for a budget memo on that.

Alderman Rainey reported that recently the *Evanston Review* published a 2001 Scavenger Sale schedule and a two-year tax delinquent list with some delinquencies going back to 1974. She was interested in the land lease taxes that continue to show delinquencies and noted that no tax buyer buys leasehold delinquencies because they don't get the property. She was told this information is incorrect. One example was a delinquency from 1992-99 with the amount of tax owed to the school districts and city on one PIN number at \$221,712, including interest of \$340,918. She stated there are hundreds of thousands of leasehold taxes not being paid according to the public notices published year after year. She asked are these monies owed? Are leaseholders not paying the taxes? Who has the error, the City or Cook County by continuing to publish these? She thought all would like the results of the scavenger sale to find out how much was purchased. She thought some have probably been paid. Outstanding leasehold taxes are of concern to her. She brought this up because many of these properties are owned by Northwestern University, which continues to tell the City not to worry about property they rent because tenants pay the leasehold tax.

Alderman Engelman expressed interest in the Philadelphia Pilot Program and wanted to explore it. As current chairman of both Rules and Budget Policy committees he would do whatever is necessary to have this matter discussed by whatever body Council deems appropriate.

Alderman Engelman said a memo from the citizens' groups was to make systemic fee increases using the Consumer Price Index, a recognized standard in all fee structures. He thought the concept would take time and discussion, but probably not in this budget cycle. He asked for a budget memo on the impact of a 2.5% increase in recreation fees and a history of those fees for the last 7-10 years. Alderman Feldman stated that had been provided. Alderman Engelman asked for an explanation of the recreation scholarship program. Another idea from the citizens' groups was means testing, where programs are subsidized across the board and perhaps only those in need should get subsidies.

Alderman Moran asked staff to look at revenue generated by PACE/CTA for putting advertising on busses (per vehicle) and to consider putting ads on City vehicles. He asked the charge for a special refuse pickup? He recommended that a vehicle sticker increase of \$5 or \$10 be considered seriously. He wanted to keep the question of longer hours of operation for restaurants for discussion and consider removal of the meal requirement outside the core area. He suggested they consider increasing garage fees and look at the revenue stream depending upon incremental increases. While it was nice to have something that is "cheap," he thought they have to be guided by market rates. As part of that, he would like to know the current monthly fee for the Ryan Field parking lot and to consider raising that fee. On the recycling fee, he said citizens are currently charged \$1 and the proposal was to go to \$2.86, which would bring in \$400,000. The increase would be \$22 a year and the recycling program could be paid for. He suggested putting two projected revenue increases for booting and alarm fines. He said consideration of meter enforcement for expanded hours is probably a good idea. The building fee increase looks like a good idea. On the food/beverage increase, a speaker referred to real growth in the food/beverage industry. He did not recall whether there was an analysis of real growth and thought an analysis could be done from fee data. He was sympathetic to restaurant owners who spoke and noted this is an important segment of Evanston's economy and they need to be analytical about this proposal. He suggested it be dealt with in a precise way

and, if they pass this, they must be confident they are not harming that sector. If they cannot be confident, it becomes questionable. He could not vote for it unless a clear case was made that it would not hurt these businesses. If they hurt those businesses, they strike at a significant part of the Evanston economy that has grown year after year. Alderman Moran was happy to see other alternative proposals to the fine increase on overtime meter parking and was not favorable to that proposal. He stated part of the parking problem here is "there is no place to park, but if you park you will probably get a ticket." He said there is a bad taste in people's mouths about parking here. People tell him about parking more than any other aspect of living here, but noted that some deserve to get tickets. If people do irresponsible things, they should be fined. In terms of the head tax, he thought this was the place to have the discussion; the head tax was anathema within the institutional community here and will always be. Chicago has a head tax and Mayor Daley has getting rid of it on his agenda. It is looked upon with great disfavor within government and the larger community. If there is another discussion about the head tax, he hoped it could be done quickly and did not think it was good policy. He recalled the Budget Policy Committee spent most of its first year talking about a head tax when there were many other things to talk about. In the end, they saw the truth and it was tabled. He urged them not to repeat the same mistake. He noted on the cost of special police details, that the City has a ticket tax that generates revenue that far exceeds the City's cost for those events and asked for a memo on it. He agreed that they should look at special events charges in other situations but on an incremental basis. They don't want to hurt groups like the 4th of July Association or First Night. He does not know if there are legal strictures on what can be charged for the cigarette tax and asked to see an analysis of increases in cigarette taxes and to put them as high as they can. He stated Council has been given frequent references to a systemic budget problem, a steady line increase in revenues of 2.5% with a steady line increase in costs of 5% per year. He asked for a memo on where those increases come from and where they are targeted. He suspected they were weighted toward personnel cost issues. What parts of the budget is that focused in? He asked for an explanation of the increase in pet license fees.

Alderman Jean-Baptiste stated the budget process is scary. They are told they are running out of revenue options; residents resist property tax increases and groups fight any proposed cut to their organization. He thought they were still thinking "in the box." He suggested over the long term, that non-profit organizations would have to come to the table. When they had the head tax discussion, non-profit institutions came and wanted to discuss options. He has not heard of any agreement for contributions. He stated they must find a way to make things happen. He understood the argument was that a head tax would discourage businesses from investing and growing in Evanston; thought they may have to pursue that option if the City cannot get some support from non-profits. He could not imagine talking about further cutbacks year after year. He found Ray Summer's presentation insightful in terms of the criticism that on the one hand they budget for overtime, yet they want to reduce staff. Those reductions create a void in services the City needs to offer so they are provided on an overtime basis at greater cost. He asked the City Manager to provide an explanation of why it is a greater cost savings to have planned overtime versus hiring somebody full time. He noted the decrease of 10 union personnel referred to by Mr. Summers and at the same time a significant increase in non-union personnel. He asked for clarification and rationale for hiring over the past three-four years. He referred to a municipal income tax and recalled that it was unconstitutional and asked why it is unconstitutional. New York City has an income tax and asked if it is feasible in Evanston. He noted a citizen wanted a tax on employees who live outside the City and to look at that.

Alderman Feldman referred to the City Manager's memo about negotiations between the City and nonprofit institutions, which he found distressing. He recalled meeting with the CEO of St Francis Hospital, who had indicated they would do everything possible to diminish the City's budget problem. The new CEO had no interest in taking over any Health Department services unless it would produce revenue for the hospital. He recalled a meeting in which they were assured the non-profit institutions and the Chamber of Commerce would convene to discuss how that segment could contribute and did not know whether such meetings were held. He stated when the pressure is off, people avoid dealing with the issue until something else happens. The fact that Evanston Hospital has taken a year to find basic ways to cooperate, which has not occurred, disappointed him. He noted that Evanston Hospital is one of the most successful hospitals in United States and is expanding. He welcomed an examination of a head tax and that it should involve more than major institutions, be done in a fair way and not be detrimental to the non-profit community and businesses. He responded to Budget Memo #33 about using the former recycling center for ECMC's operation. He said if the Council is committed to continue paying the money they do currently to ECMC and they need a place, it seems silly for ECMC to pay rent of \$97,000. He confirmed they would use the eastern third of the recycling building. The remaining space is used for garbage trucks and for temporary storage of the police command van. He related that in a public service announcement

on cable, ECMC indicated a cut of \$157,000 and, to save ECMC, people should send their checks in. He wanted to know how much money they raised and if ECMC would engage in a serious fund-raising effort to assuage some of the improvement money needed to get them into the recycling space. He also wanted a refined estimate on the cost to remodel the building as the spread between \$500,000 and \$900,000 was great. If a cost of \$500,000 was prorated over five years and ECMC could contribute funds to the improvement, it seemed silly to pay rent when that space could be used. Facilities Management Director Max Rubin explained they only have a schematic design of this space and do not have detailed drawings. He stated the cost is dependent on what will be done. They asked for funds to get detailed drawings and to have more accurate cost figures. Alderman Feldman referred this to the A&PW Committee.

Alderman Kent asked staff to look at the animal ordinance penalty fees on page 30 of the budget, which seemed low. He referred to Budget Memo #46, the red box loan program, said if they checked outlying services, they may find the 10 cubic yards Evanston provides is a little shorter box than the standard 15 cubic yards. He suggested it be advertised to benefit homeowners and requested a budget memo.

Alderman Rainey agreed that this service should be advertised and paid for by those using it; was sure no other community provides dumpsters for people who renovate their kitchens. She noted cable television subscribers pay the money received by ECMC. People without cable do not pay that fee. She stated ECMC's rent is outrageous and understood there is a buyout for the rent. Evanston taxpayers are not taxed for this. She stated when the head tax comes back for discussion, she will propose a formula that will calculate it with consideration to employers who pay real estate taxes. She was concerned about double and triple taxing and thought this would make the tax a more marketable revenue source. Business owners who don't own property but pay real estate taxes in their leases would be given credit for that before a head tax is assessed. Alderman Rainey asked the disadvantages of moving the Fleetwood-Jourdain Theatre to the Noyes Cultural Arts Center. She read in the memo all the places the theater could go and it seemed to be a classic case of why property taxes are overwhelming the community. There are opportunities to operate this theater within current venues owned by the City, yet they choose not to do that but operate the theater where the City pays rent and makes improvements. She noted that snow removal is budgeted in this year's budget at over \$580,000 and saw no way the City could spend that. All money is for overtime and materials. She suggested checking with the weather service and make a calculation that would indicate those funds will not be spent on snow removal. Alderman Rainey agreed with the speaker that the cut to animal control is a quality-of-life issue. She asked if any represent wards where they never see stray dogs and if they don't, it was because where there are strays, animal control picks them up. She suggested instead of reducing attention to animal crime, it be increased. She stated the animal wardens are on top of a lot of animal crime here and was shocked that they would leave two part-time pen cleaners at the shelter and take away a person who is committed to fair animal treatment. She suggested this cut is a terrible mistake; noted there were over 8,000 calls this year for attention to animals. She stated the individual being left on staff has been ill and borderline to retire. She asked why get rid of a skilled expert? She asked staff for numbers if they were to reduce one of the part-time staff and retain the animal control person. She predicted if this cut goes through, cops will get the calls for work being done by the animal wardens. She noted the police chief proposes reduction of three officers and has fought to have every officer position budgeted filled. She pointed out the 8th Ward and this city borders the murder capital of the USA. She stated District 24, which borders Howard Street, is a major contributor to those numbers and noted the Chicago Police Superintendent announced they will put more officers in high crime areas. She urged Council to disallow this cut and termed it "foolhardy." She noted officers in the schools are put on the streets when there is a shortage of police. There will be retirements, transfers out and offers to police from the federal government to do exciting work on planes.

Alderman Newman fully supported Alderman Rainey suggestions on animal control. He noted the \$580,000 for snow overtime is for next year, not this year, and opposed any reduction in the snow removal budget because weather is variable. He would go after the \$85,000 spent annually on six football games when they are thinking of cutting branch libraries. He thought it similar to liquor consideration and would be unfair to residents on Central Street to take that away without hearing from them and businesses. He acknowledged the entertainment tax brings in \$510,000. He thought the same argument applies to expanding liquor for \$100,000 more revenue; agreed it needed to be looked at but to include residents who will be affected by it. He did not think people want bars around town and pointed out the liquor law works here. He found it interesting that it was suggested the food/beverage tax be looked at with precision but to raise parking fees downtown. He said the parking structure downtown is more important to the restaurant community than the food/beverage tax. He noted for years the restaurant community has opposed extending meter hours to 9:00 p.m., but thought they should look at that. Finer restaurants are concerned due to diners who stay longer than two hours. He

recalled the Research Park parking lot was eliminated, which charged \$23-25 monthly and was practically the only place that low-income employees could park. The lowest rate now is \$75 a month. Parking fees are more complicated to raise than one might think. Cook County passed a parking tax so the City set up a structure to deal with that increase, so the next increase the City makes will go to the County, which means the City will have to leap frog \$2 to raise revenue. He pointed out the office community can choose where they lease offices and Evanston cannot charge \$20 a day the way Chicago does. The workforce has to choose what they will pay to park. He noted in Skokie, the 2nd Municipal Court has free parking. He thought Council must look at competition and noted gasoline prices are higher here than elsewhere due to Evanston's gas tax. He said the price that the commercial community has to pay for parking is basic because they need employees. He noted a secretary who makes \$30,000 annually will spend almost \$1,000 a year to park and there are people who cannot get to public transportation. He suggested it is easy to suggest raising downtown parking rates. He pointed out parking tax does not go to the General Fund but to the Parking Fund. He suggested the food/beverage tax would not be as harmful to the restaurants and offices as raising parking rates. He supported examining fees but not based on the Consumer Price Index. In the parking system by setting prices in exact dollar increments, change is not required and cars can exit quickly. If they were to raise parking rates by the CPI they would have odd numbers. He supported an alternative, which would look at fee structures and for potential annual increases. He noted it was his idea to look at alternatives for the suggested increase in the overtime meter fines and noted Mr. Jennings looks at increasing fines for parking on a street during street cleaning times, which is already \$25. He suggested that people who don't move their cars are not doing it on purpose but simply made a mistake. He opposed that particular rate. He thought the alternative that generates \$383,000 as opposed to raising the \$10 fine was fairer. He suggested that raising downtown garage parking rates encouraged meter feeding, which means less turnover of parking spaces. He asked Arts Council staff to look at increasing fees to pay for a manager and the proposed decrease in arts grants. On special refuse pickups at \$25, he wanted to look at a sliding scale depending on the amount being removed. He thought a couch would be an extraordinary item. He stated people in the 1st and 5th wards who leave large amounts of refuse for weeks need to be assessed a higher fee. He suggested the person would have to apply for a permit and tell the City what was being picked up. He did not think cutting basketball at Mason Park or at Fleetwood-Jourdain Center was a good idea. He wanted to know the cost to have a full-time grant writer on staff and the potential benefits.

Alderman Newman asked for a follow-up on the library memo on the 60,000 people with library cards and whether they are residents or non-residents? Library Director Neal Ney stated 58,000 cardholders are residents. Alderman Newman asked if non-residents are charged for library cards? Mr. Ney explained the library is a member of the North Suburban Library System and participates in reciprocal borrowing. A library card valid at any member of that system is also valid here and Evanston is a net borrower in the system. The library charges a \$100 a year fee to a small number of Chicago families to borrow more than three items. Alderman Newman asked the staff and Library Board to look at asking persons over 18 years of age for a donation on the condition that all money stays in the library to improve collections.

Alderman Jean-Baptiste asked for clarification of the \$284,000 budgeted for Emergency Assistance on page 169 of the budget and if the Township is taking over Emergency Assistance. Health & Human Services Director Jay Terry stated a memorandum of agreement is under discussion with the Township. That amount would remain in the City budget with a contract to the Township for certain services where it would be reimbursed for services provided. The bulk of service dollars are still in the City budget and it proposes the cost of two caseworkers would be reduced. They will discuss this on February 9 and staff is still negotiating with the township supervisor. Mr. Terry reported staff is preparing a report for Alderman Rainey who asked what emergency assistance is, why is it provided and who receives it? A status report will be provided.

Alderman Rainey explained that she did not want to cut snow removal overtime from next year's budget; suggested this year's experience is with little snow with an overtime budget of over \$580,000. She thought there is a way to project some dollars out of that; recognized there could be a blizzard but in watching the weather service did not think that was likely. She thought there could be a healthy balance left in that account for which people have been taxed.

Alderman Rainey announced she would resist additional payment for recycling by hard working taxpayers who recycle; suggested extra money be raised by ticketing those who add to landfills by not recycling. She noted everybody gets a recycling bin to recycle cans, glass, plastic, paper and that the recycling program is mandatory. She suggested that those who do not recycle deserve to be fined; noted a large segment here do not recycle. Recycling participation has not

increased here. She suggested the need to encourage condominium owners and homeowners who are not recycling to do so because that is the law. She asked staff for a memo from Groot where recycling does not happen.

Mr. Crum noted the next Saturday workshop was scheduled for presentations on cuts to the library, Summer Youth Employment Program and police-related issues. He noted some question whether Council wished to take the library off.

Alderman Rainey asked if actual costs of operating both branch libraries plus an evaluation and analysis by the library director for library services provided by branches was still coming. Yes. Alderman Newman did not want to leave the library on and have people come and fight against a cut that will not happen and the cut to cable would not happen either. Alderman Moran would not support any proposal to close branch libraries and was proud of the people who marshaled forces to not close the libraries and predicted if they did not take this off, there would be hundreds of people at the next workshop. Alderman Jean-Baptiste suggested they pursue the process, noting there are other projects that others want taken off the table. Alderman Wynne agreed with Aldermen Moran and Newman that there was a strong sense on Council that branch libraries not be closed; noted that frequently they end up without enough time. She would rather devote time to tougher issues. Alderman Feldman moved they hold a straw poll to remove the library branches from further consideration. Seconded by Alderman Wynne.

Alderman Newman moved a substitute motion to reduce by 2% raises to non-exempt employees for \$360,000; raise the vehicle sticker increase from \$5 to \$10 for \$100,000; remove cutting the branch libraries \$200,000; remove the cut to ECMC of \$150,000; restore Fleetwood-Jourdain Theatre funding of \$100,000 and add one police officer to the middle schools for \$60,000. Seconded by Alderman Feldman.

Mayor Morton stated this was a discussion workshop and questioned the voting. Alderman Rainey said her idea about branch libraries had nothing to do with Alderman Newman's treatment of non-union employees and would not support that suggestion. She did not want support of the library tied to those revenue generators and had no interest in cutting raises to non-union employees. She thought a vote for that was an endorsement. Mayor Morton stated if people want to come and talk about libraries or other matters that was their right.

Voice vote on substitute motion failed.

Voice vote to remove library from consideration next Saturday. Motion carried. Mayor Morton stated this was a straw vote and would have to be formally voted on.

There being no further business to come before Council, Mayor Morton asked for a motion to adjourn. The Council so moved at 1:23 p.m.

Mary P. Morris,
City Clerk

A videotape recording of this meeting has been made part of the permanent record and is available in the City Clerk's office.