

CITY COUNCIL

February 2, 2008

ROLL CALL - PRESENT:

Alderman Bernstein	Alderman Hansen
Alderman Holmes	Alderman Wollin
Alderman Tisdahl	Alderman Jean-Baptiste
Alderman Rainey	

A Quorum was present.

**NOT PRESENT AT
ROLL CALL:**

Aldermen Wynne and Moran

ABSENT:

Mayor Lorraine Morton

PRESIDING:

Mayor Pro Tem Holmes

City Clerk Mary Morris announced in the absence of Mayor Morton, nominations for the election of a Mayor Pro Tem are in order and that, in accordance with Council Rule 14.7, Alderman Holmes is next on the list of Aldermen by seniority who have not served as Mayor Pro Tem.

Alderman Wollin nominated Alderman Holmes and moved that the nominations be closed and that Alderman Holmes be elected Mayor Pro Tem. Seconded by Alderman Hansen. Motion carried unanimously.

At 9:05 a.m. Alderman Bernstein moved that Council convene into an Executive Session to discuss matters related to personnel pursuant to 5 Illinois Compiled Statutes 120/2 (c) (1) as follows:

2. All meetings of public bodies shall be public meetings except for the following:

(1) The appointment, employment, compensation, discipline, performance, or dismissal of specific employees of the public body, or legal counsel for the public body, including hearing testimony on a complaint lodged against an employee of the public body or against legal counsel for the public body to determine its validity.

Seconded by Alderman Wollin.

Roll call. Voting aye –Bernstein, Holmes, Tisdahl, Rainey, Hansen, Wollin, Jean-Baptiste. Voting nay – none. Motion carried. (7-0).

At 10:02 a.m. Alderman Bernstein moved that Council reconvene into Open Session. The motion was seconded.

Roll call. Voting aye –Bernstein, Holmes, Tisdahl, Rainey, Hansen, Wollin, Jean-Baptiste. Voting nay – none. Motion carried. (7-0).

A SPECIAL MEETING of the City Council was reconvened by Mayor Pro Tem Holmes, Saturday, February 2, 2008, 10:10 a.m. in the Council Chamber for the purpose of conducting a Budget Review Workshop on the FY 2008-09 Proposed Budget.

City Manager Julia Carroll noted this is the third budget workshop. First, questions about budget memos would be answered, then discussion of options for reducing the property tax levy. What are Council priorities? Is it a single digit tax levy increase or retaining all current services? Either choice would require revenue enhancements. Under Option 1 last week, they discussed the \$500,000 increase in the personal property replacement tax and other adjustments that brought the tax levy down to 12.39%, which is still high. All tax levy options talked about last week assume approval of the following new or changed revenues: landlord licensing program-\$560,000; increase refuse pick-up charge by \$1.95 per month-\$423,200, increase overdue parking fines from \$10 to \$15 per offense-\$252,100; increase vehicle sticker from \$60 to \$75 per year-\$495,000; historic preservation review fee-\$8,000; increase in business license fees \$85,500; charge of \$2.50 per month for second garbage cart pickup-\$100,000; increase charge for replacement carts to recover actual cost of cart-\$30,000. Staff prepared options for Council consideration (includes all revenues in the base budget) with several

scenarios to reduce the property tax levy. Council may choose a combination of revenue enhancements or expenditure reductions to develop a tax levy that reflects Council's priorities. Council options to reduce the tax levy relate to level of service: reduce services and related costs; use of one-time revenues (not recommended) and consideration of revenue enhancements: yard waste sticker program; food & beverage tax dedicated to pension funding and real estate transfer tax increase (no food & beverage tax if transfer tax increases passes.) Do they want to hold off on pension funding due to appointment of a Blue Ribbon Committee? If they want to look at use of fund balances or other revenue enhancements, that could be discussed.

In response to Alderman Rainey, Ms. Carroll in her original budget message had talked about putting the property tax levy in for the pensions as a placeholder until the outcome of the pension funding issue. A decision on the pensions must be made by the time they pass the tax levy in December. One option is to pass the budget with a tax levy of "X" but understand that Council must pass a levy to make the minimum annual contribution to the pensions in December. She thought that Council wanted to use a Blue Ribbon Committee to get some useful information in 60-90 days to allow Council time to talk about their recommendations.

Alderman Tisdahl noted Council has waited more than a year to solve this and was surprised to hear the suggestion to wait even longer -- that is what got them into this mess. Alderman Moran agreed it is a mess but was concerned not to make a bigger one by attempting to plunge forward. He did not see a clear path. Because of that and because they don't have to levy until December, he suggested a systematic and comprehensive approach. Some suggestions to address the tax levy are acceptable, though many are not. They have a lot of work to do. If Council starts ending programs and makes major slashes in the human services delivery budget, they will move into areas where services cannot be re-instituted. He recommended that a Blue Ribbon Committee or smaller committee work on a comprehensive solution now. He did not suggest delaying the search for an economically and politically sustainable solution.

Ms. Carroll was not suggesting they not address the issue, but if Council wants to use a Blue Ribbon Committee as advisors, they can take the time to do it. Her concern about waiting is if there is not a solution significantly different than those discussed, in the future they will look at significant expenditure cuts to balance the tax levies. There is a cost that must be reckoned with now or six months from now.

Alderman Tisdahl pointed out they asked for a Blue Ribbon Committee, not alchemists. There is no way the choices facing Council in December will be any less painful than now. She hoped the Blue Ribbon Committee would help them use pension obligation bonds and make money rather than lose money.

Mayor Pro Tem Holmes asked the minimum number that has to go into the budget now and could that be changed in December. Ms. Carroll said they know the number and it could be changed in December provided there is another funding source other than property taxes. The City is required by law to fund the minimum annual contribution.

Alderman Rainey stated the actuarially recommended employer contribution to the Fire Pension Fund is \$5,679,500 or \$1,505,200 over the prior year. The actuarially recommended employer contribution to the Police Pension Fund is \$6,897,400 or \$2,260,900 over the prior year. She read from page 14 of the budget.

Alderman Jean-Baptiste noted Council had accepted the actuarial assumptions presented; has tried to understand the pension fund problem and asked that Corporation Counsel Jack Siegel address this issue. They are still in a process and he is not ready to make a decision. That radical departure that they are accepting in 2008 came from someplace. Some say it came from total neglect of the City's obligation over the last few years. Or is it a question that any actuarial report produced will change and bring forth new information? He wanted to know the direction to go. They will look at when bond obligations end and suggested in two or three years may have more money to fund the fire/police pensions but are not there yet. He is trying to determine the facts, and then develop an approach to understand Mr. Siegel's perspective.

City Manager Carroll introduced Corporation Counsel Jack Siegel, who came at the request of aldermen, to give some background on pension funding.

Corporation Counsel Jack Siegel

Mr. Siegel has been involved in these matters for years; thought it may be useful to talk about how the City got to this point. The two pension statutes have a similar formula for police/fire that requires the municipality make a contribution, which when aggregated with the employee contributions, will meet the required funding by 2033. Evanston's history is unique. In 1987, the Police Pension Board sued the City of Evanston alleging it had not made appropriate contribution as required by statute. The actuarial assumptions gave rise to a number and the City Council had not levied that amount. The Pension Fund sought a number of remedies. First, it sought a declaration that the annual report of the pension board set the amount that the City had to levy and there was a discrepancy between what the Police Pension Board submitted and what Council levied. The second argument was that there was a breach of fiduciary duty on the part of City Council for failure to levy in the amount the pension board submitted. Third was a mandamus action forcing the City Council to levy in the amount that the pension board said had to be levied. That case was filed in 1987. There were a series of lawyers and complaints until they got to the trial court. That court ruled that the City Council was not required to fund according to the board's direction and there was no breach of fiduciary duty by the City Council. The case went to the Appellate Court, which agreed on five of the six counts but said there was not enough evidence and sent it back to the trial court. That case was decided in the Appellate Court in 1996. In the meantime, the Illinois legislature changed the amortization period by extending it for 40 years to 2033. In 1993 the City Council passed resolutions to fully fund. The reason the statute was amended, even then, was due to the burden on municipalities. After 1993 the pensions were funded appropriately as determined by the City's actuary. The case was finally tried on the issue of whether the City was following the law in 2003. By then the evidence was clear that the City was following actuarial recommendations. How an actuary works is an art, not a science. Each levy sort of takes care of any previous deficits; that was his argument. They had amended the complaint and no longer sought to recover \$4 million plus from the City on the basis that it had failed to contribute in the past. At the trial, the City's actuary, Bill Stafford and the pension board expert, Mr. Tefler, agreed that the assumptions and methodology used by the City's actuary were correct. It was also agreed that the revenue represented over a period of time compensated for failure in the past. The Appellate Court subsequently affirmed the decision of the trial court that the pension board was wrong in 2006 and the City's actuarial assumptions were correct. There are several issues and no question that there is an obligation to fund the pension funds. He received a copy of the City's new actuary report and was surprised. What caused the major discrepancy between this year and last year? The answer is a different actuary that used different assumptions. He did not know whether they had investigated as to why the changes were made. There may be good reason. Statutes restrict the amount that can be invested in equities. Another section used different methods and tables to determine mortality. The demographics have not changed substantially. There was a change concerning widows, but there are only three or four widows. He did not suggest assumptions are not justifiable. It seemed to him they ought to look at the assumptions to determine just how valid they are. The change made in 1993 was to lessen the immediate load on taxpayers. Normal costs and amortization will be unfunded liability until 2033. He suggested the Blue Ribbon Committee or Council look at what caused the new actuary to change assumptions. The difference between Ted Windsor and the new actuary resulted in certain changes. The interest income was decreased from 7.5% to 7.25 and demographic assumptions were updated consistent with new data. The mortality table was changed from 1984 to 1983. He urged they look at the assumptions and ask Bill Stafford who worked on this. They have got to meet the amortization requirements. What those are, depends on the actuary's assumptions. He represents Schaumburg and they don't use property taxes to fund pension funds and use other revenue sources. Some lawyers challenged this in 1993. The Supreme Court recognized that pension fund statutes pre-empt home rule. The issue revolves around changed actuarial assumptions and he urged them to thoroughly investigate, using Ted Windsor and Bill Stafford, to see if the City has been wrong all these years.

Alderman Tisdahl asked Mr. Siegel if he was aware that Moody's had lowered Evanston's bond rating based on Mr. Windsor's actuarial assumptions? Mr. Siegel stated the lawsuit was important because the court legitimized what the City had been doing for years. He has not seen the rating agency's report and asked if New York agencies look at the Illinois law or just look at unfunded liability.

Alderman Jean-Baptiste asked if Moody's had information about the lawsuit. When he raised the issue, he was told this happened in 1967. Mr. Siegel said it was in 1995 and that the City had met actuarial requirements through 2002.

Ms. Carroll stated when the decision came down in 2005, she did not know what Bill Stafford, then finance director, had shared with rating agencies but did not think it made any difference because the City is obligated to make the required actuarial contribution going forward. Moody's looked at the total unfunded liability growing and looked at what has

happened over the past 10-15 years. Examining audits for the past ten years shows the unfunded liability doubled even with Windsor, the former actuary. Mr. Siegel has questioned the new actuary's assumptions. If they want to hire Ted Windsor to go through the calculations, she was fine with that. She wanted new eyes to look at this because they were not meeting the required contribution. The assumptions were not based on fact. For example, with the 7.5% investment rate they could not reach given restrictions under state statute of 45% in equities and 55% in fixed instruments. They looked at that and figured the maximum they could earn is between 7.1% and 7.2% and was changed. Another change made was that Windsor used a 3% increase in salaries. They haven't given a 3% increase for a long time. A more reasonable assumption is 5-5.5%, which is what the state uses and interest income of 7%. The new assumptions are more aggressive than what the state uses. The reason the mortality table was changed is to more accurately reflect the experience the City has with pensioners. She said people are retiring earlier due to changes in the law of being able to retire at 50 rather than 55. When people retire earlier and live longer, they draw a pension for 35 or more years. The other concern about the former actuary was the City had a net pension obligation that came into play when GASB 27 was started at \$8 million. Using Windsor's 7.5% assumptions and others, the City's net pension obligation doubled in ten years. The actual results differed from the assumptions so they had to make changes. The state told the City the liability was \$127 million for both funds, but did not include benefits from the most recent change in 2004. When those are incorporated, that liability will go up. The City's current actuary says it is \$140 million. She did not think there was a material difference between the state and the City's actuary. They looked at data on when people retire, how long they live, how many are on disability, widows, and impact of the 2001 change. A rational basis was used to make these assumption changes. She was happy to have Ted Windsor look at this and thought he would agree with the changes.

Alderman Rainey clarified that Moody's determination was based upon the new actuarial assumptions. Ms. Carroll noted the City had been on credit watch the year before. She understood when Council passed the ARC they also decided to have a private actuary do the assumptions. The 7.5% interest was done by the finance director and actuary at the time. Alderman Rainey asked about reporting by the pension boards to the City. Ms. Carroll stated the finance director gets quarterly reports from the pension boards and that information could be shared with Council. The statute requires that the city treasurer serve on the pension board.

Alderman Jean Baptiste confirmed that Moody's rating is based on information provided by the City. Ms. Carroll said it is based also on comparison to other communities. This year it provided new actuarial assumptions. In 2003 the City's expert (actuary) testified before the court and the pension board expert agreed. Alderman Jean Baptiste thought they passed legal muster; suggested staff had fed the rating agency the most negative information. What the facts are is still being debated. He wondered why they did not send in historical information, because the rating action affects the City's ability to borrow. Ms. Carroll thought he was mischaracterizing the decision and had no idea of the change in the unfunded liability at the time the assumptions were updated. She thought they were more accurate; stated one cannot make 7.5% using the state guidelines. A copy of the actuarial assumptions was given to Moody's every year they requested it. Starting in 2003, Moody's commented that the City's pension fund levels were too low and mentioned that eight times prior to the downgrade (when Mr. Windsor was the actuary). Moody's put the City on negative outlook in November 2006, when Windsor was actuary. Their concern was the growth of the unfunded liability; had seen it more than double in a ten-year period and funding had not improved. That is a signal when the unfunded liability grows and the percent of amount funded does not go up, either they did not meet unfunded liabilities or need to look at assumptions. If inaccurate assumptions are used (not based in reality) for every year they are used and don't meet them the next year, the liability jumps. The issue is, whether Ted Windsor's numbers are used for 2006 (which would be greater) at least \$110-120 million or use Gabriel Roeder Smith's numbers. Their problem is a pension liability that is greater than the General Fund budget and more than the City's outstanding debt. Ms. Carroll gave Moody's the information. Alderman Jean-Baptiste asked what was contributed to the pensions in 2003. Ms. Carroll stated the audit (page 87) will show amounts contributed, the percent funded and the unfunded amount. It shows that from 1996 or 1997, the liability doubled. Partly due to change in benefits that weren't earning 7.5% on investments. Police has earned around 6-7% for the last eight years. Fire has been below 6%. She advised Council to ask the pension boards what they are doing and how they are doing it. Ms. Carroll stated the pension funds have an obligation to report to the public. If the public will be responsible for making up the difference, the pension fund boards should share the investment side.

Alderman Rainey moved to exclude consideration of all other parts of the budget until they resolve the fire/pension

funds. Seconded by Alderman Bernstein. Alderman Wollin understood they have to increase funding by \$4 million more in the pension funds. Alderman Rainey directed Council to budget pages 475 and 476 Pension Fund Summary. From the property tax, \$5,679,500; from the Personal Property Replacement Tax \$195,000; transfer from the General Fund balance of \$1,625,000. She was not sure about participant contributions Ms. Carroll explained that is the 9.45% that participants pay as a percent of their salary. There is interest on investments of \$711,000. What they are looking at is the \$5 million, \$195,000 and \$1.6 million. Ms. Carroll explained the \$1.6 million is only because they did not levy the full ARC and it won't recur. Alderman Wollin favored a placeholder because Council won't have the Blue Ribbon Committee's advice until later. Alderman Rainey said before they go on with the budget, they must resolve this and reiterated they would levy \$5,679,500 for Fire and \$6,897,400 for Police. She suggested they work backwards. Ms. Carroll stated the increase in taxes is 36% for Fire over the prior year and for 48% more for Police. By working backwards, they can reduce the overall levy for FY 2008-09 and look at other cuts and revenues. Acting Finance Director Drazner said the increase in the levy is 10.8%. Ms. Carroll explained after the first bump up, the annual increases are between \$500-800,000. Mr. Drazner said assuming that interest is met, it will increase about \$400-500,000 a year. A new schedule will be provided. Currently the City is at \$12.5 million and in 10 years will be \$17.8 million for pensions.

Alderman Jean-Baptiste stated the implication of making this large contribution, because of the impact, is that they have to cut personnel, programs, tree injections and need to amortize it over a longer period of time. Ms. Carroll explained, when the law was changed in 1993, the amortization was intentionally done to pay a lower contribution in the beginning years and a higher contribution later. Mr. Schoolmaster has brought this up. The City is 15 years into this and the escalation has started to occur. This was changed to percentage of payroll, so naturally as the payroll goes up so does the contribution required. Currently the City pays 57% of every officer's salary into pensions. That is partially due to being low on the funding side and also because the cost was supposed to ramp up over time. The City is funding what was planned, not more than is needed. Unfortunately, she did not think that had been clearly pointed out to elected officials.

Alderman Moran referred to budget memo #39 about fund balances; asked about this specifically because drawing down on a fund balance could be viewed as drastic. According to a January 25 memo on tax levy options, it was suggested to draw down \$3.3 million of the General Fund balance and lower it to \$4,400,000. Nearby communities have fund balances at 20%. Evanston is now at 8.3%. This is the reserve. Glenview is at 33% and Oak Forest is at 35%. He was frightened by drawing down \$3.3 or \$3.4 million. Ms. Carroll stated they have \$7-8 million in excess of a one-month reserve. She agreed it would be wise to change the policy and build it up to 15-20%. Most suggest a minimum of two months of reserves. She stated it is shortsighted to use the fund balance, because it only helps for one year. Staff gave options. She did not recommend taking out a chunk and noted they came close to running out of cash this year.

Alderman Moran noted Council has to have a balanced budget in 26 days and don't have to do the levy for 10 months. Mayor Pro Tem Holmes asked that they agree to look at new sources of revenue. Alderman Rainey said that going forward, the new actuary told them the amounts needed to be levied for the fire/police pension funds. The city manager recommended this because it would be a one-time transfer and they would not have to do it next year. Alderman Rainey urged them to make a decision. Ms. Carroll stated the fund balance transfer is built into the base budget and reflected in the net fund balance they have been discussing. That has been taken off the top. Alderman Jean-Baptiste asked why not consider a different approach to front loading. Alderman Rainey asked the projection next year. It would be \$500,000 more than this year, \$12.5 million next year. For FY2010, the levy will be \$13 million and for 2011 it will be \$13.5 million. Motion carried.

New sources of revenue. Alderman Tisdahl questioned the landlord licensing program, noting all have heard from Realtors that the \$40 fee is illegal and the charge cannot exceed the cost. Property inspectors, who have inspected rental units all along, were used to justify the fee. First Assistant Corporation Counsel Herb Hill noted in case law, there are cases that exceed five times the cost. The City nowhere approaches that number. The cost of the program is not covered completely by the licensing fee. The Law Department believes they are within a Constitutional standard. Alderman Wollin moved that they approve the landlord licensing program that will bring in revenue of \$560,000. Seconded by Alderman Wynne. Motion carried unanimously.

Increase in refuse pick up charge.

This is to cover the cost of collection. It is \$1.95 per month per can and would yield \$423,200 annually on the water bill. Last year it was increased by \$5. This is charged to about 19,000 customers. Alderman Hansen planned to vote “no” and voted against it last year. Alderman Wynne suggested rather than nickel-and-diming people, that they include this charge on the property tax so people can have a tax deduction. Alderman Rainey would agree if they do not pick up non-for-profits. Public Works Director David Jennings explained this is assessed only to those who get service – one to four units of residential – single-family houses, apartments and condominiums that are in the program. They don’t pick up churches. Alderman Rainey said that NU administrators live in single-family homes that are off the tax rolls. Is that garbage picked up? Collections Manager Kevin Lookis stated that all who receive a water bill will pay this fee. In response to Alderman Moran, the total charge would be \$6.95 a month if they adopt this. Alderman Rainey asked for an analysis to see why the \$423,200 is necessary. Ms. Carroll explained that the cost of collection has been lowered over the past few years. In looking at statewide surveys, 67% of communities charge a user fee. Staff felt, at minimum, the fee should cover the cost of collection. If they shift this to the tax bill, it shifts more of the cost to higher priced homes than more modest homes. Alderman Wynne moved that the charge be placed on the tax bill. Seconded by Alderman Bernstein. Motion carried.

Increase in overdue parking fines from \$10 to \$15

Alderman Rainey would not support this because the City has \$3.5 million in uncollected fines. This is an expired meter charge and was rejected by the Parking Committee because they thought it would leave a bad taste in people’s mouths. Alderman Rainey moved to remove the increase in parking fines from consideration. Seconded by Alderman Tisdahl. Motion carried unanimously.

Increase Vehicle Sticker from \$60 to \$75

This would yield \$495,000 more in revenue. Alderman Wollin moved approval. Seconded by Alderman Tisdahl.

Roll call. Voting aye – Wynne, Bernstein, Holmes, Moran, Tisdahl, Hansen, Wollin. Voting nay – Rainey and Jean-Baptiste. Motion carried. (7-2)

New Historic Preservation review fee

It was moved and seconded to approve a Historic Preservation Review fee that would yield \$8,000 in revenue. Motion carried unanimously.

Increase in business license fees

This increase would provide an additional \$85,500 in revenue. A breakdown is on page 15. In response to Alderman Bernstein, Mr. Lookis stated 900 businesses pay a license fee. There are about 2,100 businesses that fall within a category that the City chooses not to license. Any entity licensed by a higher body is exempt from the business license. Mayor Pro Tem Holmes urged that this be reconsidered next year. Alderman Rainey said her concern about the business license is that it places no standards on the business. On Howard Street, two businesses were raided for selling counterfeit movies and CDs. Even though they were raided, they were operating again almost immediately. There is no provision to take their license. Mr. Hill stated there are professional services that are not subject to licensing. They will begin research on categories and review a whole gamut. They want it right and could have something in March. Alderman Bernstein asked if licenses have to be posted. Licensed businesses receive a certificate that they are required to post.

\$2.50 Charge for second garbage cart pickup

This will generate \$100,000 in revenue. Alderman Moran moved approval. Seconded by Alderman Wynne. Motion carried unanimously.

Increase charge for replacement carts

It will bring in \$30,000. Alderman Wynne moved approval. Seconded by Alderman Moran. Motion carried unanimously.

Alderman Rainey requested that Council members receive a chart with pluses and minuses before the next meeting so they have something to work from. Alderman Hansen requested budget memos before Friday night. She confirmed the fee for home-based business is 0 and not \$40. She asked how do home occupation permits coincide with the registration

fee. Home-based businesses would be subject to a registration fee.

Alderman Jean-Baptiste thought other proposals would come. Mayor Pro Tem Holmes asked if Council wanted to meet after the budget hearing on Monday night. Alderman Rainey moved that Council continue budget deliberations after the public hearing on Monday. Seconded by Alderman Tisdahl. Motion carried unanimously.

Ms. Carroll said staff would try to get budget memos out on Thursday. Alderman Rainey wants to see what they have done on a spreadsheet. Mayor Pro Tem Holmes asked when they wanted to meet next. Council agreed they would decide Monday night.

In response to Alderman Bernstein, Ms. Carroll explained that all these revenues were built into the budget. Anything not approved makes the levy go up. There are other options suggested. Mayor Pro Tem Holmes stated they assume increases in business licenses but don't know the amount.

CITIZEN COMMENT:

Leigh MacIsaac, 1123 Noyes St., wanted to speak about the elm trees; said that stopping the elm tree injection program is extremely shortsighted. The elm trees actually work for the City. When one elm tree is lost, the Forestry Division says it costs \$3,500. If the injections are stopped, they will go back to losing 250-300 elm trees annually; 250 trees times \$3,500 is \$875,000. The injection program costs \$399,000. If 300 elm trees die, more than \$1 million will be spent to cut them down. The budget for cutting down elm trees is \$724,000 is double the cost of injections. She suggested that the budget for planting trees is \$411,000, more than the injections. She realized they cannot plant trees for the next 15 years, but they could *not* plant trees for this year. She would feel better about taking care of trees the City has now. It is cheaper to keep trees alive than to cut them down. The ratio is 1 to 35. Basically it is \$100 a year. She heard the city manager asked departments to offer permanent reductions. There are things that could be temporary. They could easily give up planting trees for one year, not fix curbs and sidewalks, or not buy so many books. Why can't they pick three or four departments to stop something for a year? Permanent reductions don't work well.

Alderman Bernstein clarified that the \$300,000 is for chemicals. Mr. Gaynor said if they remove the injection program, the shift in tasks will be to remove trees that have Dutch elm disease. Currently trees are injected by staff. He submitted a budget memo listing the number of elms taken down and those injected. The other piece is the Emerald Ash Borer, which requires trees be cut down.

Michele Hays, 712 Dobson St., spoke about feedback from citizens. The wife of an Evanston firefighter, she wanted to clear up some misconceptions. Other than a desire to serve the community, the pension offers one of the few incentives to take on such a challenging and often frustrating job. Evanston police and firefighters serve citizens at starting salaries significantly less than the median income in Evanston. They have declined their right to social security in favor of a pension. It has been suggested that as part of firefighters compensation, firefighters should use their non-working hours at a second job. Some have suggested Evanston hire a volunteer fire department. People don't understand that Evanston firefighters are highly trained workers; train constantly and frequently on their own time. This means in addition to standard fire and paramedic training, they train for underwater rescue, high-rise rescue, and hazmat emergencies. They train to keep fire from spreading from house to house, which they would not have to do in areas that have volunteer fire departments. Firefighting is a highly skilled job and firefighters work more than 40 hours a week. Both police and firefighters have a non-traditional schedule, which means they often don't spend weekends and holidays with their families. The day-to-day grind of these jobs is taxing. They have a lot of paperwork, maintenance and cleanup. They deal with the public when they are the most vulnerable citizens, often sick, hurt, mentally ill or violent. These men and women are heroes daily. When this issue is discussed, it is easy to diminish their contributions. It concerns her greatly when she hears citizens say they should renege on promises made to these men and women. She urged that the police/fire pensions be fully funded and wondered how this happened. She reminded all that the City's bills are the taxpayers' responsibility. When elected officials are pressured to increase services and reduce taxes simultaneously, they are put in an untenable position. Sometimes things are deferred that should be taken care of. She appreciated the referendum as an option and it will have to pay for it through additional taxes or a cut in services. That is the reality.

A chart on page 130 shows housing code cases. It appears they collect less than half of the ordinance violations. If they

let scofflaws go, they create a need for more services. She could not find out how many ambulance fees are uncollected. These are issues that need to be looked at. She suggested a system, in which people behind on paying fines are refused access to non-essential services, similar to the library system.

Alderman Rainey corrected Mrs. Hays and noted the Real Estate Transfer Tax referendum is not an option to paying additional taxes. The City will have to levy \$11 million to get them up to speed.

There being no further business to come before the Council, Mayor Pro Tem Holmes asked for a motion to adjourn and the Council so moved at 12:25 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.