

**City of Evanston
 FY 2008-09 Budget Memo Requests # 55-57
 February 15, 2008**

Budget Memo #	Requestor	Request	Date Sent to Council
Attached Budget Memos			2/15/2008
55	Jean-Baptiste	Is there a different approach to funding debt and ARC so that costs can be spread over time?	2/15/2008
56	Jean-Baptiste	Insert FY 07-08 appropriation on page 224	2/15/2008
57	Wynne	Provide a list of City Council memberships and descriptions	2/15/2008
Forthcoming Budget Memos			
	Rainey	What is the City's contribution for the Summer Youth Employee program?	
	Rainey	Why is the savings from the Human Relations Division for FY 07-08 to FY 08-09 only \$56,280?	
	Jean-Baptiste	Provide information that shows CMO budget increase/decrease	
	Rainey	Provide information regarding why a full-time Economic Director is proposed	
	Rainey	Provide information about FICA/Medicare actual to budget for FY 2007-08	
	Tisdahl	What is the appropriate ratio for administrative costs to grants disseminated?	
	Holmes	Prepare a proposal that combines two Health Department managerial positions into one.	



Interdepartmental Memorandum

To: Julia Carroll, City Manager
From: Steven Drazner, Acting Finance Director
Subject: **Budget Memo #55: Different Approaches for Funding Debt & ARC**
Date: February 15, 2008

Question/Request: Is there a different approach to funding debt and ARC so that costs can be spread over time?

Response: If no new debt is issued from this point forward, the amount that we levy to pay non-abated general obligation debt will remain fairly consistent through the year 2016 and then gradually decrease until the year 2026. Unfortunately, since the Debt Service Fund has minimal surplus funds available, it will be necessary to annually levy the appropriate amount to make the required payments on outstanding G.O. debt.

In addition, the City is not in position where it can get by without making necessary future capital improvement repairs/replacements and capital equipment purchases. Therefore, an annual general obligation debt issuance for these purposes cannot be avoided and the debt service levy should be expected to increase rather than decrease going forward.

In regard to the actuarially required contribution (ARC) funding for each pension, relevant sections related to this in the Illinois fire pension code (40 ILCS 5/4-118) state, "The city council or board of trustees of the municipality shall annually levy a tax upon all taxable property of the municipalitywhich when added to all other sources....will equal a sum sufficient to meet the annual actuarial requirements of the pension fund.....the annual actuarial requirements of the pension fund are equal to (1) the normal cost of the pension fund...plus (2) the annual amount necessary to amortize the fund's unfunded accrued liability over a period of 40 years from July 1, 1993.....The amount to be applied towards the amortization of the unfunded accrued liability in any year shall not be less than the annual amount required to amortize the unfunded accrued liability, including interest, as a level percentage of payroll over the number of years remaining in the 40 year amortization period." Please note that Illinois Code for the police fund is very similar and conveys the same message.

As stated in the above Illinois Code, there is no flexibility in spreading the annual ARC over a longer time frame or reducing the City Police & Fire Fund contributions below the calculated ARC amount.

Thank you.



Interdepartmental Memorandum

To: Julia Carroll, City Manager
From: Michael Wheeler, Management Analyst, Finance Department
Subject: **Budget Memo #56: Insert FY 2007-08 Appropriation Amounts to Page 224 of the 2008-09 Proposed Budget book**
Date: January 12, 2008

Question/Request: Insert the 2007-08 appropriation amounts to page 224 of the 2008-09 Proposed Budget book.

Response: Please see the following page with the 2007-08 amounts provided along with the 2008-09 proposed amounts.

It should also be noted that the attached page has been manually created per Council request. When a business unit is moved from one department to another, the history remains in its old location and does not follow the department in the financial system, although the history does remain within the system. In this case, the Human Relations Commission moved from the City Manager's Office (BU 1545) to the Department of Health & Human Services (BU 2550). In the City Manager's Office, the 2007-08 appropriation is available in the department summary (p. 81) without the detail. This same situation occurs wherever there has been a move of a division to a new department.

**CITY OF EVANSTON
HUMAN RELATIONS COMMISSION
2550**

Appropriation	2007-2008 Appropriation	2008 2009 Proposed
2550 HUMAN RELATIONS COMMISSION		
61010 REGULAR PAY	140,270	102,200
61510 HEALTH INSURANCE	29,700	14,500
61615 LIFE INSURANCE	375	300
61625 AUTO ALLOWANCE	100	100
61710 IMRF	9,600	7,900
61725 SOCIAL SECURITY	5,000	6,400
61730 MEDICARE	1,600	1,500
62205 ADVERTISING	1,500	1,200
62210 PRINTING	1,000	1,000
62275 POSTAGE CHARGEBACKS	2,200	1,200
62285 COURIER CHARGES	300	200
62295 TRAINING & TRAVEL	900	800
62360 MEMBERSHIP DUES	300	100
62380 COPY MACHINE CHARGES	1,500	1,500
64540 TELECOMMUNICATIONS - WIRELESS	600	200
65010 BOOKS, PUBLICATIONS, MAPS	900	600
65025 FOOD	400	200
65095 OFFICE SUPPLIES	800	800
2550 HUMAN RELATIONS COMMISSION	197,045	140,700



Interdepartmental Memorandum

To: Julia Carroll, City Manager
From: Mary Morris, City Clerk
Subject: **Budget Memo #57: List of City Council Memberships**
Date: February 14, 2008

Question/Request:

Please provide a list of the City Council memberships and the associated costs.

Response:

Below is a list of the memberships that are paid from the City Council budget.

Illinois Municipal League	3,181
National League of Cities	5,723
U.S. Conference of Mayors	5,116
National Conference of Black Mayors	1,050
Northwest Municipal Conference	23,824
Metropolitan Mayors Caucus	<u>2,598</u>
Total	\$41,492

In the original FY 08-09 proposal, I included half the cost for the Northeastern Illinois Planning Commission membership of \$8,000. It came to my attention that the full membership is being paid from the Economic Development Fund. Consequently, staff recommends reducing the budget by \$8,500.