

**City of Evanston  
 FY 2008-09 Budget Memo Requests # 68 - 74  
 February 25, 2008**

<b>Budget Memo #</b>	<b>Requestor</b>	<b>Request</b>	<b>Date Sent to Council</b>
<b>Attached Budget Memos</b>			<b>2/25/2008</b>
68	Holmes	Combination of Health & Human Services Management Positions	2/22/2008
69	Rainey	Teen Pregnancy Prevention Grant	2/25/2008
70	N/A	Economic Development Director	2/25/2008
71	Rainey	Utility Taxes Update	2/25/2008
72	N/A	Illinois Pension Code	2/25/2008
73	Hansen	Victim Services - Cook County Assistance	2/25/2008
74	N/A	Description of the Cultural Fund Program	2/25/2008



# Interdepartmental Memorandum

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To: Julia Carroll, City Manager  
From: Evonda Thomas, Director of Health and Human Services  
Subject: **Budget Memo #68: Combination of Two Health Department Managerial Positions into One**  
Date: February 22, 2008

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**Question/Request:** Elimination of two managerial positions in the Health and Human Services Department: (1) Division Chief Position (Vacant) and (2) Assistant Mental Health Director (ERI); and the creation of a new managerial position.

**Response:**

With the requested elimination of the mentioned positions, reorganization of duties and responsibilities will require the addition of a Management Analyst to the Department of Health & Human Services. This position will:

- Oversee all phases of the budgeting process including preparation of the Department's annual budget process, including revenue forecasting, preparation of department budget submission, and budget monitoring and analysis;
- Analyze Department Programs and seek opportunities for interdepartmental collaborations;
- Evaluate current systems and practices in place and make recommendations as well as implement new practices to streamline processes;
- Provide grant management for Mental Health Board funding;
- Provide staff support for Mental Health Board;
- Oversee accounts payable and receivable for the Department by monitoring expenditures and revenues for all grants;
- Assist in the formulation of Department goals and objectives as well as recommend and monitor the implementation of departmental productivity measures;
- Establish a referral management and tracking system for community partners;
- Provide short term Case management; and
- Provide Technical Assistant for Day Care Homes and Centers for licensure.

The estimated reduction due to the elimination of the two positions, including fringe benefits is (\$204,400). The estimated budget for the Management Analyst position, including fringe benefits, is \$70,600. Therefore the projected net savings for FY 2008-09 will be \$133,800.



# Interdepartmental Memorandum

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To: Julia Carroll, City Manager  
From: Evonda Thomas, Director of Health and Human Services  
Subject: **Budget Memo # 69: Questions regarding the Teen Pregnancy Prevention Grant**  
Date: February 25, 2008

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**Question/Request: What is the amount of this grant?**

**Response:** The Teen Pregnancy Prevention Grant is \$66,700.00 effective July 1, 2007 through June 30, 2008.

**Question/Request: What are the allowable expenditures?**

- Child Care
- Transportation
- Books and Supplies
- Mandatory Fees (includes application, registration, activity, laboratory, graduation, GED)
- Special Clothing
- Required tools (if for employment)
- Auto license fee (if car is the only means of transportation to school)

**Question/Request: Does the grant cover all admin costs, etc.?**

**Response:** The grant covers all administrative costs.

**Question/Request: How many participants are there?**

**Response:** There are 22 participants in the Teen Pregnancy Prevention Program.

**Question/Request: What is the evaluation tool used?**

**Response:** Contract Performance Measures are established by the Illinois Department of Human Services and are listed on the following page.

**Contract Performance Measures:**

<b>Contract Performance Measure:</b>	<b>Minimum Target %:</b>
Percent of TANF cases in Education	80 %
Percent of Voluntary cases in Education	80 %
Subsequent Birth Rate	No greater than 1.2 %
Fully immunized one-year-olds	94 %
Fully immunized two-year olds	94%
At least 2 well-child visits by age one	94%
At least 1 well-child visit between 13 and 24 months of age	94%
At least 2 developmental screenings by age one	94%
At least 1 developmental screening between 13 and 24 months of age	94 %
Delivery of research based parenting skills instruction	95 %
Timeliness of Billing (by the 15 <sup>th</sup> day of the month following the billing month )	95%
Timeliness of Quarterly Supervisory Review (30 <sup>th</sup> day of month due by October 30 <sup>th</sup> , January 30 <sup>th</sup> , April 30 <sup>th</sup> , July 30 <sup>th</sup> )	95%
TPS/FCM/WIC Integration	95%



# Interdepartmental Memorandum

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To: Mayor and Members of City Council  
From: Julia Carroll, City Manager  
Subject: **Budget Memo #70: Economic Development Director**  
Date: February 25, 2008

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**Question/Request:** Why Do We Need to Hire an Economic Development Director at this time?

**Response:**

In addition to the information I have already given you on the need for the Economic Development Director, I want to add the following and suggest a compromise solution:

- I strongly feel there is an on-going need for a full-time economic development director to take a more proactive approach on creating and fulfilling the economic development vision of the City of Evanston. Ms. Aiello has spent considerable time in addition to the Planning staff to work on ED issues. The vision needs to be updated in conjunction with the new plans that have been developed. However, economic development is not planning based alone. We need to study our economy in greater detail and find a specific niche which we can exploit and market.
- While we do have an economic development planner, his job has been primarily reactive to inquiries and requests that are made of the staff. He could continue to be a valuable staff member to any full-time economic development director.
- I believe we need a full-time highly skilled ED director who has experience in reaching out to prospects all across the nation to bring in new businesses, create opportunities for building new office space, including finding an anchor tenant, which will bring in more job opportunities.
- We have a great opportunity to work with universities in the region to attract the technical and entrepreneurial graduates from Evanston and the metro area because of the community amenities Evanston can offer. This requires a proactive approach so that those great intellectual minds don't go to other cities in the region or the nation.
- We need to do a much better job of marketing Evanston. The world changes every day and we cannot be stagnant in our approach. I am not talking about marketing in the sense of what NSCVB and EvMark do. I am talking about marketing the assets of the city in terms of intellectual capital, proximity to research institutions, and the City of Chicago itself.
- I don't believe that our future financial crisis will be solved using our current and former economic development approach, which was to create very successful mixed use developments. While those have no doubt energized downtown and the city, we will need more tools in our toolbox to keep progressing and building our economy.

Compromise suggestion:

Therefore, I ask that the Council consider an economic development director to be hired by September 1 (for six months of the new fiscal year), after the downtown plan is completed, the pension funding issue has been thoroughly reviewed by the Blue Ribbon Panel, and I have a chance to provide greater detail to the EDC and the Council on the need for a more encompassing economic development program. This delay in hiring the economic development director will result in \$50,900 savings available for transfer into the general fund.

When the economy is in or near a recession, now is the time to begin planning for our future. When the economy recovers, the businesses we may want to attract will have already made plans to “move” on them when the time is right, and we will be too late.

I respectfully request that you make this investment in the future of Evanston.



# Interdepartmental Memorandum

To: Julia Carroll, City Manager  
 From: Anita Patel, Management Analyst, Finance Department  
 Subject: **Budget Memo #71: Update on Utility Tax Revenues**  
 Date: February 25, 2008

**Question/Request:**

Provide an update on utility tax revenues with projections for year-end results.

**Response:**

The table below provides a two year history of data along with estimates for the current year for Electric, Natural Gas, and Natural Gas Use Taxes. The FY 07-08 estimates for these taxes include actual revenue received for the months of March through December. In addition, the average of the past three years is used to determine the estimates for the months of January and February.

Revenue Source	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 YTD (10 months)	FY 2007-08 Estimate	FY 2007-08 Budget	FY 2007-08 Variance
Electric Utility Tax	\$2,738,271	\$2,680,441	\$2,347,262	\$2,837,150	\$3,000,000	\$(162,850)
Natural Gas Utility Tax	\$1,641,686	\$1,312,225	\$1,060,457	\$1,509,700	\$1,530,000	\$ (20,300)
Natural Gas Use Tax	\$ 818,416	\$ 810,607	\$ 615,785	\$ 825,900	\$ 825,000	\$ 900

For a month by month breakdown of electric and natural gas utility tax revenues received, please refer to the attached worksheets.

**Electric Utility Tax**  
1910.51565 (60.2010)

2/25/2008 14:37

MONTH	FY 2005-2006	% change over 04-05	FY 2006-2007	% change over 05-06	FY 2007-2008	% change over 06-07
March	215,905.21	4.94%	199,165.56	(7.75%)	251,628.40	26.34%
April	207,864.65	6.18%	211,493.34	1.75%	228,401.48	7.99%
May	190,784.87	1.39%	191,381.59	0.31%	188,802.18	(1.35%)
June	191,295.47	(4.27%)	223,257.86	16.71%	215,300.00	(3.56%)
July	271,878.72	22.12%	206,301.76	(24.12%)	242,636.72	17.61%
August	288,557.01	16.87%	299,471.20	3.78%	265,367.55	(11.39%)
September	260,220.00	24.42%	252,660.81	(2.90%)	289,644.50	14.64%
October	243,604.10	2511.32%	220,059.51	(9.67%)	223,377.49	1.51%
November	203,561.09	12.83%	193,335.84	(5.02%)	214,258.67	10.82%
December	225,690.06	3.85%	231,487.86	2.57%	227,845.54	(1.57%)
January	257,861.59	0.01%	236,320.78	(8.35%)	250,668.97	estimate
February	230,011.96	(3.53%)	249,214.17	8.35%	239,220.80	estimate
<b>TOTAL</b>	<b>2,787,234.73</b>	<b>17.53%</b>	<b>2,714,150.28</b>		<b>2,837,152.30</b>	

**Natural Gas Utility Tax**  
1910.51570 (60.2011)

2/25/2008 14:37

MONTH	FY 2005-2006	% Change Over 04-05	FY 2006-2007	% Change Over 05-06	FY 2007-2008	% change over 06-07
March	202,846.97	(1.00%)	256,640.75	26.52%	241,355.25	(5.96%)
April	164,404.03	11.89%	190,280.02	15.74%	197,044.43	3.55%
May	123,077.68	22.04%	109,374.44	(11.13%)	137,467.85	25.69%
June	75,723.74	19.23%	67,296.92	(11.13%)	96,915.23	44.01%
July	51,084.17	10.40%	47,220.63	(7.56%)	51,526.27	9.12%
August	48,394.10	7.04%	45,329.78	(6.33%)	44,587.05	(1.64%)
September	36,980.74	(6.18%)	35,170.76	(4.89%)	42,000.63	19.42%
October	50,992.29	7.25%	49,886.09	(2.17%)	52,403.56	5.05%
November	94,714.61	42.48%	79,823.05	(15.72%)	77,174.96	(3.32%)
December	214,979.49	84.98%	105,104.46	(51.11%)	119,982.51	14.16%
January	305,641.77	56.02%	142,236.78	(53.46%)	214,593.41	estimate
February	283,066.38	23.90%	192,288.68	(32.07%)	234,603.59	estimate
<b>TOTAL</b>	<b>1,651,905.97</b>	<b>26.90%</b>	<b>1,320,652.36</b>	<b>(20.05%)</b>	<b>1,509,654.74</b>	

**NATURAL GAS USE HOME RULE TAX**

1910.51575

2/25/2008 14:37

MONTH	FY 2005-2006	% change in 2006 over 04-05	FY 2006-2007	% change in 2007 over 05-06	FY 2007-2008	% change over 06-07
March	97,333.80	8.91%	89,024.98	(8.54%)	92,241.11	3.61%
April	71,117.38	(1.88%)	64,050.95	(9.94%)	71,658.48	11.88%
May	57,463.76	2.12%	24,024.46	(58.19%)	51,365.43	113.80%
June	43,893.97	(0.82%)	73,114.40	66.57%	44,514.00	(39.12%)
July	46,606.92	3.46%	43,939.39	(5.72%)	47,438.51	7.96%
August	45,933.92	0.92%	45,513.78	(0.91%)	50,363.73	10.66%
September	39,770.99	0.75%	39,701.59	(0.17%)	43,688.18	10.04%
October	51,575.23	1.33%	54,977.25	6.60%	49,165.53	(10.57%)
November	72,042.43	3.90%	70,373.35	(2.32%)	67,221.77	(4.48%)
December	102,509.15	3.65%	88,539.02	(13.63%)	98,128.82	10.83%
January	96,805.07	(17.67%)	100,852.05	4.18%	105,079.87	estimate
February	93,363.37	(11.31%)	116,495.49	24.78%	105,042.16	estimate
<b>TOTAL</b>	<b>818,415.99</b>	<b>(1.92%)</b>	<b>810,606.71</b>	<b>(0.95%)</b>	<b>825,907.59</b>	



# Interdepartmental Memorandum

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To: Julia Carroll, City Manager  
From: Steven Drazner, Acting Finance Director  
Subject: **Budget Memo #72: IL Pension Code**  
Date: February 25, 2008

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**Question/Comment:** Please describe Illinois law as it applies to Police and Fire pension plan investments.

**Response:** Generally, for police/fire pension plans of a similar size as compared to the City of Evanston's police and fire pension plans, up to 45% of plan assets may be invested in the equity market while 55% of plan assets may be invested in fixed income securities and/or cash. Attached please see Illinois Code 40 ILCS 5/1-113.1 to 113.12 which outlines by category and percentage the type of investments the Police and Fire Pension Funds may purchase per State code.

Thank-you.

(40 ILCS 5/1-113.1)

Sec. 1-113.1. Investment authority of pension funds established under Article 3 or 4. The board of trustees of a police pension fund established under Article 3 of this Code or firefighter pension fund established under Article 4 of this Code shall draw pension funds from the treasurer of the municipality and, beginning January 1, 1998, invest any part thereof in the name of the board in the items listed in Sections 1-113.2 through 1-113.4 according to the limitations and requirements of this Article. These investments shall be made with the care, skill, prudence, and diligence that a prudent person acting in like capacity and familiar with such matters would use in the conduct of an enterprise of like character with like aims.

Interest and any other income from the investments shall be credited to the pension fund.

For the purposes of Sections 1-113.2 through 1-113.11, the "net assets" of a pension fund include both the cash and invested assets of the pension fund.

(Source: P.A. 90-507, eff. 8-22-97.)

(40 ILCS 5/1-113.2)

Sec. 1-113.2. List of permitted investments for all Article 3 or 4 pension funds. Any pension fund established under Article 3 or 4 may invest in the following items:

(1) Interest bearing direct obligations of the United States of America.

(2) Interest bearing obligations to the extent that they are fully guaranteed or insured as to payment of principal and interest by the United States of America.

(3) Interest bearing bonds, notes, debentures, or other similar obligations of agencies of the United States of America. For the purposes of this Section, "agencies of the United States of America" includes: (i) the Federal National Mortgage Association and the Student Loan Marketing Association; (ii) federal land banks, federal intermediate credit banks, federal farm credit banks, and any other entity authorized to issue direct debt obligations of the United States of America under the Farm Credit Act of 1971 or amendments to that Act; (iii) federal home loan banks and the Federal Home Loan Mortgage Corporation; and (iv) any agency created by Act of Congress that is authorized to issue direct debt obligations of the United States of America.

(4) Interest bearing savings accounts or certificates of deposit, issued by federally chartered banks or savings and loan associations, to the extent that the deposits are insured by agencies or instrumentalities of the federal government.

(5) Interest bearing savings accounts or certificates of deposit, issued by State of Illinois chartered banks or savings and loan associations, to the extent that the deposits are insured by agencies or instrumentalities of the federal government.

(6) Investments in credit unions, to the extent that the investments are insured by agencies or instrumentalities of the federal government.

(7) Interest bearing bonds of the State of Illinois.

(8) Pooled interest bearing accounts managed by the Illinois Public Treasurer's Investment Pool in accordance with the Deposit of State Moneys Act and interest bearing funds or

pooled accounts managed, operated, and administered by banks, subsidiaries of banks, or subsidiaries of bank holding companies in accordance with the laws of the State of Illinois.

(9) Interest bearing bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois.

(10) Direct obligations of the State of Israel, subject to the conditions and limitations of item (5.1) of Section 1-113.

(11) Money market mutual funds managed by investment companies that are registered under the federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies; provided that the portfolio of the money market mutual fund is limited to the following:

(i) bonds, notes, certificates of indebtedness, treasury bills, or other securities that are guaranteed by the full faith and credit of the United States of America as to principal and interest;

(ii) bonds, notes, debentures, or other similar obligations of the United States of America or its agencies; and

(iii) short term obligations of corporations organized in the United States with assets exceeding \$400,000,000, provided that (A) the obligations mature no later than 180 days from the date of purchase, (B) at the time of purchase, the obligations are rated by at least 2 standard national rating services at one of their 3 highest classifications, and (C) the obligations held by the mutual fund do not exceed 10% of the corporation's outstanding obligations.

(12) General accounts of life insurance companies authorized to transact business in Illinois.

(13) Any combination of the following, not to exceed 10% of the pension fund's net assets:

(i) separate accounts that are managed by life insurance companies authorized to transact business in Illinois and are comprised of diversified portfolios consisting of common or preferred stocks, bonds, or money market instruments;

(ii) separate accounts that are managed by insurance companies authorized to transact business in Illinois, and are comprised of real estate or loans upon real estate secured by first or second mortgages; and

(iii) mutual funds that meet the following requirements:

(A) the mutual fund is managed by an investment company as defined and registered under the federal Investment Company Act of 1940 and registered under the Illinois Securities Law of 1953;

(B) the mutual fund has been in operation for at least 5 years;

(C) the mutual fund has total net assets of \$250 million or more; and

(D) the mutual fund is comprised of diversified portfolios of common or preferred stocks, bonds, or money market instruments.

(Source: P.A. 90-507, eff. 8-22-97; 91-887, eff. 7-6-00.)

(40 ILCS 5/1-113.3)

Sec. 1-113.3. List of additional permitted investments for pension funds with net assets of \$2,500,000 or more.

(a) In addition to the items in Section 3-113.2, a pension fund established under Article 3 or 4 that has net assets of at least \$2,500,000 may invest a portion of its net assets in the following items:

(1) Separate accounts that are managed by life insurance companies authorized to transact business in Illinois and are comprised of diversified portfolios consisting of common or preferred stocks, bonds, or money market instruments.

(2) Mutual funds that meet the following requirements:

(i) the mutual fund is managed by an investment company as defined and registered under the federal Investment Company Act of 1940 and registered under the Illinois Securities Law of 1953;

(ii) the mutual fund has been in operation for at least 5 years;

(iii) the mutual fund has total net assets of \$250 million or more; and

(iv) the mutual fund is comprised of diversified portfolios of common or preferred stocks, bonds, or money market instruments.

(b) A pension fund's total investment in the items authorized under this Section shall not exceed 35% of the market value of the pension fund's net present assets stated in its most recent annual report on file with the Illinois Department of Insurance.

(Source: P.A. 90-507, eff. 8-22-97.)

(40 ILCS 5/1-113.4)

Sec. 1-113.4. List of additional permitted investments for pension funds with net assets of \$5,000,000 or more.

(a) In addition to the items in Sections 1-113.2 and 1-113.3, a pension fund established under Article 3 or 4 that has net assets of at least \$5,000,000 and has appointed an investment adviser under Section 1-113.5 may, through that investment adviser, invest a portion of its assets in common and preferred stocks authorized for investments of trust funds under the laws of the State of Illinois. The stocks must meet all of the following requirements:

(1) The common stocks are listed on a national securities exchange or board of trade (as defined in the federal Securities Exchange Act of 1934 and set forth in Section 3.G of the Illinois Securities Law of 1953) or quoted in the National Association of Securities Dealers Automated Quotation System National Market System (NASDAQ NMS).

(2) The securities are of a corporation created or existing under the laws of the United States or any state, district, or territory thereof and the corporation has been in existence for at least 5 years.

(3) The corporation has not been in arrears on payment of dividends on its preferred stock during the preceding 5 years.

(4) The market value of stock in any one corporation does not exceed 5% of the cash and invested assets of the

pension fund, and the investments in the stock of any one corporation do not exceed 5% of the total outstanding stock of that corporation.

(5) The straight preferred stocks or convertible preferred stocks are issued or guaranteed by a corporation whose common stock qualifies for investment by the board.

(6) The issuer of the stocks has been subject to the requirements of Section 12 of the federal Securities Exchange Act of 1934 and has been current with the filing requirements of Sections 13 and 14 of that Act during the preceding 3 years.

(b) A pension fund's total investment in the items authorized under this Section and Section 1-113.3 shall not exceed 35% of the market value of the pension fund's net present assets stated in its most recent annual report on file with the Illinois Department of Insurance.

(c) A pension fund that invests funds under this Section shall electronically file with the Division any reports of its investment activities that the Division may require, at the times and in the format required by the Division.  
(Source: P.A. 90-507, eff. 8-22-97.)

(40 ILCS 5/1-113.5)

Sec. 1-113.5. Investment advisers and investment services.

(a) The board of trustees of a pension fund may appoint investment advisers as defined in Section 1-101.4. The board of any pension fund investing in common or preferred stock under Section 1-113.4 shall appoint an investment adviser before making such investments.

The investment adviser shall be a fiduciary, as defined in Section 1-101.2, with respect to the pension fund and shall be one of the following:

(1) an investment adviser registered under the federal Investment Advisers Act of 1940 and the Illinois Securities Law of 1953;

(2) a bank or trust company authorized to conduct a trust business in Illinois;

(3) a life insurance company authorized to transact business in Illinois; or

(4) an investment company as defined and registered under the federal Investment Company Act of 1940 and registered under the Illinois Securities Law of 1953.

(b) All investment advice and services provided by an investment adviser appointed under this Section shall be rendered pursuant to a written contract between the investment adviser and the board, and in accordance with the board's investment policy.

The contract shall include all of the following:

(1) acknowledgement in writing by the investment adviser that he or she is a fiduciary with respect to the pension fund;

(2) the board's investment policy;

(3) full disclosure of direct and indirect fees, commissions, penalties, and any other compensation that may be received by the investment adviser, including reimbursement for expenses; and

(4) a requirement that the investment adviser submit

periodic written reports, on at least a quarterly basis, for the board's review at its regularly scheduled

meetings. All returns on investment shall be reported as net returns after payment of all fees, commissions, and any other compensation.

(c) Within 30 days after appointing an investment adviser, the board shall submit a copy of the contract to the Department of Insurance.

(d) Investment services provided by a person other than an investment adviser appointed under this Section, including but not limited to services provided by the kinds of persons listed in items (1) through (4) of subsection (a), shall be rendered only after full written disclosure of direct and indirect fees, commissions, penalties, and any other compensation that shall or may be received by the person rendering those services.

(e) The board of trustees of each pension fund shall retain records of investment transactions in accordance with the rules of the Department of Insurance.

(Source: P.A. 90-507, eff. 8-22-97.)

(40 ILCS 5/1-113.6)

Sec. 1-113.6. Investment policies. Every board of trustees of a pension fund shall adopt a written investment policy and file a copy of that policy with the Department of Insurance within 30 days after its adoption. Whenever a board changes its investment policy, it shall file a copy of the new policy with the Department within 30 days.

(Source: P.A. 90-507, eff. 8-22-97.)

(40 ILCS 5/1-113.7)

Sec. 1-113.7. Registration of investments; custody and safekeeping. The board of trustees may register the investments of its pension fund in the name of the pension fund, in the nominee name of a bank or trust company authorized to conduct a trust business in Illinois, or in the nominee name of the Illinois Public Treasurer's Investment Pool.

The assets of the pension fund and ownership of its investments shall be protected through third-party custodial safekeeping. The board of trustees may appoint as custodian of the investments of its pension fund the treasurer of the municipality, a bank or trust company authorized to conduct a trust business in Illinois, or the Illinois Public Treasurer's Investment Pool.

A dealer may not maintain possession of or control over securities of a pension fund subject to the provisions of this Section unless it is registered as a broker-dealer with the U.S. Securities and Exchange Commission and is a member in good standing of the National Association of Securities Dealers, and (1) with respect to securities that are not issued only in book-entry form, (A) all such securities of each fund are either held in safekeeping in a place reasonably free from risk of destruction or held in custody by a securities depository that is a "clearing agency" registered with the U.S. Securities and Exchange Commission, (B) the dealer is a member of the Securities Investor Protection Corporation, (C) the dealer sends to each fund, no less frequently than each calendar quarter, an itemized statement showing the moneys and securities in the custody or possession of the dealer at the end of such period, and (D) an independent certified public accountant conducts an audit, no

less frequently than each calendar year, that reviews the dealer's internal accounting controls and procedures for safeguarding securities; and (2) with respect to securities that are issued only in book-entry form, (A) all such securities of each fund are held either in a securities depository that is a "clearing agency" registered with the U.S. Securities and Exchange Commission or in a bank that is a member of the Federal Reserve System, (B) the dealer records the ownership interest of the funds in such securities on the dealer's books and records, (C) the dealer is a member of the Securities Investor Protection Corporation, (D) the dealer sends to each fund, no less frequently than each calendar quarter, an itemized statement showing the moneys and securities in the custody or possession of the dealer at the end of such period, and (E) the dealer's financial statement (which shall contain among other things a statement of the dealer's net capital and its required net capital computed in accordance with Rule 15c3-1 under the Securities Exchange Act of 1934) is audited annually by an independent certified public accountant, and the dealer's most recent audited financial statement is furnished to the fund. No broker-dealer serving as a custodian for any public pension fund as provided by this Act shall be authorized to serve as an investment advisor for that same public pension fund as described in Section 1-101.4 of this Code, to the extent that the investment advisor acquires or disposes of any asset of that same public pension fund. Notwithstanding the foregoing, in no event may a broker or dealer that is a natural person maintain possession of or control over securities or other assets of a pension fund subject to the provisions of this Section. In maintaining securities of a pension fund subject to the provisions of this Section, each dealer must maintain those securities in conformity with the provisions of Rule 15c3-3(b) of the Securities Exchange Act of 1934 (Physical Possession or Control of Securities). The Director of the Department of Insurance may adopt such rules and regulations as shall be necessary and appropriate in his or her judgment to effectuate the purposes of this Section.

A bank or trust company authorized to conduct a trust business in Illinois shall register, deposit, or hold investments for safekeeping, all in accordance with the obligations and subject to the limitations of the Securities in Fiduciary Accounts Act.

(Source: P.A. 92-651, eff. 7-11-02.)

(40 ILCS 5/1-113.8)

Sec. 1-113.8. Limitations on banks and savings and loan associations. A bank or savings and loan association shall not receive investment funds from a pension fund established under Article 3 or 4 of this Code, unless it has complied with the requirements established under Section 6 of the Public Funds Investment Act. The limitations set forth in that Section 6 are applicable only at the time of investment and do not require the liquidation of any investment at any time.

(Source: P.A. 90-507, eff. 8-22-97.)

(40 ILCS 5/1-113.9)

Sec. 1-113.9. Illegal investments. A person registered as a dealer, salesperson, or investment adviser under the Illinois Securities Law of 1953 who sells a pension fund a

security, or engages in a transaction with a pension fund, that is not authorized by this Code, shall be subject to the penalty provisions of Subsection E of Section 8 of the Illinois Securities Law of 1953, if (1) the dealer, salesperson, or investment adviser has discretionary authority or control over the fund's assets and has acknowledged in writing that it is acting in a fiduciary capacity for the fund, (2) the fund has requested the investment advice of the dealer, salesperson, or investment adviser and has provided the dealer, salesperson, or investment adviser with its investment policy, and the dealer, salesperson, or investment adviser acknowledges in writing that the fund is relying primarily on the investment advice of that dealer, salesperson, or investment adviser, or (3) the dealer, salesperson, or investment adviser knows or has reason to know that the fund is not capable of independently evaluating investment risk or exercising independent judgment with respect to a particular securities transaction, and nonetheless recommends that the fund engage in that transaction.

A bank or trust company authorized to conduct a trust business in Illinois or a broker-dealer, and any officer, director, or employee thereof, that advises or causes a pension fund to make an investment or engages in a transaction not authorized by this Code is subject to the penalty provisions of Article V of the Corporate Fiduciary Act.  
(Source: P.A. 90-507, eff. 8-22-97.)

(40 ILCS 5/1-113.10)

Sec. 1-113.10. Legality at time of investment. The investment limitations set forth in this Article are applicable only at the time of investment and do not require the liquidation of any investment at any time. However, no additional pension funds may be invested in any investment item while the market value of the pension fund's investments in that item meets or exceeds the applicable limitation.  
(Source: P.A. 90-507, eff. 8-22-97.)

(40 ILCS 5/1-113.11)

Sec. 1-113.11. Rules. The Department of Insurance is authorized to promulgate rules that are necessary or useful for the administration and enforcement of Sections 1-113.1 through 1-113.10 of this Article.  
(Source: P.A. 90-507, eff. 8-22-97.)

(40 ILCS 5/1-113.12)

Sec. 1-113.12. Application. Sections 1-113.1 through 1-113.10 apply only to pension funds established under Article 3 or 4 of this Code.  
(Source: P.A. 90-507, eff. 8-22-97.)

**CITY OF EVANSTON  
INTERDEPARTMENTAL MEMORANDUM**

**DATE:** February 19, 2008  
**TO:** Julia Carroll, City Manager  
**FROM:** Richard Eddington, Chief of Police

**SUBJECT: Budget Memo #73: Victim Services – Cook County Assistance**

In response to Alderman Hansen's query, I explored with Mike Hood, supervisor at the State's Attorney's Office in the Second District (Skokie), the feasibility of his victim advocates assisting Evanston's domestic violence victims. I asked him specifically to consider the possibility of victim advocates employed by Cook County assuming Evanston's advocates' court obligations.

Mr. Hood pointed out that Skokie's and Evanston's victim advocates are dissimilar. The Evanston advocates are licensed social workers who provide a broad range of services to victims of domestic violence, whereas the Skokie advocates are clerical personnel employed by Cook County to complete short paperwork such as domestic violence orders of protection and to appear in courtrooms. Each Skokie advocate is responsible for eight courtrooms. Adding Evanston's domestic-violence-related incidents (numbering, on average, 200-300 per year) would strain the resources of these Cook County workers.

It is my hope that, if additional cuts need to be made, options other than a reduction in Victim Services' attendance at court will be considered.

Thank you for your attention to this matter. Should you have any follow-up questions, please feel free to contact me at your convenience.

Richard Eddington  
Chief of Police

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## Interdepartmental Memorandum

February 25, 2008

TO: Julia A. Carroll, City Manager  
FROM: Douglas J. Gaynor, Director of Parks/Forestry & Recreation  
RE: Budget Memo # 74: Cultural Fund Program

### Purpose

To provide information of the Arts Council Cultural Fund Program.

### Background

The Cultural Fund Program provides financial assistance to not-for-profit arts organizations and individual artists. The 2008/09 Cultural Fund Grant Program is partially supported by a grant of \$12,800 from the Illinois Arts Council, a state agency and (\$26,200) from City funds. Total funding of \$39,000 being proposed, which is a reduction of \$4,400 from the previous year's budget.

Who can apply for the program in December each year:

- Evanston not-for-profit arts organizations whose primary mission is to provide performing, visual or literary arts programs or services
- Individual artists who reside in Evanston

Nonprofit organizations are eligible to apply for project support of up to \$4,000; individual artists can apply for up to \$2,500. Applications are reviewed by a peer panel of experts from a variety of artistic disciplines, and scored based on how well the application meets the criteria of the program.

The Arts Council recently reviewed 26 submitted proposals for the 2008/09 grant period, which covers projects that occur between May 1, 2008 and April 30, 2009. Based on the level of funding approved by City Council, the 2008/09 recommendations would be submitted for consideration for approval in March.

In 2007/08, a total of 13 grants were awarded, ranging from \$1,050 to \$4,000. Attached is a list of the grant award recipients, including the grant award and information about their projects.

## 2007 Cultural Fund Grant Recommendations

<p><b>APPLICANT: The Actor's Gymnasium</b>  DISCIPLINE: Theater/Performance  Summary of Proposal: Circus skills and gymnastics training for 5<sup>th</sup> and 6<sup>th</sup> graders at Dr. Martin Luther King, Jr. Lab School</p>	<p><b>\$2,450</b></p>
<p><b>APPLICANT: Dan Anthon</b>  DISCIPLINE: Visual Art/Art Therapy  Summary of Proposal: Art therapy program for people living with HIV/AIDS and their partners/spouses</p>	<p><b>\$1,700</b></p>
<p><b>APPLICANT: Art Encounter</b>  DISCIPLINE: Visual Art  Summary of Proposal: Hats Off to Art, discussions of art and hands-on activities at three facilities for the elderly, culminating in participants embellishing hats to recreate their personal histories</p>	<p><b>\$3,600</b></p>
<p><b>APPLICANT: Evanston Art Center</b>  DISCIPLINE: Video  Summary of Proposal: ArtTech program at Nichols Middle School, providing in-school digital video instruction in collaboration with the art teacher</p>	<p><b>\$1,050</b></p>
<p><b>APPLICANT: Evanston Dance Ensemble</b>  DISCIPLINE: Dance  Summary of Proposal: Intergenerational choreography workshop for 6-8 youth dancers and 6-8 seniors from the North Shore Hotel, culminating in public performance at North Shore</p>	<p><b>\$3,600</b></p>
<p><b>APPLICANT: Evanston In-School Music Association</b>  DISCIPLINE: Music  Summary of Proposal: Music education programs for elementary, middle, and special education schools</p>	<p><b>\$2,500</b></p>
<p><b>APPLICANT: Evanston Symphony Orchestra</b>  DISCIPLINE: Music  Summary of Proposal: Music in Your World program for 3-5 year-olds in District 65's Head Start program, culminating in a performance</p>	<p><b>\$4,000</b></p>
<p><b>APPLICANT: First Night Evanston</b>  DISCIPLINE: Multidisciplinary  Summary of Proposal: Community procession of the arts in celebration of New Year's</p>	<p><b>\$3,600</b></p>
<p><b>APPLICANT: Literature for All of Us</b>  DISCIPLINE: Poetry  Summary of Proposal: Literary arts program for 20-25 junior high school boys attending after-school programs at Family Focus—Our Place</p>	<p><b>\$3,600</b></p>
<p><b>APPLICANT: Music Institute of Chicago</b>  DISCIPLINE: Music  Summary of Proposal: Brazilian percussion and samba dance classes at Chute Middle School, culminating in community performances</p>	<p><b>\$3,600</b></p>

**APPLICANT: Next Theatre** **\$3,600**  
DISCIPLINE: Theater  
Summary of Proposal: Development of community-created play about affordable housing

**APPLICANT: Shanti Foundation for Peace** **\$4,000**  
DISCIPLINE: Multidisciplinary  
Summary of Proposal: It Takes a Village program for 5<sup>th</sup> graders at Lincolnwood School, in which students identify, interview, and portray a mentor, culminating in a public exhibition

**APPLICANT: The Musical Offering** **\$2,700**  
DISCIPLINE: Music  
Summary of Proposal: Monthly musical lectures/performances at Oakton Elementary School