Introduction

This Budget in Brief provides a summary of the City of Evanston's 2003-04 (FY2004) operating budget. While the final budget is lengthy, the Budget in Brief presents summary information as well as an overview of the policy shaping the budget and the direction the City of Evanston is taking.

Formulation of the budget begins in September with departmental submissions. Following internal review, the City Manager submits a proposed balanced budget by January 1. After submission of the proposed budget, City Council members debate and changes to the budget continue during both workshops and City Council Meetings. A final balanced budget must be passed by March 1.

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Evanston At-A-Glance

Date of Incorporation	1863
Population	74,239
Area (sq. miles)	8.5
Government Form	Council-Manager
Number of Wards	9
Median Household Income	$56,335
Per Capita Income	$33,645
Acres of Parks	268
Miles of Streets	147
Number of Firefighters	107
I.S.O. Rating	Class 3
Authorized Police Officers	162
Operating Budget (FY2004)	$154,749,978

Budget Highlights

- ☞ City Council agreed to approximately $1.5 million in cuts, including many part-time and 12 full-time employee positions.
- ☞ Two million dollars will be generated by a 6.59 percent increase in the city's portion of the property taxes and other revenue and fee increases. The result is a 1.21 percent increase on the taxpayer's total bill.
- ☞ An over $1 million surplus at the end of fiscal year 03 was placed on reserve due to the poor economy and several potential legal judgments in excess of millions of dollars.
- ☞ No water rate increase is included in this budget. The water program continues to be self-sufficient.
- ☞ Program/service reductions/eliminations include: reduction of funding to Township's Emergency Assistance Program; reduction of Mental Health/Community Purchased Services; elimination of the Skate Park at Robert Crown Center; elimination of the Employee Assistance Program; reduction of overtime pay in the department of Fire and Facilities; and the elimination of the Swim/Gym program on weekends at Evanston Township High School.
- ☞ Non-union pay increases were set to 3% on March 1st.

Budget Timeline

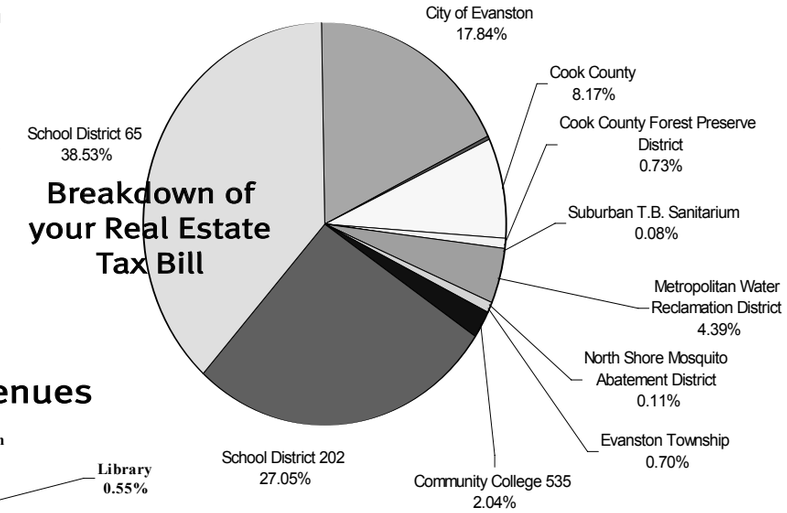
March 1	Beginning of Fiscal Year
March	Budget Committee meetings begin (open meetings)
September	Departmental submission of proposed budget to the City Manager
January 1	Deadline for the City Manager to submit a proposed balanced budget
January - February	Saturday City Council Budget Workshops (open meetings)
March 1	Deadline for City Council passage of a balanced budget

Specific meeting dates and times, as well as other information are available on the City of Evanston website, www.cityofevanston.org.

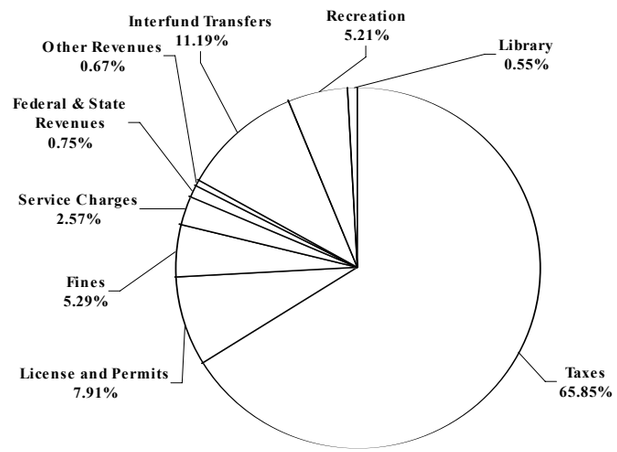
Revenues

The Real Estate Tax Bill includes property taxes for several governmental units. The chart at the right lists taxing bodies in order of percentage, from greatest to least. The City of Evanston levies under 19% of the total tax bill, down from 27.6% in 1984. A historical graph of this is on the bottom of this page.

Breakdown of your Real Estate Tax Bill

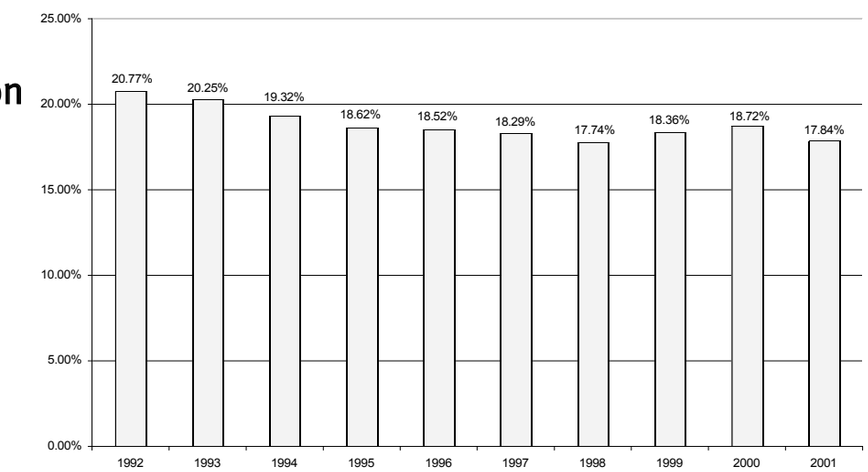


General Fund Revenues



Property tax is not the only revenue used to fund services for Evanston residents. The General Fund, which provides many of the basic services for Evanston residents, is funded by a combination of taxes, fees, licenses and permits, fines, service charges, and intergovernmental revenues. As the chart to the left illustrates, while property tax makes up a large part of the General Fund revenues, these other sources contribute as well.

City of Evanston Percentage of Tax Bill



Budget Policy

Prior to the beginning of fiscal year 2002, a Budget Policy was drafted and passed. This serves as a guide to the City Manager in the compilation of the proposed budget as well as to the City Council in its debate and passage of the final budget. This policy is detailed, but an excerpt is included below:

"The General Fund budget will be balanced with property tax, only after all other revenue sources and expenditure reductions have been exhausted. In addition, all new unfunded mandates must be itemized within the budget. One-time revenues shall not be used to fund current operations."

In addition to guidance on the revenues and expenditures for a given fund, the Budget Policy discusses how much of a reserve is desired:

"Water Fund: A minimum of 10% expenses shall be maintained as a reserve; in addition, a sufficient reserve shall be maintained to meet bond requirements. A portion of the fund reserve shall be used to fund depreciation and capital improvement needs. A minimum of a 5% reserve is required, per bond agreements."

The Budget Policy was developed as a part of ongoing efforts toward formally addressing long-term budgeting provisions.

Capital Improvement Program

Every year the City of Evanston updates the Capital Plan. This five-year plan addresses the capital and infrastructure needs of the city. Evaluating and comparing needs combined with multi-year planning is a way of making the best use of scarce financial resources. Items included in the Capital Improvement Program are financed over several years, typically with bonds.

The Capital Improvement Program (CIP) is passed annually and represents the projects to be funded for the current fiscal year. Some of these are new programs, while others are a continuation of multi-year initiatives. Listed below are some examples of projects included in this year's plan.

- Merrick Rose Garden
- Foster Park Soccer and Football renovations
- Street Lighting Upgrade Project
- Alley Paving Program
- Five Year Street Improvement Plan
- Bike Plan
- Westside Neighborhood Planning Project
- Water Meter Change-out Program

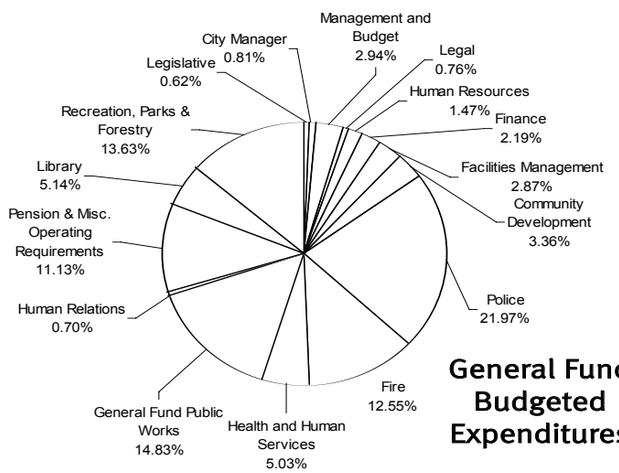
Expenditures

The City of Evanston budget is broken into funds. Funds are used to satisfy the accounting requirements of some revenues and expenditures within the overall operating budget. The General Fund, which contains expenditures for a significant amount of city services, is the largest of these funds and makes up nearly 50% of the total budget. Examples of the services supported in the General Fund include public safety, sanitation, recreation, and the library, to name a few.

The General Fund is broken into Departments, Divisions, and Elements. These expenses include everything from personal services to materials purchased and outside contracted services. The largest portion of General Fund expenditures is personal services. This includes wages and overtime for the city's permanent, temporary, part-time, and seasonal employees.

The General Fund Appropriation for Fiscal Year 2004 is $73,753,800. This is an increase of $1,409,500 or 1.95% from the FY2003 Appropriation. The total operating budget for the City of Evanston is $154,749,848, an increase of 8.24%. The 8.24 % increase is mainly due to over $10 million in additional expenditures in the two downtown TIF districts (Downtown II and Washington National) and not an increase in City operating budgets. A new $35 million Sherman Avenue Garage will be built there during the next two years.

Examples of services provided by other funds include water, sewer, some pensions, and certain economic development activities. Some of these, such as water and sewer, are self-sufficient.



General Fund Budgeted Expenditures

City of Evanston

Office of Budget and Management
2100 Ridge Avenue
Evanston, IL 60201

City of Evanston

2003-04 BUDGET IN BRIEF

LORRAINE H. MORTON, MAYOR
ROGER D. CRUM, CITY MANAGER