

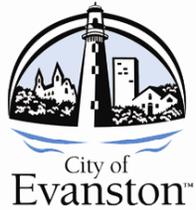


City of  
**Evanston™**

# **FY 10-11 Proposed Budget Presentation**

## **January 9, 2010**

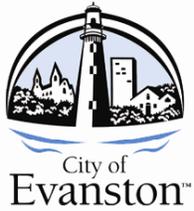
**Wally Bobkiewicz, City Manager**  
**[www.cityofevanston.org](http://www.cityofevanston.org)**



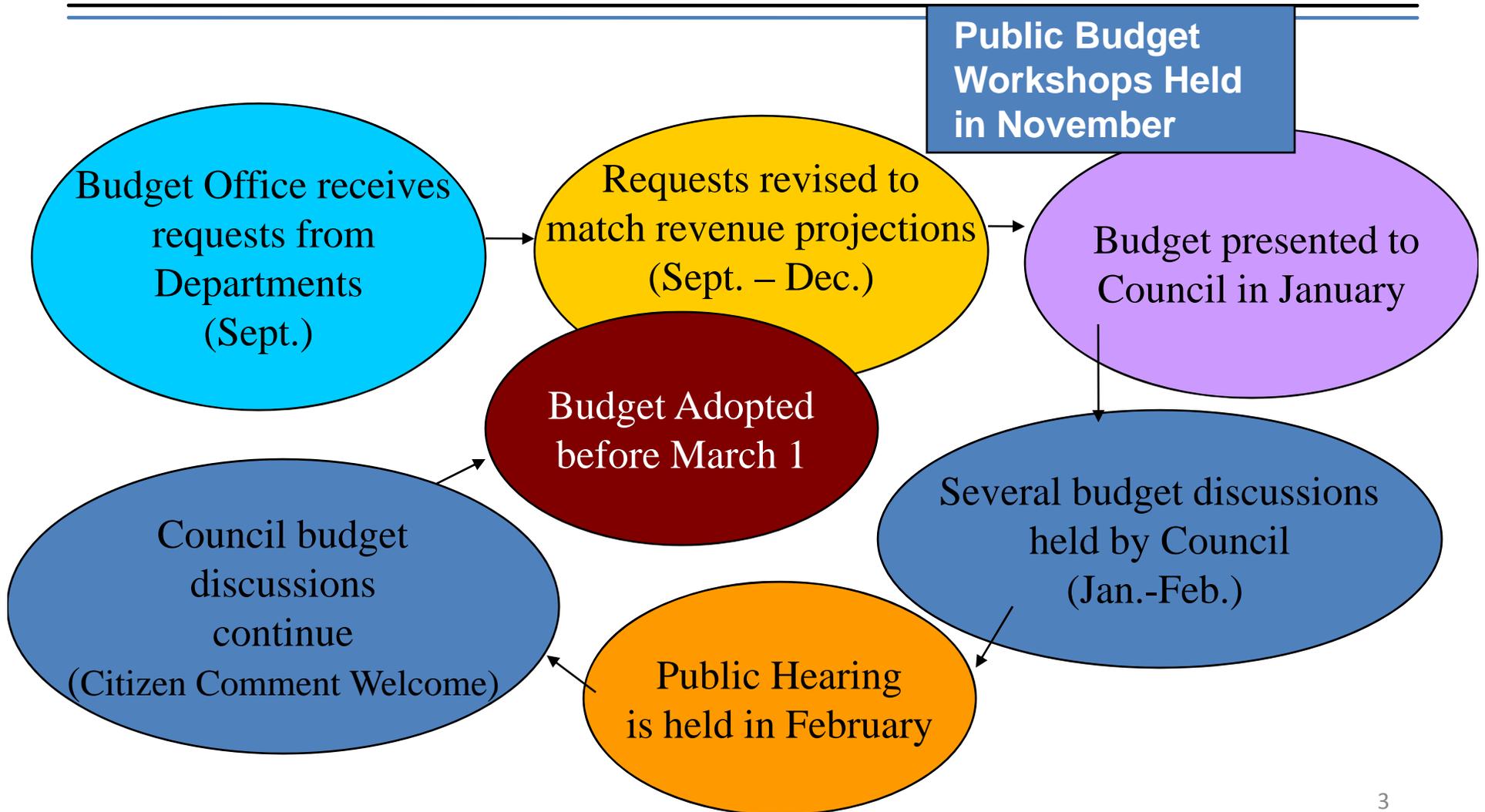
# TODAY'S AGENDA

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- **Process, Problems, and Solutions**
- **Overview of Proposed FY 2010/11 General Fund Budget**
- **Department Overviews**
- **Questions/Discussion**



# Budget Process





# Budget Process (Cont.)

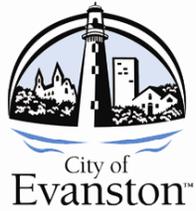
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## Public Budget Process

- Four workshops held with the community in November to develop recommendations for the structural budget deficit
- All workshops were televised
- Resident input was received at the workshops and via the website
- A City Manager Call in Show was also conducted to take resident questions by phone
- Final recommendations were provided to Council on December 7, 2009 and are available online at: [www.cityofevanston.org/budget](http://www.cityofevanston.org/budget)

## Staff Budget Process

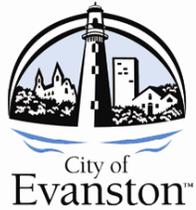
- Parallel idea generation workshops were conducted by staff
- Staff recommendations are also available on the website as noted above



# PROBLEMS

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- **Proposed General Fund Expenditures Exceed Revenues by \$9.5 million.**
- **Reduce Expenditures with No New Taxes.**
- **Move Evanston Forward Despite Cuts.**



# SOLUTIONS

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## **End FY 2009/10 According to Plan**

- **Focus on City Council Goals**
- **Be Informed by Suggestions from Community and Employees**
- **City Manager Budget Goals**
- **Proposed Changes to Draft Budget / Additional \$1.5 million Reduction**



# FY 09-10 3<sup>rd</sup> Quarter Summary

|                         | FY 2009-10     | FY 2009-10     | FY 2009-10      |
|-------------------------|----------------|----------------|-----------------|
|                         | Adopted        | 3rd Quarter    | Annual          |
|                         | <u>Budget</u>  | <u>Actual</u>  | <u>Estimate</u> |
| Beginning Unreserved FB | \$14,325,341   | \$14,325,341   | \$14,325,341    |
|                         |                |                |                 |
| Revenues                | \$89,669,200   | \$58,617,789   | \$84,496,900    |
| Expenditures            | (\$89,669,200) | (\$63,384,272) | (\$86,227,000)  |
| Surplus/(Deficit)       | \$0            | (\$4,766,483)  | (\$1,730,100)   |
|                         |                |                |                 |
| Ending Unreserved FB    | \$14,325,341   |                | \$12,595,241    |

FY 09-10 3<sup>rd</sup> Quarter Revenues are below estimate due to Property taxes being received late from Cook County



# City Council Goals

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|   |   |
|---|---|
| Affordable Housing                                  | <b>Federal/State/Regional<br/>Government Affairs Agenda</b> |
| Budget Planning                                     | Lakefront Development                                       |
| Capital Improvement Program Planning                | <b>Northwestern University</b>                              |
| <b>Climate Action Plan</b>                          | <b>Police and Fire Pension Fund</b>                         |
| <b>Economic Development</b>                         | Robert Crown Center Improvements                            |
| <b>Efficiency and Effectiveness of<br/>Services</b> | <b>Safety Issues</b>  |



# Be Informed by Suggestions of Community and Employees

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- **Live Within Means**
- **Focus on Basics**
- **Employee Costs**
- **Raise Non-Tax Revenues**



# City Manager Budget Goals

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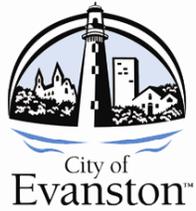
- Customer Service**
- Raise Non-Tax Revenues**
- Operate City Efficiently and Economically**



# Proposed Budget Overview

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- **Proposed Changes to Draft Budget.**
  
- **Additional \$1.5 Million Reduction.**



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# City of Evanston Fiscal Year 2010-11 Proposed Budget Overview



# FY 2010-11 Proposed Budget

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- **City's total proposed budget is \$234,373,747**
  - increase of \$550,917 or .24% over prior year budget
- **Proposed budget adjusted for interfund transfers is \$214,758,452**



# 2010-11 Proposed Budget

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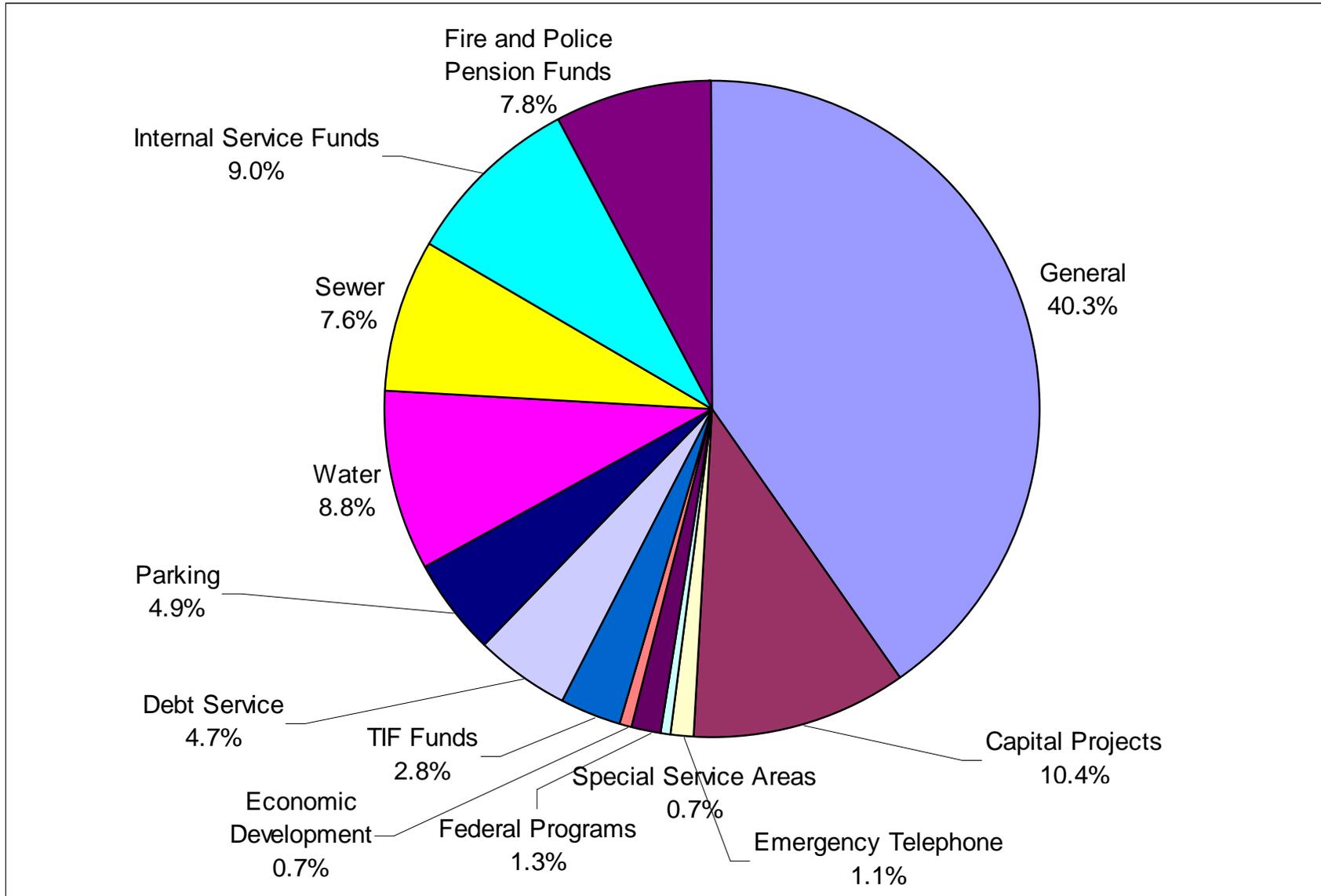
Proposed Budget includes the General Operating budget and Other Funds

## **Other Funds include:**

- Parking
- Water
- Sewer
- Motor Fuel Tax
- Fleet Service
- Emergency Telephone
- CIP
- Garage Funds (Sherman Avenue, Maple Ave.)
- TIF Funds (includes Downtown II, Howard/Ridge, Howard/Hartrey)
- CDBG
- Special Assessment

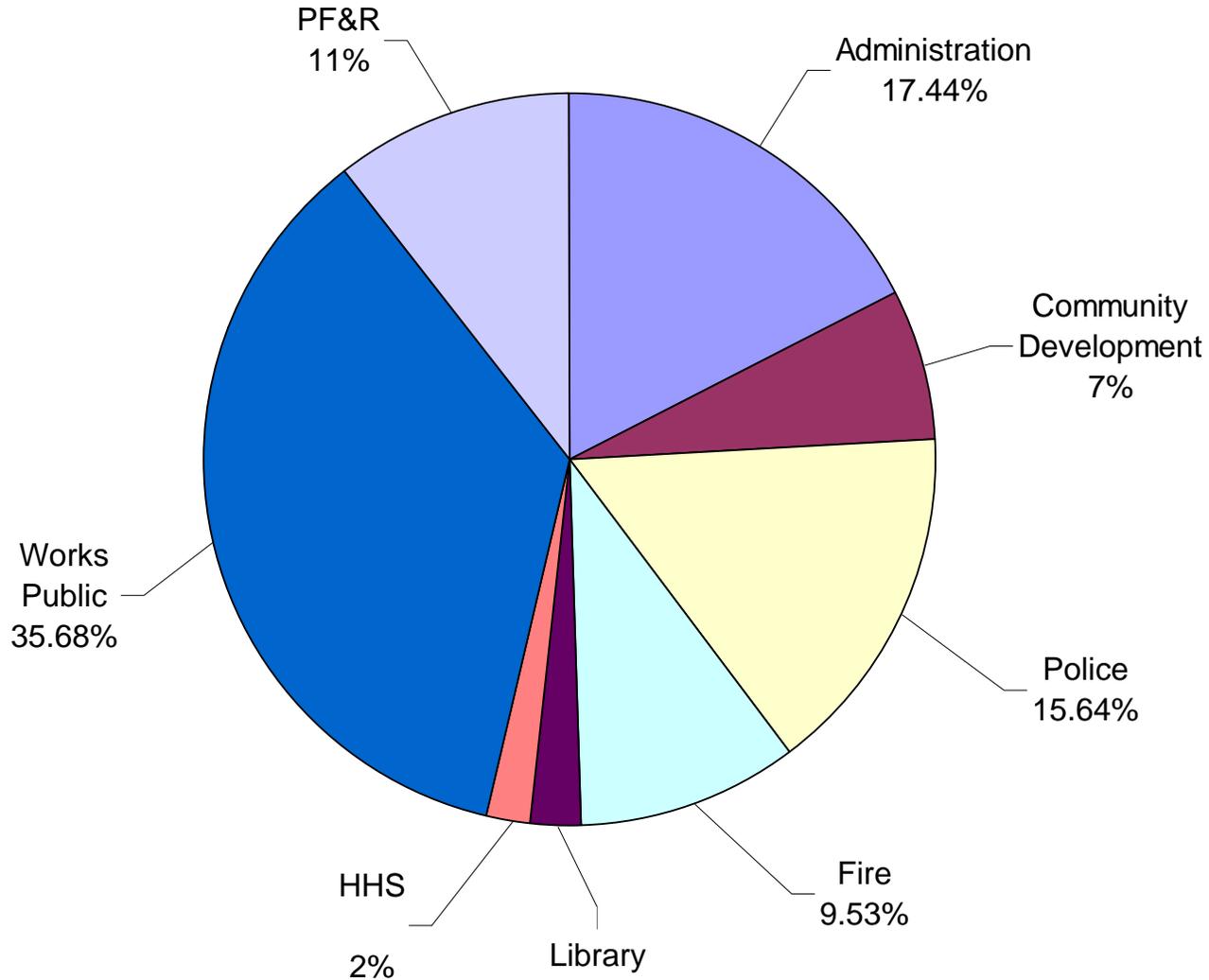
# FY 2010-11 Proposed Total Expenditures by Fund

## \$234,373,747



# FY 2010-11 Proposed Expenditures by Department

## \$234,373,747



**Note:** Debt Service, and Insurance Fund expenditures are shown under Administration



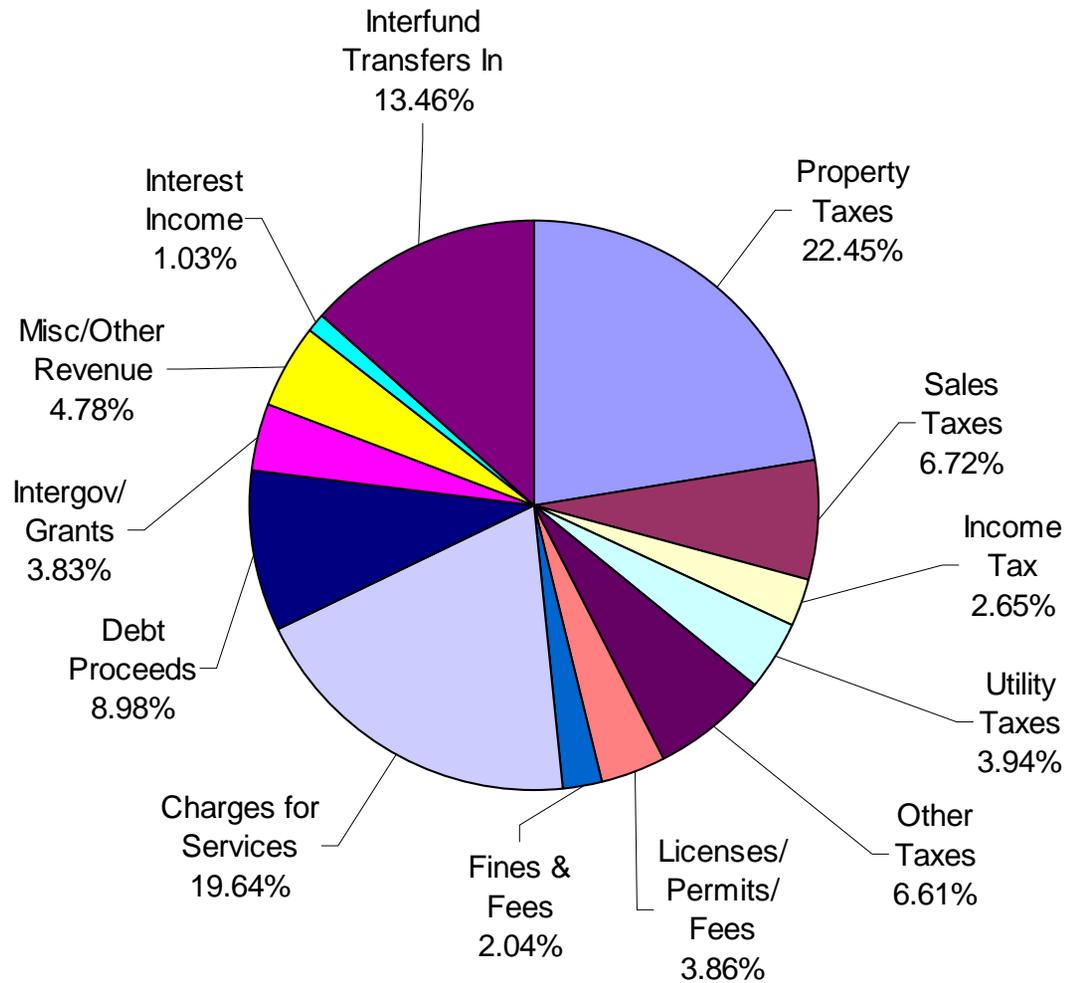
# Where Do We Get Our Money?

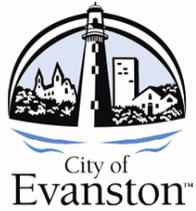
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## General Fund Revenues by Type

- ❖ Property Taxes
- ❖ Other Taxes
- ❖ Licenses Permits and Fees
- ❖ Fines and Forfeitures
- ❖ Charges for Services
- ❖ Revenues from State and Federal Government
- ❖ Transfers from Other Funds

**City of Evanston**  
**FY 2010-11 Proposed Revenue by Source**  
**\$215,441,527**

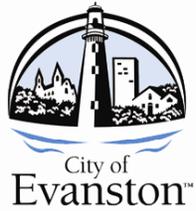




# Balancing Challenges

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1. Revenues fluctuate from year to year
  - based on economy
  - based on City goals
2. Service demands
  - rarely decline in volume
  - rarely decline in cost



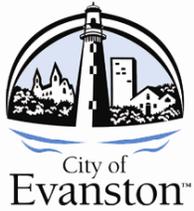
# City of Evanston Fiscal Year 2010-11 General Fund



# FY 10-11 Proposed Budget Deficit

|                         |                     | FY 2009-10          | FY 2009-10          | FY 2010-11          |
|-------------------------|---------------------|---------------------|---------------------|---------------------|
|                         | FY 2008-09          | Adopted             | Estimated           | Proposed            |
|                         | <u>Actual</u>       | <u>Budget</u>       | <u>Actual</u>       | <u>Budget</u>       |
| Beginning Unreserved FB | 18,881,093          | 14,325,341          | 14,325,341          | 12,596,169          |
| Revenues                | 88,514,502          | 89,669,200          | 84,497,585          | 84,933,900          |
| Expenditures            | <u>(93,070,254)</u> | <u>(89,669,200)</u> | <u>(86,226,757)</u> | <u>(94,466,000)</u> |
| Surplus/(Deficit)       | (4,555,752)         | 0                   | (1,729,172)         | (9,532,100)         |
| Ending Unreserved FB    | 14,325,341          | 14,325,341          | 12,596,169          | 3,064,069           |

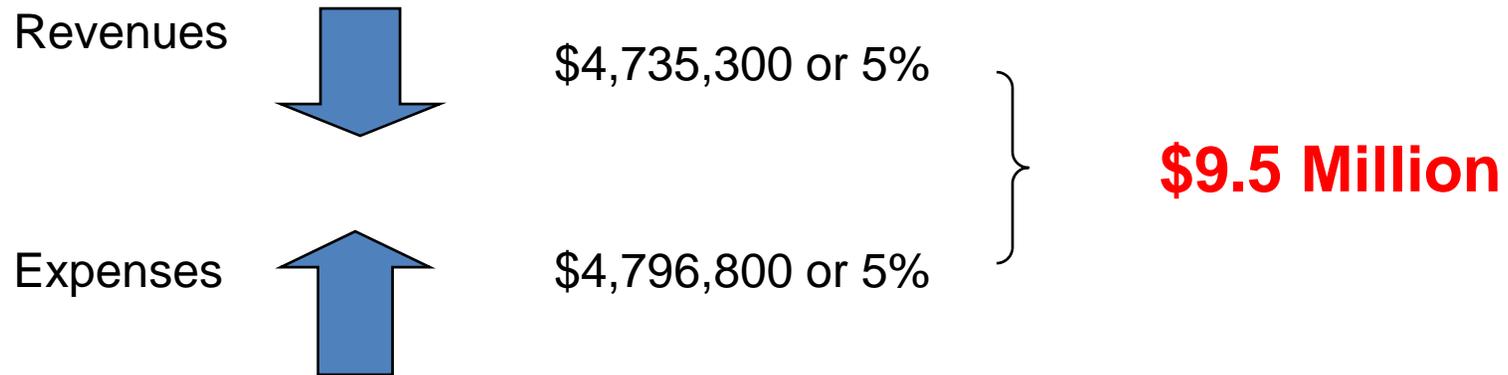
FY 10-11 Expense Estimate Compared to FY 10-11 Revenue Estimate= **\$9.5** million deficit



# FY 10-11 Proposed Budget Deficit

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What caused such a significant gap?





# FY 2010-11 Budget Concerns

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## OPERATING REVENUES – Down 5.0%

### ▪ **Property Taxes**

- Utilization of Downtown II TIF Property Taxes
- Pension Levy increases

### ▪ **Economy driven revenues**

- Sales Taxes fairly stable (down by 3.5% or \$518,000)
- Income taxes, Real Estate Transfer Taxes and Utility taxes down substantially (decrease by over 20% or approximately \$3.4 million is projected for 2010-11 for these sources)
- Building Permits down by 12% or \$300,000 from 2009-10 budget

### ▪ **Interfund Transfers Down \$1.4 million**

- One-time transfers
- Downtown TIF closing



# FY 2010-11 Budget Concerns

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## PERSONNEL COSTS

### ▪ **Pension/Personnel Costs**

- Wage Increases 4.0% - \$2.1 million
- IMRF Pension increase by 47% from combined ERI cost and Market Losses - \$1,000,000
- Police and Fire Pension Increase per Actuarial Report- \$1.2 million
- Contracts - 3 / 4 Union contracts are up for renewal

### ▪ **Health Care - \$750,300 increase**

- Employee contributions will need to be bargained.
- Health Insurance Costs – modest plan reductions

### ▪ **Liability Costs - \$1.0 million increase**



# FY 2010-11 Proposed Balanced Budget

| RECOMMENDED REDUCTIONS   |  | FY 2010-11<br>ADJUSTMENTS |
|--|--|---------------------------|
| <b><u>CITY-WIDE BUDGET ADJUSTMENTS</u></b>                       |  |                           |
| <b><u>Revenue Adjustments</u></b>                                |  |                           |
| Parking Structure PILOT  |  | \$200,000                 |
| Transfer from Township For Community Purchased Services          |  | \$400,000                 |
| Reimbursement from School Districts for School Resource Officers |  | \$290,000                 |
| Yard Waste fee   |  | \$950,000                 |
| Refuse Fee   |  | \$500,000                 |
|  |  |                           |
| <b><u>Subtotal Revenue Adjustments</u></b>                       |  | <b><u>\$2,340,000</u></b> |



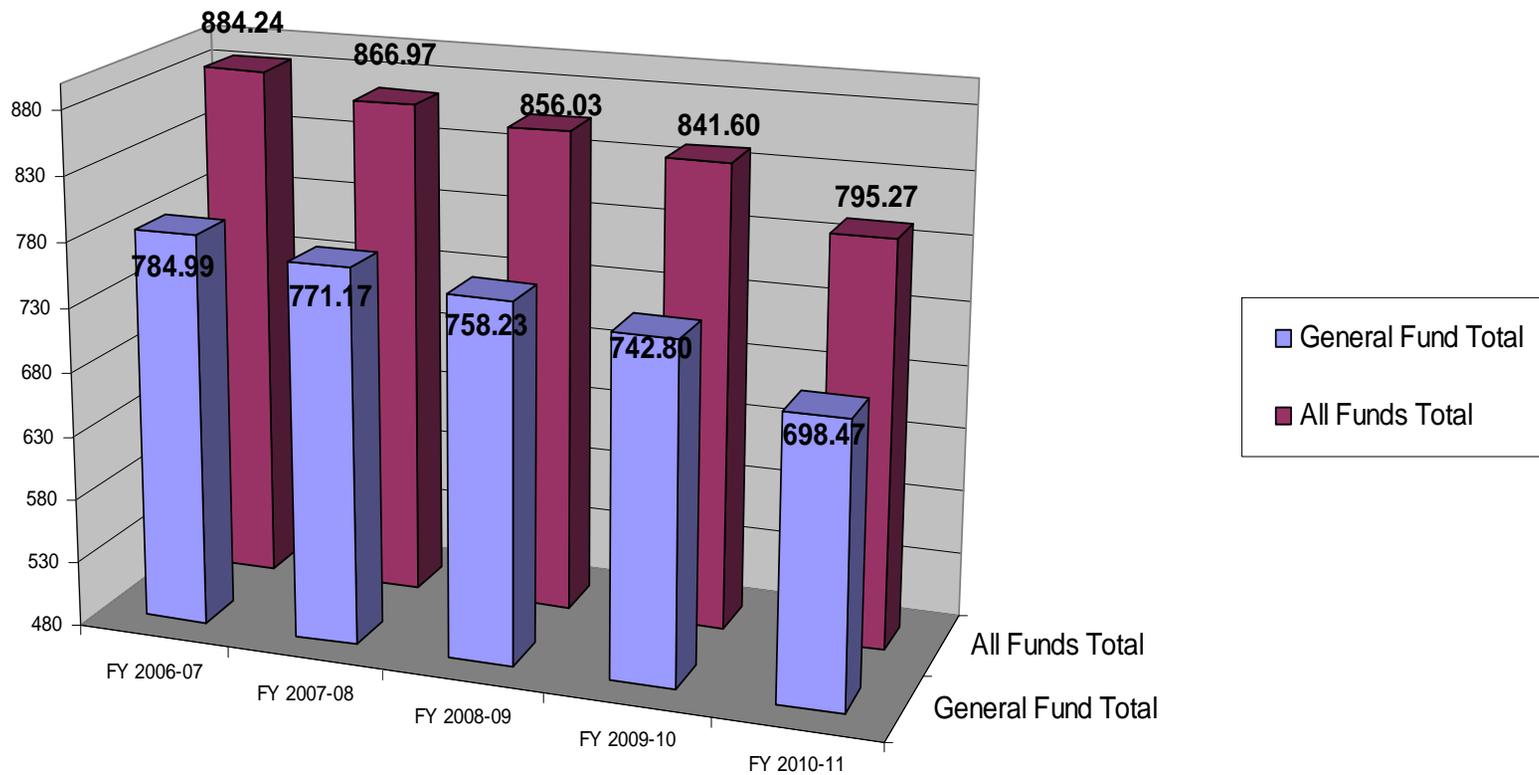
# FY 2010-11 Proposed Balanced Budget (Continued)

| RECOMMENDED REDUCTIONS                               | FY 2010-11<br>ADJUSTMENTS |
|--|---------------------------|
| <b><u>CITY-WIDE BUDGET ADJUSTMENTS</u></b>           |                           |
| <b><u>Expense Adjustments</u></b>                    |                           |
| No Cost Of Living Adjustment                         | \$950,000                 |
| No Merit (non-represented employees)                 | \$100,000                 |
| Increase 5% Employee Insurance Contributions         | \$50,000                  |
| Director pay cut (5%)                                | \$50,000                  |
| New Training Funds                                   | -\$200,000                |
| Unpaid Holidays - 3 days - All staff.                | \$540,000                 |
| Refinance Illinois Municipal Retirement Fund Debt    | \$150,000                 |
|  |                           |
| <b><u>Subtotal City-wide Expense Adjustments</u></b> | <b><u>\$1,640,000</u></b> |



# FY 2006-07 to 2010-11 Staffing Levels

**City of Evanston Full Time Equivalent Positions  
Last Five Years**





# Department Specific Proposed Reductions

## City Manager's Office

|  |                         |
|--|-------------------------|
| Reform "Highlights" Newsletter                     | \$30,000                |
| Evanston Community Media Center Contract Reduction | \$200,000               |
| Eliminate Assistant City Manager (Vacant)          | \$195,000               |
| Add Local Government Management Fellow             | -\$60,000               |
| Increase General Fund Contingency                  | -\$200,000              |
|  |                         |
| <b><u>Subtotal City Manager's Office</u></b>       | <b><u>\$165,000</u></b> |



# Department Specific Proposed Reductions

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## City Manager's Office

**Eliminate Asst City Manager/Add ICMA Fellow** – The City Manager's Office has been staffed by two Asst City Managers, and by one two to Asst to the City Manager positions over the past few years. This change will result in a net savings of \$135,000 and will mean that the Manager's office will have one Asst City Manager and one ICMA Fellow.

**Reformat Highlights Newsletter** – The printed version of this newsletter will be eliminated in favor of an on-line version that may be printed by the user as needed.

**Reduce City Contribution to ECMC** – Through a combination of in-house support and alternative communication media (web-site, Twitter, Facebook, and YouTube) we are reducing our funding of this program.

**Increase City Manager Contingency** – This budget provides for a myriad of changes to services and operations. The increase in the contingency is requested to provide alternative funding for changing operations as needed.



# Department Specific Proposed Changes

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## Law Department

**Cost-Effectiveness & Favorable Results** – Reassign currently litigated matters to Law Department and reduce expenditures on outside counsel. Moving forward, assume defense of cases at inception. Streamlining case work-up and developing strategy at inception will result in reduced defense costs and reduced liability.

**Enhanced Responsiveness** - New emphasis on customer service and supporting Council, staff, and residents. By assuming greater control over litigated matters, responsiveness to Council direction on litigation will be greatly enhanced. Assuming litigated matters will also result in more effective and expedited work with staff on case development and discovery.

**Improved Efficiency** – Transfer of Liquor Control Board Administration. Transfer of Administrative Adjudication Section to Law Department. Evaluate and implement new risk management strategies for City operations to reduce potential exposure.



# Department Specific Proposed Reductions

## Administrative Services

| <b><u>BPAT (Renamed to Information Technology Division)</u></b> |                         |
|---|-------------------------|
| Eliminate Vacant Unix Admin. .5 FTE (Vacant)                    | \$44,730                |
| Eliminate Vacant Management Analyst (Vacant)                    | \$92,533                |
| Eliminate Other Consultants                                     | \$40,000                |
| Eliminate Computer Replacement                                  | \$40,000                |
| Eliminate Portion of Training Budget                            | \$10,000                |
| Eliminate GIS Manager   | \$127,000               |
| Eliminate Contractual Service Desk (Vacant)                     | \$45,000                |
| Eliminate Contractual Service Desk                              | \$45,000                |
| Eliminate Tech Support I  | \$90,000                |
| Eliminate Tech Support II                                       | \$108,000               |
|   |                         |
| <b><u>Subtotal Information Technology Division</u></b>          | <b><u>\$642,263</u></b> |



# Department Specific Proposed Reductions

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## Administrative Services – Information Technology

**Eliminate Vacant Unix Administrator - .5 FTE (Vacant)** – Internal staff will need to be trained to support this operating system.

**Eliminate Vacant Management Analyst (Vacant)** – Position previous completed work related to business process improvement (BPI) and performance measurements. This work will no longer be completed.

**Eliminate Other Consultants** – No consultants will be hired to assist the Division with its work.

**Eliminate Computer Replacement** – The schedule for equipment replacement will be lengthened.

**Eliminate Portion of Training Budget** – Training will be reduced for Division employees.



# Department Specific Proposed Reductions

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## Administrative Services – Information Technology

**Eliminate GIS Manager** – Reduce a middle management position. Duties will be absorbed by IT Division Manager.

**Eliminate Contractual Service Desk (Vacant)**

**Eliminate Contractual Service Desk**

**Eliminate Tech Support I**

**Eliminate Tech Support II** – All contractual help has been eliminated in the Division. Tech Support assistance has also been reduced and some work will be absorbed by other staff. We will also continue to look at outsourcing to find additional efficiencies in the upcoming year.



# Department Specific Proposed Reductions

## Administrative Services (Continued)

|   |  |                         |
|---|--|-------------------------|
| <b><u>Finance/Human Resources</u></b>                               |  |                         |
| Eliminate Admin. Adjud. Aide (Contractual)                          |  | \$40,000                |
| Replace Finance Director & HR Director with Administrative Director |  | \$0                     |
| Eliminate Revenue Manager (Vacant)                                  |  | \$95,477                |
| Eliminate Budget Analyst (Vacant)                                   |  | \$92,500                |
| Eliminate Comp and Benefits Manager (Vacant)                        |  | \$105,000               |
| Eliminate Tuition reimbursement                                     |  | \$56,000                |
| Reduce/transfer Training  |  | \$40,000                |
| Eliminate Accounting Clerk II                                       |  | \$60,000                |
|   |  |                         |
| <b><u>Subtotal Finance/Human Resources</u></b>                      |  | <b><u>\$488,977</u></b> |

Total FTE Reduction: 9.5

Total proposed reduction of \$1,131,240.



# Department Specific Proposed Reductions

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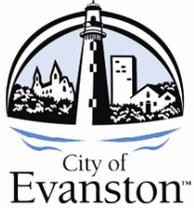
## Administrative Services – Finance and Human Resources

**Eliminate Admin. Adjudication Aide (Contractual and Vacant)** - All contractual positions have been eliminated. Work will be absorbed by staff in the Law Department.

**Replace Finance Director & HR Director with Administrative Director** – Position savings already realized before calculation of deficit. Two Director positions will be merged into one to achieve efficiency in administration.

**Eliminate Revenue Manager (Vacant)** - Reduce a middle management position. Duties will be absorbed by Accounting Manager and Revenue Supervisor.

**Eliminate Budget Analyst (Vacant)** – Budget process has been streamlined. More efficiencies will be indentified in the upcoming year allowing for elimination of position.



# Department Specific Proposed Reductions

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## Administrative Services – Finance and Human Resources

**Eliminate Comp and Benefits Manager (Vacant)** – Position has remained vacant for one year. Duties transferred to other HR staff as a result of efficiency in operation. More automation of process, such as online recruiting, and auditing of benefits system has allowed duties to be absorbed by existing staff.

**Eliminate Tuition reimbursement** – Funding for the program will be eliminated in the upcoming year.

**Reduce/transfer Training** – Funds will be reduced in the City-wide training budget and transferred to individual departments. The increase in training funds to individual departments appears in the City Manager's budget.

**Eliminate Accounting Clerk II** – Duties will be absorbed by Revenue and Parking Operations staff when the areas are merged in the upcoming year and efficiencies are realized.

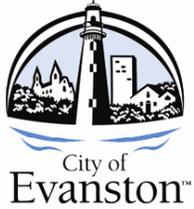


# Department Specific Proposed Reductions

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## Community Development

|   |  |                         |
|---|--|-------------------------|
| Eliminate Electrical Inspector (Vacant)                   |  | \$90,000                |
| Eliminate All Temp. Employees                             |  | \$75,000                |
| Eliminate OT for Inspectors                               |  | \$20,000                |
| Eliminate Zoning Officer                                  |  | \$92,000                |
|   |  |                         |
| <b><u>Subtotal Community and Economic Development</u></b> |  | <b><u>\$277,000</u></b> |
|   |  |                         |



# Department Specific Proposed Reductions

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## **Community Development (Continued)**

**Eliminate Electrical Inspector** – The demand for services can be addressed by the remaining Electrical Inspector at this time.

**Eliminate all temporary employees**- This includes one temporary clerical staff who provides support to the Property Standards Inspectors and one temporary permit desk clerk – the remaining clerical staff and permit desk staff will be able to serve current demand.

**Reduce overtime** – this reduction of \$20,000 from a total of \$33,700 is possible because of reduced demand for overtime services at this time.

**Eliminate Zoning Officer** – the re-alignment which will combine Planning and Zoning in one division will enable a more efficient utilization of staff, including the remaining Zoning Officer.



# Department Specific Proposed Reductions

## Police

|   |  |                         |
|---|--|-------------------------|
| Reduce Summer Plan                          |  | \$70,000                |
| Eliminate Off Campus Student Patrol         |  | \$20,000                |
| Eliminate Special Weekend Beat (Beat 87)    |  | \$10,000                |
| Eliminate Police Planner                    |  | \$93,000                |
| Eliminate Police Records Clerk (Vacant)     |  | \$60,000                |
| Eliminate Social Services Position (Vacant) |  | \$90,500                |
| Retirement Sworn Desk Officer               |  | \$110,000               |
| Reduce Unreimbursed NU Home Game Overtime   |  | \$40,000                |
|   |  |                         |
| <b><u>Subtotal Police</u></b>               |  | <b><u>\$493,500</u></b> |



# Department Specific Proposed Reductions

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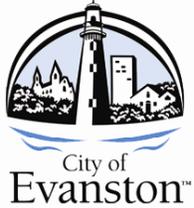
## Police (Continued)

**Reduce Summer Plan-** This cuts the summer plan by 50%. The plan will be reduced from 2800 patrol hours to 1400 hours.

**Eliminate Off Campus Student Patrol** -EPD and NUPD will not staff the “Party Car” that had patrolled the off-campus student housing during times when student parties are most frequent.

**Eliminate Special Weekend Beat-** This was the “downtown” Beat paid for by TIF funds. As the TIF is concluded this service will be eliminated.

**Eliminate Police Planner Position-** Re-working of existing General Orders and New Directives will have to be redistributed to the command staff. Also the acquisition of new software will help address this new work load.



# Department Specific Proposed Reductions

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## **Police (Continued)**

**Eliminate Records Clerk** - Automation and efficiencies under the supervision of Records Bureau Director Debbie Hakimian and D/C Wiedlin continue to reap savings.

**Eliminate Social Services Position** -This has caused a realignment of the delivery of services to victims and youth. An example is the elimination, except for exigent circumstances, of the transportation of domestic violence victims to court.

**Retirement of Sworn Desk Officer-** Reduce the number of sworn personnel from 165 to 164. This completes the transition to an all civilian front desk staff.

**Reduce NU Home Football Game OT-** EPD spends about \$10K per home game for traffic control. This will be reduced to \$5K per game. Consequently it will add significant travel time to and from the game for fans. The neighborhood presence of EPD will also be reduced.



# Department Specific Proposed Reductions

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## Fire

|                                   |  |                         |
|-----------------------------------|--|-------------------------|
| Eliminate Overtime (Redeployment) |  | \$275,000               |
| Eliminate Division Chief (Vacant) |  | \$120,000               |
| Reduction of Training OT          |  | \$38,000                |
|                                   |  |                         |
| <b><u>Subtotal Fire</u></b>       |  | <b><u>\$433,000</u></b> |



# Department Specific Proposed Reductions

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## **Fire (Continued)**

### **Eliminate Shift Staffing Overtime (\$275,000) - Impact**

- This will reduce our minimum daily staffing level from 26 to as low as 23 firefighter/paramedics per shift
- The number will vary depending on the number of employees off due to vacations, “Kelly” days, illnesses or injuries
  - Kelly days are part of the Fair Labor Standards Act which modifies the workweek from 56 hours to 49.8 hours/week
- Whenever we drop below 26 FFs/Shift, we will need to place an engine or truck out of service and redeploy the remaining personnel to other equipment.
- Operating an engine or truck with less than 3 personnel is dangerous and not very effective



# Department Specific Proposed Reductions

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## **Fire (Continued)**

### **Eliminate Division Chief Position (\$120,000)**

- This position is a vacant position with the retirement of Deputy Chief Hunter and the filling of his position with a current Division Chief
- Job assignments will be redistributed
- Each administrative position will be given additional tasks

### **Reduction of Training Overtime (\$38,000)**

- Fewer new firefighters attending EMT & Paramedic School this year



# Department Specific Proposed Reductions

## Health & Human Services

|  |  |                         |
|--|--|-------------------------|
| Eliminate Dental Services                        |  | \$153,000               |
| Dental Clerk                                     |  |                         |
| Dental Assistant                                 |  |                         |
| Dentist  |  |                         |
| Dentist  |  |                         |
| Reduce Community Purchased Services              |  | \$200,000               |
| Eliminate .6 LT Care Ombudsman                   |  | \$40,000                |
|  |  |                         |
| <b><u>Subtotal Health and Human Services</u></b> |  | <b><u>\$393,000</u></b> |

Total FTE Reduction 4.6



# Department Specific Proposed Reductions

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## **Health & Human Services (Continued)**

### **Elimination of the Children's Dental Clinic (\$153,000)**

- Elimination of the Children's Dental Clinic will require the 1,868 children served by the clinic to identify a new source for dental care
- 90% of the children served by the dental clinic are from low income families; the cost of dental care for these children is covered by All Kids, a state of Illinois funded program.
- 50% of the dental clinic's patients are from limited English speaking homes and seek services from the clinic due to the availability of Spanish speaking staff.
- Although four Evanston dental practices accept All Kids, the majority provide only preventive care and refer patients that require more costly restorative care to dental clinics located outside of Evanston; out of these four offices, only two have Spanish speaking staff available to treat pediatric dental patients.



# Department Specific Proposed Reductions

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## **Health & Human Services (Continued)**

### **Reduction of Community Purchased Services (\$200,000)**

- Any reduction in funding will affect the number of community residents served and the types of services provided by Evanston social service agencies.

### **Elimination of .6 Long Term Care Ombudsman (\$40,000)**

- This position is 100% grant funded; the Health and Human Services Department's Commission on Aging is a recipient of additional federal funding to serve Evanston long term care facility residents.
- Duties related to the services provided by this position will be distributed to remaining department staff to maintain the grant and services at the highest level possible.



# Department Specific Proposed Reductions

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## Public Works

|  |  |                         |
|--|--|-------------------------|
| Fleet Reorganization and Hours reduction |  | \$236,000               |
| Auto Shop Supervisor                     |  |                         |
| Equipment Mechanic III                   |  |                         |
| Auto Service Worker                      |  |                         |
| Solid Waste Reform                       |  | \$560,000               |
| Streets and San Vacancy and Reclass      |  | \$60,000                |
| Reorganization of Street Sweeping        |  | \$25,000                |
|  |  |                         |
| <b><u>Subtotal Public Works</u></b>      |  | <b><u>\$881,000</u></b> |



# Department Specific Proposed Reductions

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## **Public Works (Continued)**

### **Fleet Impact (\$236,000)**

- Elimination of one supervisor (lead mechanic position would manage work requirements for 4.5 hours per day)
- Reduced service hours from 16 hours Monday through Friday to 12.5 hours
- Elimination of one mechanic position as the result of recent fleet equipment reductions
- Elimination of one auto service worker ferrying services to be assigned to the department operating the equipment

### **Sanitation Reorganization (\$560,000)**

- Elimination of four FTE (equipment operator II) positions two are currently filled by temporary employee
- Elimination of five garbage trucks from the Fleet inventory
- Change in hours for sanitation employees to cover holiday schedule changes



# Department Specific Proposed Reductions

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## **Public Works (Continued)**

### **Streets Reorganization Impact (\$60,000)**

- Reclassification of one public works supervisor to a solid waste coordinator
- Reclassification of three traffic sign repair workers to public works maintenance workers III and the transfer of the workers into streets
- Elimination of one FTE (public works maintenance worker II) position currently filled by a temporary employee
- Reclassification of three public work crew leaders to public works operations coordinators

### **Street Sweeping Reorganization (\$25,000)**

- Reduction of street sweeping frequency from biweekly to monthly
- Elimination of one street sweeper



# Department Specific Proposed Reductions

## Library

|   |  |           |
|---|--|-----------|
| Close South/North Branch                      |  | \$425,468 |
| Branch Assistant                              |  |           |
| Branch Assistant                              |  |           |
| Branch Assistant                              |  |           |
| Shelver - Library Aide I                      |  |           |
| Branch Assistant                              |  |           |
| Eliminate Branch Maintenance                  |  | \$38,880  |
| Outsource Materials Acquisition & Cataloguing |  | \$358,295 |
| Library Assistant                             |  |           |
| Clerk II                                      |  |           |
| Clerk II                                      |  |           |



# Department Specific Proposed Reductions

## Library (Continued)

|                                |                         |
|--------------------------------|-------------------------|
| Clerk II                       |                         |
| Clerk                          |                         |
| Reduce Subscriptions           | \$21,000                |
|                                |                         |
| <b><u>Subtotal Library</u></b> | <b><u>\$843,643</u></b> |

|                          |
|--------------------------|
| Total FTE Reduction: 9.7 |
|--------------------------|

### Impact of Closing the Branches:

- Reduce direct service in neighborhoods
- Displace staff- some could fill vacancies
- Redirect service to Main and Outreach

### Impact of Outsourcing Tech. Services:

- Increase efficiency
- Reduce labor costs



# Department Specific Proposed Reductions

## Parks, Forestry & Recreation

|   |  |           |
|---|--|-----------|
| Chandler Newberger Coordinator              |  | \$72,460  |
| Levy Custodian                              |  | \$67,864  |
| Levy Office Clerk                           |  | \$58,696  |
| Public Works Supervisor                     |  | \$100,562 |
| Robert Crown Custodian                      |  | \$15,000  |
| Cultural Arts Program Manager (Vacant)      |  | \$63,000  |
| Fleetwood Jourdain Program Manager (Vacant) |  | \$76,000  |
| Robert Crown Office Asst. (Vacant)          |  | \$18,472  |
| Noyes Center Office Asst.                   |  | \$8,190   |
| Noyes Center Facility Supervisor            |  | \$3,785   |
| Chandler Preschool Instructor (Vacant)      |  | \$16,960  |



# Department Specific Proposed Reductions

## Parks, Forestry & Recreation (Continued)

|  |  |                         |
|--|--|-------------------------|
| <b>Operations Reductions</b>                         |  |                         |
| Parks/Forestry                                       |  | \$155,300               |
| Ecology  |  | \$8,100                 |
| Facilities Management                                |  | \$80,100                |
| Cultural Arts  |  | \$77,300                |
| Recreation   |  | \$166,000               |
|  |  |                         |
| <b><u>Subtotal Parks Forestry and Recreation</u></b> |  | <b><u>\$987,789</u></b> |
|  |  |                         |



## ***Parks, Recreation and Community Services Department***

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**The proposed new name for the department as of March 1, 2010 reflects the transfer of employees from other departments.**

The five positions are:

Community Health Division Manager,  
Health Program Coordinator,  
Youth Coordinator,  
Inclusion Specialist  
Secretary II.



# Department Specific Proposed Reductions

## Parks, Recreation and Community Services Department

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### EXAMPLES OF MAJOR IMPACTS

- Chandler-Newberger Coordinator
  - Noyes Facility Supervisor • Levy Custodian
  - Robert Crown Custodian
- 

Center hours and office hours reduced; number of cleanings reduced per week; slower turnover of programs/rentals

- Levy Office Clerk • Noyes Office Asst.
  - Robert Crown Office Asst. (vacant)
- 

Customer service may be slower: transferred staff will assume Levy duties

- Cultural Arts Program Mgr. (vacant Dec. 09)
  - Fleetwood-Jourdain Program Mgr. (vacant Dec. 09)
  - Chandler-Newberger Instructor (vacant)
- 

Other staff take on responsibilities as possible and some duties curtailed; fund raising and program activities will decrease.

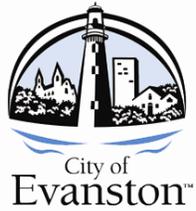
- Public Works Supervisor (Parks Div.)
- 

Other staff take on responsibilities as possible and some duties curtailed

**Total FTE reduction: 7.95**

**Totals savings (salary & benefits): \$500,989**

Throughout the department, the number of employees reporting to a supervisor will increase



# Department Specific Proposed Reductions

## Parks, Recreation and Community Services Department

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### **Impacts of proposed operation reductions of \$486,800**

**Parks/Forestry:** reduced overtime and seasonal staff may lead to slower response to non-emergency tasks; tree trimming extends to a 10+ year cycle

**Recreation:** fewer camp field trips; some seasonal jobs filled by volunteers or work-study students; dog beach supervision eliminated during non-peak months; fewer staff to supervise participants in some programs; reduced winter hours at Mason Park; expenses cut for most snacks due to grant; lower instructor and seasonal employee expenses based on lower enrollment

**Facilities Management:** electricity rates reduced; eliminated training; fewer Civic Center window washings

**Cultural Arts:** Cultural Grants Fund eliminated; reduced public art maintenance; additional work-study students; seasonal positions combined; four fewer concerts; advertising reduced

**Ecology:** one additional work-study student; field trips restructured; volunteers will assist with after-school programs



# Revenue Increases

## Parks, Recreation and Community Services Department

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### **Recreation, Ecology, Cultural Arts and Facilities Management: \$84,200**

- Increases in class/camp fees and an anticipated increase in enrollment
- Revenue will increase from rental properties
- Programs are being restructured to meet changing trends and demands
- Beach token fees will not increase.

Note: the department conducts an annual fee survey to determine market rates.

### **Parks/Forestry: \$75,000**

- One-time transfer of revenue from the elm tree insurance account



# General Fund Summary

## **POTENTIAL ADDITIONAL REDUCTIONS**

## **ADJUSTMENTS**

### **Citywide**

|  |           |
|--|-----------|
| Additional 5% Employee Contribution to Health Care Costs | \$50,000  |
| 5% Salary Reduction - All Managers                       | \$150,000 |
| Additional Unpaid Holiday                                | \$180,000 |
| Reduction of City Overtime Support for 4th of July       | \$30,000  |
| Cell Phone Stipend                                       | \$30,000  |

### **Administrative Services**

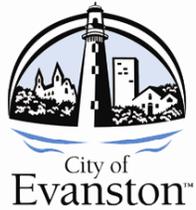
\$50,000

### **Community Development**

\$50,000

### **Library - Downtown Branch**

\$40,000

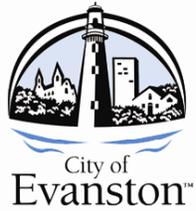


# General Fund Summary

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## Additional Reductions (cont'd)

|  |                    |
|--|--------------------|
| <b><u>Police</u></b>                                   | \$100,000          |
| <b><u>Parks, Recreation and Community Services</u></b> |                    |
| Administration   | \$70,000           |
| Fleetwood Jourdain Center                              | \$100,000          |
| Robert Crown Center                                    | \$50,000           |
| Levy Center  | \$150,000          |
| Forestry   | \$150,000          |
| Ecology Center   | \$200,000          |
| <b><u>Public Works - Administration</u></b>            | \$100,000          |
| <b>TOTAL</b>   | <b>\$1,500,000</b> |



# Other Funds

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- Special Revenue Funds
- Enterprise Funds
- Capital Improvements Fund
- Internal Service Fund
- Fiduciary Fund



# Enterprise Funds-Parking

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- Includes revenues and expenses for all City pay parking lots, as well as the Church, Maple, and Sherman Avenue Garages.
- Should be self sustaining.
- Receives assistance from the Washington National TIF Fund (and previously Downtown II TIF Fund) to help pay down debt related to the Sherman Avenue Garage.
  - Without the subsidy provided from City TIF Funds, this Fund, would not be self sufficient on an annual operating basis.



# Enterprise Funds-Water/Sewer

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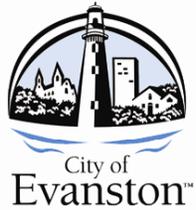
- Water -Account for all revenue and expenses related to water pumping, filtration, distribution, meters, and other water distribution expenses, including capital equipment.
- Sewer Fund –accounts for removal of but not cleaning of wastewater, as Evanston residents are separately charged by the Water Reclamation District.
- The City sells its water to Evanston residents as well as Skokie and the Northwest Water Commission.
- Only Evanston residents pay the Sewer Fee.
- Sewer capital projects have been funded by low or zero interest IEPA loans.
- Water/Sewer rate studies are periodically performed to match rates with future costs.



# Internal Service Fund-Insurance

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- Some major liability claims have been settled during past year.
- City is self insured with stop loss coverage beginning at \$2,000,000.
- City needs to build up adequate insurance reserves to pay out future liability and workers' compensation claims.
- The following Funds contribute funding for Insurance: General, Parking, Water, Sewer, E911, CDBG, Economic Development.



# Internal Service Fund-Insurance (Continued)

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- Insurance Fund's primary purpose is to set aside funding for all types of claims against City.
- Maintaining a separate Insurance Fund increases transparency to the public.
- FY09/10 budgeted expenditures = \$2,717,500 and expected to increase approximately \$1M in FY10/11.



# Internal Service Fund-Fleet

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- Fund is used to account for purchases of new vehicles and equipment as well as major maintenance on vehicles & equipment.
- Similar to the Insurance Fund, Fleet Fund revenues are funded solely by other City Funds that require vehicles/equipment such as General, Parking, Water, Sewer.
- This Fund is expected to have no cash reserves on hand at the end of the current fiscal year 09/10.
- City has been keeping many vehicles and equipment longer than recommended useful life, causing increased maintenance needs.



# Capital Improvements Fund

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## Scope of Projects

This Fund accounts for all capital projects (major equipment/property purchases, property improvements, infrastructure) used in general City operations which are not funded by special revenue (Motor Fuel, 911), enterprise (Parking, Water, Sewer), or internal service (Fleet) Funds.

## Debt Issuance

While some capital projects in this Fund are paid by various grants or other similar sources, the majority of projects are funded by issuing debt (bonds) which are paid back over a twenty year period.



# Fiduciary Funds- Police & Fire Pensions

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- Illinois law mandates Police and Firefighters' pension and disability benefits.
- Under current law, both Police and Firefighters' pension funds must be fully funded no later than 2033. Currently, Police and Firefighters' pension are funded at 42.9% and 41.2% respectively, per most recent actuarial valuation reports.
- Both the City and active sworn officers and firefighters contribute to the pensions. Officer/firefighter contribution rates are per State statute and are 9.91% for Police and 9.455% for Fire.
- Annual City contributions amounts are determined by an independent actuarial firm.



# Fiduciary Funds- Police & Fire Pensions (Cont.)

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- City pension contributions consist of a “normal” and amortized amount for the unfunded portion.
- Based on most recent actuarial valuations, the City’s “normal” cost as a percentage of pay for Police and Firefighters’ is 15.2% and 18.1% respectively.
- When the unfunded amortized City pension contribution cost is factored in, the total pension contribution as a percentage of pay for Police and Firefighters’ is 61.6% and 68.8%, respectively.



# Remaining Budget Discussion Schedule

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|                  |   |
|------------------|---|
| <b>1/23/2010</b> | <b>Saturday Budget Workshop</b>             |
| <b>1/30/2010</b> | <b>Saturday Budget Workshop-Optional</b>    |
| <b>2/1/2010</b>  | <b>Public Hearing on Monday</b>             |
| <b>2/03/2010</b> | <b>Budget Workshop- Optional</b>            |
| <b>2/08/2010</b> | <b>City Council Meeting-Budget Approval</b> |
| <b>2/22/2010</b> | <b>City Council Meeting- Optional</b>       |



# Conclusion

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- The General Fund Budget has been impacted the most by the current economy and major changes are needed to bring forward a balanced budget.
- Capital Funds will need to be addressed to provide for adequate funding of future projects with a minimum of additional General Obligation Debt
- Water and Sewer Funds will need to have additional revenues given current pumpage levels. These funds also have the same capital issues as other capital funds.
- Police and Fire Pension funding needs to be addressed at the state level.



# Questions

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[www.cityofevanston.org/budget](http://www.cityofevanston.org/budget)