



CITY OF EVANSTON

**2005 - 2006
BUDGET MEMO
REQUESTS 17 - 20**



City of
Evanston™

CITY OF EVANSTON

2100 Ridge Avenue
Evanston, Illinois 60201

Phone: 847-328-2100
Website: www.cityofevanston.org



Interdepartmental Memorandum

To: Julia Carroll, City Manager
From: Patrick Casey, Director of Management and Budget
Subject: **Budget Memo Request Status Report for the Meeting of February 7, 2005.**
Date: February 4, 2005

Attached for your information are Budget memos seventeen through twenty. The Council has been provided with budget memos one through five on Saturday January 22, 2005; and budget memos six through sixteen on January 27, 2005. Staff is still in the process of responding to budget memo twenty one regarding a comparison of the proposed food and beverage tax rates to that of other communities.

FY 2005/06

Budget Memo Requests

1. Provide nine month actual data for FY 2004/05
 2. Provide a comparison of all significant tax rates and fees charged by the City of Evanston and other communities.
 3. Provide a comparison of the City of Evanston sales tax as a percentage of total budget to other communities.
 4. Provide a report showing prior year budget.
 5. Provide information regarding the building permit revenue estimate for 2005/06
 6. Provide a breakdown of all spending on Parks – what projects and how much money, and what is the funding.
 7. Cigarette Tax.
 8. Budget and actual for the past three years
 9. What is the exact square footage for the Sherman Avenue project?
 10. Provide the schedule for the 2nd hand crew that was added this year.
 11. How much would it cost to have the Dodge Street corridor cleaned everyday?
 12. Bottled water in the Civic Center and who pays for it?
 13. Could we do a 50/50 on water line replacements from the parkway to the homes when the main water lines are updated?
 14. How much would it cost to repair/replace the James Park field 6 & 7 baseball fields fencing and when could it be completed?
 15. Explain the funding for the Library youth services project. How much private funding is in the project?
 16. List of employees who have more than a \$3,000 increase in their salaries budgeted this year.
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- 17. Provide a list of grants that the CIP grant writer has researched, completed and assisted with.**
 - 18. Please quantify savings associated with the fiber installation.**
 - 19. How does the City dispose of its used personnel computer equipment? Can we devise a program to give the P.C. away?**
 - 20. Response to questions regarding the Inoculation Program presented on January 29, 2005**
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21. Compare the City of Evanston proposed Food and Beverage tax with surrounding communities.



Interdepartmental Memorandum

To: Julia A. Carroll, City Manager
From: Patrick G. Casey, Director of Management and Budget
Subject: **Budget Memo #17 – Grant Writing Position**
Date: February 3, 2005

At Budget Workshop on January 22, 2005, staff was asked to provide details relating to the Grant writing position which was added in the FY 03-04 Budget and was filled in September 2003. This memo will lay out the multiple areas of responsibility including grants, Capital Improvement Plan, and other analyses and tasks completed by this position.

Grants:

The primary area of responsibility for this position includes researching and helping secure grant funding for the City of Evanston. The most difficult task in grant funding is identifying grants that meet the needs of the City. In order to accomplish this, the grant writer needed to become familiar with all areas of the City. It should be noted that only the Parks, Forestry and Recreation Department currently has a full time grant writing position. Once this was accomplished the grant writer routinely searched for grant opportunities. Promising opportunities that are applicable to programmatic functions are forwarded to the appropriate department for review with an offer of assistance and/or writing grants when interest is indicated.

On a weekly basis the staff member conducts research into grant opportunities using a variety of sources, including but not limited to:

- The U.S. Department of Health and Human Services Website
- Firehouse.com Funding Zone
- The State of Illinois
- Illinois Criminal Justice Authority
- Department of Justice
- The Fry Foundation
- The Philanthropy News Digest - a publication of the Foundation Center
- Illinois Department of Natural Resources Urban and Community Forestry website
- Federal grants clearinghouse website – grants.gov
- Grant Information Alerts from multiple sources

- International City/County Management Association
- Federal Homeland Security – Office of Domestic Preparedness

In addition to regular grant research, grant search services have also been researched and it was determined that it was not cost effective at this time to subscribe.

The Grant writing position has been successful in assisting department in securing grants. The majority of the grants have been in the police department. Some of these grants include:

- Victim Service Advocate (ICJIA) \$145,000 for a two year period
- Technology Grant (DOJ) \$100,000
- Title V Grant (IDHS) \$120,000 for two year period
- Youth Outreach (CDBG) \$80,000 replaced local law enforcement block grant
- Pending:
 - Youth Outreach – Allstate Foundation- \$80,000
 - Justice Assistance Grant - \$80,000

Other successful and unsuccessful opportunities include:

- Government Finance Officers grant for an internship \$3,000.
- FEMA Fire Act Grant for Fire Safety Trailer - Not Awarded
- Gun Violence in Community (DOJ) \$250,000 – Not Awarded
- ESRI & Trimble Government Mobility Demonstration Program- Secondary Grant Award – \$1,500 worth of software
- Fiskars – Project Orange Thumb Community Garden Grant- Secondary Award – Hand Tool for Community Gardens

Capital Improvement Plan:

This position manages and oversees the business unit structure and expenditures of the Capital Improvement Fund which has a fund balance of approximately \$18 million. To facilitate project tracking and fully utilize the new city wide financial system, a large portion of the past 16 months has been dedicated to full integration of the city wide capital improvement process. This has included:

- Working with the financial system implementation team on all aspects of the capital account structure, reporting, processes and routines
- Design and oversight of production of end user reports, such as 12 month expenditure reports and detailed project history reports
- Design and oversight of reports for publication, such as the Projects by Funding Source, Summary by Funding Source, and Capital Budget General Obligation Bonds – all of which can be viewed in the 05-06 Proposed Budget
- Establishment of the capital budget forecast ledger

- Research past allocations and expenditures to determine the existing project balances to establish a starting point for the new system

Besides the ongoing implementation of the financial system as it relates to the Capital Improvement Fund, the position is also responsible for continued monitoring. This includes many things on a day to day basis including:

- Reviewing and co-signing all bills being posted to a CIP project and double checking the bill coding (project number and object code)
- Monitoring the project balances for active CIP projects and providing information to departments
- Updating the category codes on projects within the system dependent on their status (this aids in ensuring that bills are posted to the appropriate project)
- Visiting prospective project locations to assist in determining need and urgency
- Communicating with other departments on project status

Beyond the financial system implementation issues and the regular maintenance required to keep the capital portion of the financial system vital, there are also the tasks related to the creation and publication of the Capital Improvement Plan. This process begins in late spring with preparation for the Budget and CIP kick-off, and continues through early spring with the production of the final budget book document. The following are examples of some tasks involved in the development of the Capital Improvement Plan for presentation to the City Council:

- Developing the layout and process for the CIP submission process
- Coordinate and assemble all CIP requests from departments
- Review and update project descriptions to be more useful to end users and more descriptive of the actual project work and timeline
- Follow up the submissions from departments with requests for further detail or explanation
- Prepare for and participate in the Capital Improvement Plan Committee which develops the CIP Proposal for the Council (see pages 461-529 of the 05-06 Proposed Budget document)
- Create new projects in the financial system
- Enter proposed allocations for projects in the Budget Forecast ledger
- Finalize text pages and run reports for inclusion in the Capital Improvement Plan section of the proposed Budget
- Enter approved allocations into the Job Actuals ledger of the financial system
- Prepare the final Capital Improvement Plan for inclusion in the approved Budget book

Other Duties:

This position conducts analysis for projects around the city. An example of this would be conducting analysis on potential revenues for the General Fund budget, such as:

- Researched and analyzed variations on the proposed food and beverage tax
- Researched and collaborated on the 04-05 adopted increase to the ambulance fees
- Contacted other award winning municipalities regarding their budget and CIP content and layout to determine possible improvements to the Evanston policy documents
- Research and discuss advantages of moving towards a cost-center accounting model for shared General Fund city services, such phones and copiers
- Hired Cecil Partee Fellow (graduate summer intern) for shared use between Finance and Management and Budget (funding through Government Finance Officers Association grant)
- Position Control – ongoing and time consuming project to better utilize new financial system capabilities
- Initiated contact with vendors regarding possible future software implementation for use with permit, license, and inspection tracking in multiple departments
- Assist with liquor license issues when Management and Budget director is not available

Additional Upcoming Tasks:

As in all City Departments there is there is also a list of upcoming projects for this position to tackle, including, but not exclusive to:

- Creation of monthly update reports on active CIP projects to be sent to the project leads from the Budget Department
- Creation and establishment of monthly project updates to be completed by the project leads on all funded projects to communicate status and progress to the Budget Office for CIP Fund planning

In addition to all the duties outlined above, the position also acts as a conduit to the public by providing assistance to the residents and constituents of Evanston as needed. This varies from providing information on one day liquor licenses and property tax rates, to helping them find the right person to speak with regarding their questions or concerns.



Interdepartmental Memorandum

To: Julia A. Carroll, City Manager
From: Patrick G. Casey, Director of Management and Budget
Bruce Slown, Information Systems Director
Subject: **Budget Memo #18 – Savings resulting from fiber installation**
Date: February 3, 2005

At Budget Workshop on January 22, 2005, staff was asked to provide details relating to the installation of the fiber network. The largest savings relating to the fiber optic network comes from the elimination of telephone lines used for backup connections and the equipment associated with those connections. It is estimated that the City of Evanston has saved \$35,200 on DSL backup connections and \$41,400 for telephone lines per year to provide this backup service.

The largest savings is the estimated \$2,000,000 in upfront costs that would have been needed if the City of Evanston installed the fiber network on its own.

Future savings will occur when:

- The City uses the network to consolidate the number of servers and the staff time to maintain them.
- The convergence of voice (telephone) and data (servers & p.c.'s) infrastructure becomes complete.
- When we implement disaster fail over for mission critical services.

The savings mentioned above have been incorporated into the FY2005/06 proposed budget.



Interdepartmental Memorandum

To: Julia A. Carroll, City Manager
From: Patrick G. Casey, Director of Management and Budget
Bruce Slown, Information Systems Director
Subject: **Budget Memo #19 – Computer Disposal**
Date: February 3, 2005

At Budget Workshop on January 29, 2005, staff was asked to provide details relating to the disposal of personal computers. The City staff attempts to replace personal computers on a four to five year basis, however there are PC's still being used that were purchased late 1998. Who is using a computer and how it's used dictates the speed of which it is replaced.

The disposal of these machines has been a problem for sometime. In the past we have attempted to sell the discarded machines to recyclers or to anyone who was interested. The disposal of the CRT monitors is difficult due to the lead they contain. Recently Dell, through their Asset Recovery Services has begun a disposal program that allows the City of Evanston to send the computers to them for only a shipping cost. This program cost considerably less than it would to pay a specialized disposal firm.

The suggestion was made that we consider giving away our machines to the public for individual use. Staff has looked into the possibility of a program like this before and believes there is very little value in what we have. The staff is certainly willing to give this equipment away however there are a few issues related to this:

- The hard drives on all machines must be wiped clean to protect us from having confidential information getting in the wrong hands.
- Due to strict software licensing requirements the operating system, productivity programs and all other essential software must be deleted from these machines. This would require the end user to purchase a windows operating system and office tools such as word processing, spreadsheet, and internet explorer.
- Since the machines we would be disposing have slow processors, small hard drives, and very little memory the newer operating systems such as Windows XP and Microsoft Office may not fit or operate. See chart below for reference.
- Three out four we take out of service will not operate do to a component failure or parts were stripped from the unit to keep others working.

	PC's we take out of Service	PC's we purchase today
Speed	Less than 400 MHz	Over 2.5 GHz
Memory	16 Megabyte	512 Megabyte
Disk	1.2 Gigabyte	40 Gigabyte



Interdepartmental Memorandum

To: Julia A. Carroll, City Manager
 From: Douglas Gaynor, Director, Parks/Forestry and Recreation
 Paul D'Agostino, Superintendent, Parks/Forestry Division
 Subject: **Budget Memo # 20 Questions from Tree Inoculation presentation on January 29, 2005**
 Date: February 4, 2005

This memo lists the answers to the questions raised at the January 29, 2005 budget meeting.

Question: How would the cost of the different option differ if we calculated them at \$10 per inch instead of \$12 per inch?

The chart below was provided as part of the original report with all costs for the first 3 years calculated at \$12 per inch for the first year, and a 3% inflation increase for years 2 and 3.

Option	Year 1	Year 2	Year 3	3 Year Total	Year 4 Cost
1	\$1,029,600	\$15,000*	\$47,000*	\$1,091,600	\$610,000
2	\$514,800	\$530,244	\$47,000*	\$1,092,044	\$305,000
3	\$343,200	\$353,496	\$364,101	\$1,060,797	\$203,500
4	\$360,000	\$15,000*	\$47,000*	\$422,000	\$260,000
5	TBD	TBD	TBD	TBD	TBD
6	\$0	\$0	\$0	\$0	\$0

The following chart shows the calculations at \$10 per inch for the first year, and a 3% inflation increase for years 2 and 3. Year 4 costs will not change, as these costs are only for the purchase of the fungicide, with all labor being provided by City of Evanston staff.

Option	Year 1	Year 2	Year 3	3 Year Total	Year 4 Cost
1	\$858,600	\$12,900*	\$41,400*	\$912,900	\$610,000
2	\$429,000	\$441,900	\$41,400*	\$912,300	\$305,000
3	\$286,000	\$294,600	\$303,500	\$884,100	\$203,500
4	\$300,000	\$12,900*	\$41,400*	\$354,300	\$260,000
5	TBD	TBD	TBD	TBD	TBD
6	\$0	\$0	\$0	\$0	\$0

It should be noted that the 3,300 elms used for cost estimating does not include the 158 parkway elms that are 10" and smaller. These smaller trees have already been taken out of the equation.

Question: How much money is spent on the sanitation method?

The Forestry budget elements are divided into three main categories: Parkway Tree Maintenance, Dutch Elm Disease Control, and Tree Planting. The total amount of budgeted expenditures for Dutch Elm Disease Control in FY 2004-05 was \$572,800. The amount proposed for FY 2005-06 is \$574,100. Seven of the eighteen full-time Forestry field employees are assigned to this element.

Due to the seasonal nature of Forestry work, employees are assigned to tasks within any given category depending on the time of year. This means that we do not use only those seven employees assigned to Dutch Elm Disease Control to perform all the tasks associated with DED control. Depending on the severity of the disease in any given year, we assign as many employees as it takes to scout, test, perform cut outs, and take care of removals of all the infected public trees. In 2004, nearly all eighteen employees were working to control the disease and removing infected trees from mid-June through the end of September. In prior years, with a low incidence of disease, we may have only used half of the employees, and only from mid-June through August.

Because of the fluctuation in the incidence of the disease, and the seasonal nature of the work, there is no accurate method to determine the specific amount spent on the sanitation method.

Question: What are the potential losses if Option 4 is implemented?

Potential losses if option 4 (injecting signature and stand-alone trees only) were implemented are as follows: Using the average annual losses over the past 3 years (4.6%), staff estimates losses will be approximately 92 trees in 2005. Losses should be reduced to approximately 88 trees in 2006.

If the 1300 signature and stand-alone trees are injected, staff estimates is that 60 fewer trees will require removal than if we do not inject any (152 vs. 92). Even if only the predicted 92 trees require removal, sanitation will remain an important part of the Dutch Elm Disease control process. Staff is unable to predict any cost savings due to an injection program there are known results from the injections.

Question: Should we consider an insurance program for ash trees similar to the elm insurance program?

Since the threat to the City's ash trees by the Emerald Ash Borer is still some years away, staff will explore how to best structure an insurance plan similar to the current program for private elm trees. We would anticipate developing a program for the City Council's approval so that it can be fully publicized and in place well before it needs to be implemented.

Additional questions/comments raised during citizen comment.

A reference made comparing the annual injection cost of \$87 per tree versus the removal cost of \$3,050 per tree.

Several assumptions were made to arrive at these figures to explain why this is not an "apples to apples" comparison.

1. The \$87 annual injection cost is based on a contracted cost of \$10 per diameter inch. While the City of Evanston was able to get this price for a limited number of injections last fall, staff believes that it is unlikely to be attained again in 2005. This is why our calculations on the original report used a figure of \$12 per diameter inch, which would equate to \$104 annually.
2. The figure of \$3,050 used for removal costs includes \$600 per tree for the cost of a new replacement tree. Tree replacement costs are budgeted in a separate element, and therefore are not appropriate to include in this comparison.
3. Also included in the removal cost is \$2,138 for the actual removal of the diseased tree, and \$312 for the removal of the stump. The figures used to calculate the actual removal of the tree

and stump are averages based on how long it takes the City crews to perform this work. The \$2,138 is calculated based on an average of 4 employees for 5 hours per removal, with all vehicle and equipment overhead included. The general breakdown of the cost is 1,100 for labor, 800 for vehicles, and the balance for equipment. These are fixed costs which are allocated based on the specific tasks being performed, meaning that the same number of employees performing tree trimming for a similar amount of time generates the same costs.

As stated above, if there is a high incidence of the disease, we allocate more resources to get the work done. This does not mean, however, that the budget will be overspent. It only means that other work tasks (i.e. tree trimming and planting) are postponed until the extra resources being used to remove the diseased trees can be freed up to return to these other tasks.

The bottom line is that if future removals of diseased trees are decreased due to an injection program, fewer resources will need to be diverted to this task. The other work tasks will then not need to be postponed, and more tasks such as tree trimming and planting can be done in a timely fashion.

A second reference was made regarding what staff meant by “prompt” stump removal.

Again, this is a relative term, and is based solely on the number of trees that are removed in a given year. Our first priority during the summer months is to get the trees that are diseased removed in a timely manner. If timely removal is achieved, as staff stated in the meeting on Saturday, the stump of a diseased elm is not a threat to the spread of the disease. Unfortunately in 2004, the large number of tree removals resulted in a large number of stumps on resident’s parkways and in our Parks. Staff was unable to restore all of these sites before winter weather hit, and many currently remain. These remaining stumps will be addressed as soon as weather permits this spring.