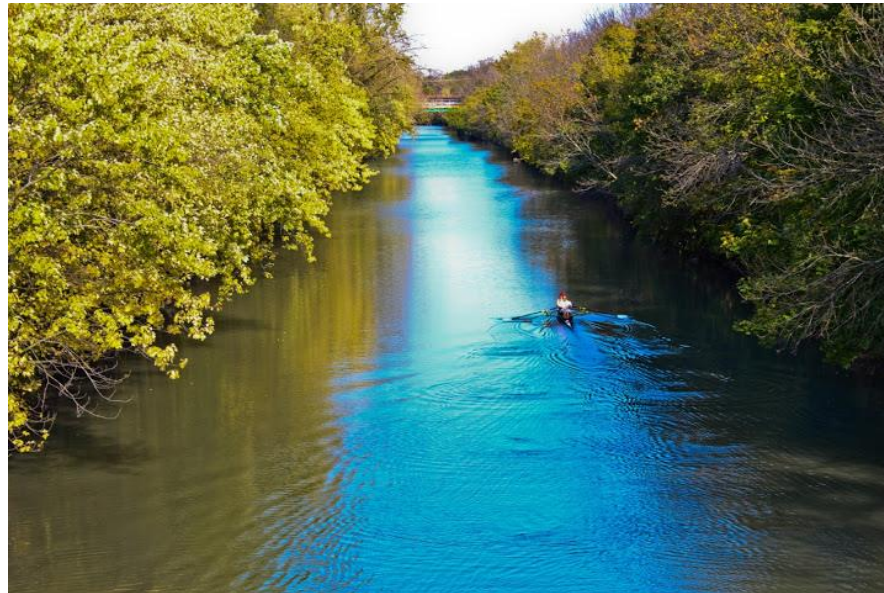


# EVANSTON

## FY 2018 Proposed Budget Presentation



### 6<sup>th</sup> and 7<sup>th</sup> Ward Joint Meeting

November 2, 2017



City of  
Evanston™

# FY 2018 BUDGET PRESENTATION

## Today

- FY 2018 Budget Overview
- Budget Balancing Worksheet Proposals

## Upcoming Meetings

- City Council Meeting – November 13, 2017
- City Council Meeting – November 20, 2017

# FY 2018 ALL FUNDS OVERVIEW

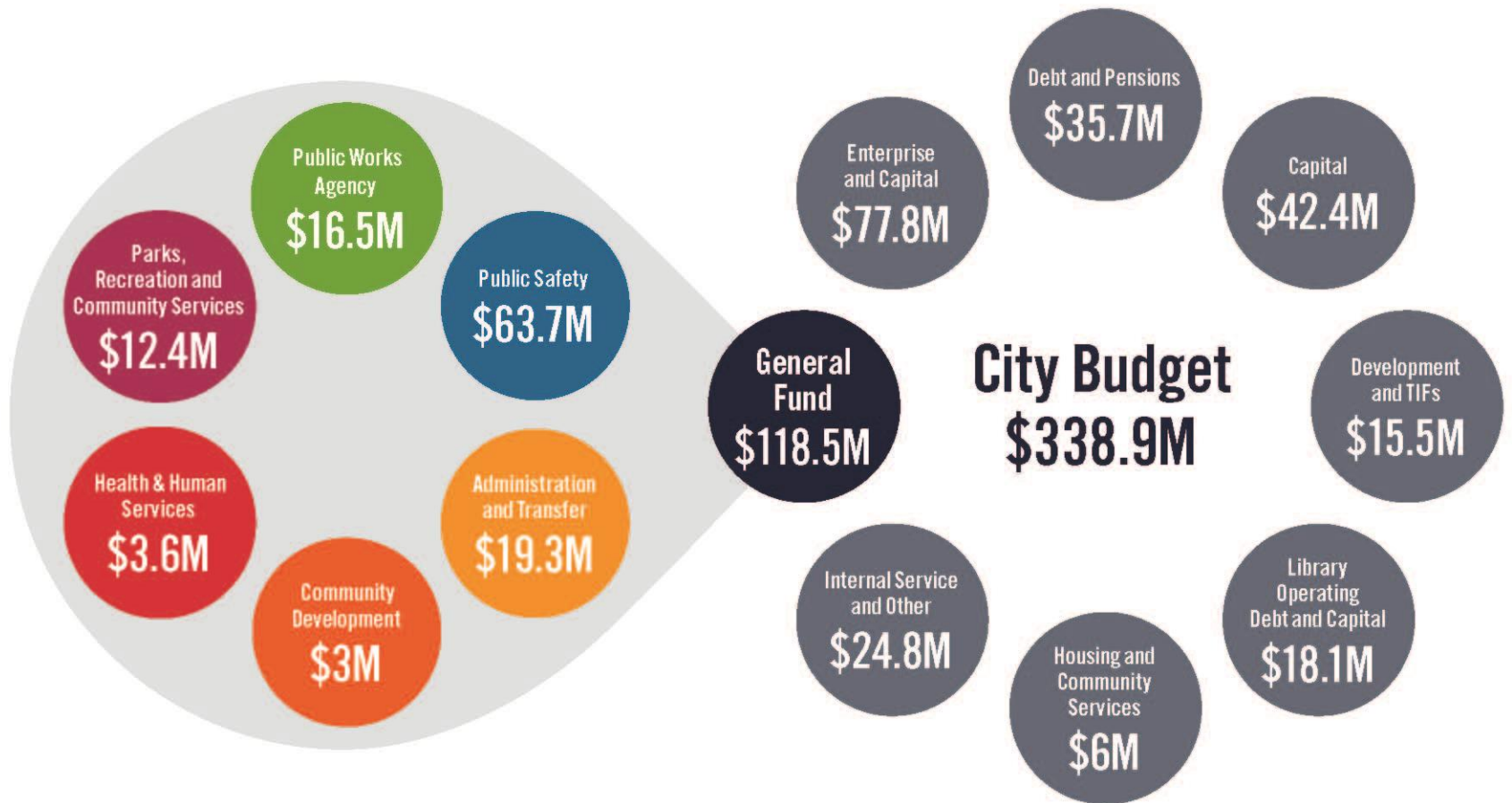
**All Funds Total Budget -- \$338,888,344**

- Increase over 2017 -- \$33.4M or 13.5%

## **Major increases:**

- Library Capital-- \$6.3M increase
- TIFs-- \$4M increase
- Crown Capital-- \$9.6M increase
- Water Fund-- \$16M increase

# FY 2018 ALL FUNDS OVERVIEW



# FY 2018 ALL FUNDS OVERVIEW

## Water Fund

- 7% increase in Water rate
- 4% decrease in Sewer rate
- Net 0% increase to customers
- Begin selling water to Morton Grove & Niles – November 2018 at earliest

# FY 2018 ALL FUNDS OVERVIEW

## Crown Capital Fund

- New with 2018 Budget
- Included in the Capital Improvement Plan
- Funds raised by Friends of Robert Crown to be used in 2018-2020 construction budgets

# FY 2018 ALL FUNDS OVERVIEW

## Parking Fund

- 2018 to include an evaluation of new Transportation and Parking Fund
- Expanded goals and resources to cover all transit and parking issues

# FY 2018 PROPOSED BUDGET

## GENERAL FUND BASELINE

### Baseline Budget

- \$112.4M in Revenues
  - \$5.0M decrease in building permit revenue
  - 3% decrease in sales tax
  - 10% decrease in state income tax
- \$118.5M in Expenses
  - 3% general wage increase
  - All current staffing levels
- Results in \$6.1M deficit



# FY 2018 PROPOSED BUDGET

## GENERAL FUND BASELINE

|                                                                 |                              |
|-----------------------------------------------------------------|------------------------------|
| <b>TOTAL PROPOSED REVENUES (General Fund - baseline)</b>        | <b><u>\$ 112,411,186</u></b> |
| <b>TOTAL PROPOSED EXPENDITURES (General Fund - baseline)</b>    | <b><u>\$ 118,508,982</u></b> |
| <b>TOTAL PROPOSED SURPLUS/Deficit (General Fund - baseline)</b> | <b><u>\$ (6,097,796)</u></b> |

Baseline number is used throughout the 2018 Proposed Budget document.

Deficit is proposed to be solved by a number of solutions presented on page 17- 19 of the 2018 Proposed Budget document.

# FY 2018 PROPOSED BUDGET

## Tax Levy

- The Budget Balancing Worksheet proposes a \$421,742 property tax as noted below
    - Police Pension Levy Increase: \$225,504
    - Firefighters Pension Levy Increase: \$196,238
- \$421,742
- The City Council has also reviewed an increase of \$410,000 or 1.0% of the City's tax levy to cover Solid Waste Services for 2018.

# FY 2018 ALL FUNDS OVERVIEW

## Tax Levy

Impact on Individual Homeowner: For every \$100K of market value, tax levy will increase by \$4.54.

|                          |                            | 10% of Market Value         | Equalization Factor of 2.7455 | City Tax Rate of 1.5 |            |  |
|--------------------------|----------------------------|-----------------------------|-------------------------------|----------------------|------------|--|
| Market Value of Property | Assessed Value of Property | Equalized Value of Property | 2017 City Tax                 | 2018 Projected Tax   | Difference |  |
| \$100,000                | \$10,000                   | \$27,455                    | \$411.83                      | \$416.36             | \$4.54     |  |
| \$200,000                | \$20,000                   | \$54,910                    | \$823.65                      | \$832.71             | \$9.06     |  |
| \$400,000                | \$40,000                   | \$109,820                   | \$1,647.30                    | \$1,665.42           | \$18.12    |  |
| \$600,000                | \$60,000                   | \$164,730                   | \$2,470.95                    | \$2,498.13           | \$27.18    |  |
| \$800,000                | \$80,000                   | \$219,640                   | \$3,294.60                    | \$3,330.84           | \$36.24    |  |
| \$1,000,000              | \$100,000                  | \$274,550                   | \$4,118.25                    | \$4,163.55           | \$45.30    |  |

# FY 2018 PROPOSED BUDGET

## BUDGET BALANCING OPTIONS

### Proposed Position Reductions

- 28.3 Full-time equivalent (FTE) reductions
- 5.5 FTE Additions
- 7.0 FTE Vacancies held open (Public Safety)
- 26.8 Net reduction in positions

### 4% Reductions – All Departments

# FY 2018 PROPOSED BUDGET

## BUDGET BALANCING OPTIONS

### Proposed Reorganizations

- Merge Fleet Services and Facilities Management Divisions in Administrative Services Department
- Move Economic Development Division from City Manager's Office to Community Development Department
- Police Department Social Services Bureau responsibilities to move to Health and Human Services Department
- Merge Environmental Services and Infrastructure Maintenance Bureaus to created new Public Services Bureau in Public Works Agency

# FY 2018 PROPOSED BUDGET

## POSITION CHANGES - REDUCTIONS

| <u>POSITION</u>                             | <u>DEPARTMENT</u>     | <u>FUND</u>     | <u>FTE</u> |
|---------------------------------------------|-----------------------|-----------------|------------|
| <b>REDUCTIONS:</b>                          |                       |                 |            |
| Senior Accountant (Vacant)                  | City Manager's Office | General         | 1          |
| Customer Service Representative (Vacant)    | City Manager's Office | General         | 1          |
| Sustainability Specialist (Vacant)          | City Manager's Office | Water and Sewer | 1          |
| Economic Development Specialist (Vacant)    | City Manager's Office | General         | 1          |
| Human Resource Specialist Training          | Admin. Services       | General         | 1          |
| Parking Repair Worker                       | Admin. Services       | Parking         | 1          |
| Junior Mechanic (Vacant)                    | Admin. Services       | Fleet           | 1          |
| Equipment Mechanic III                      | Admin. Services       | Fleet           | 1          |
| Fleet Manager (Vacant)                      | Admin. Services       | Fleet           | 0.4        |
| Electrical Inspector / Plan Review (Vacant) | Community Development | General         | 1          |
| Customer Service Representative             | Community Development | General         | 1          |
| Social Services Manager (Vacant)            | Police                | General         | 1          |
| Victim Advocates                            | Police                | General         | 3          |
| Youth Advocate (0.5 Vacant)                 | Police                | General         | 1.3        |

# FY 2018 PROPOSED BUDGET

## POSITION CHANGES - REDUCTIONS

|                                             |        |         |             |
|---------------------------------------------|--------|---------|-------------|
| Records Input Operator                      | Police | General | 1           |
| Training Coordinator (Vacant)               | Police | General | 1           |
| Service Desk Officer/311 (Vacant)           | Police | General | 0.5         |
| Secretary II                                | Health | General | 1           |
| Medical Director                            | Health | General | 0.1         |
| Festival Coordinator                        | PRCS   | General | 1           |
| Administrative Supervisor                   | PRCS   | General | 1           |
| Recreation Center Manager (Chandler Center) | PRCS   | General | 1           |
| Recreation Center Manager (Lewy Center)     | PRCS   | General | 1           |
| Special Projects Assistant                  | PWA    | General | 1           |
| Parks/Forestry Worker II (Forestry)         | PWA    | General | 1           |
| Infrastructure Maintenance Bureau Chief     | PWA    | General | 1           |
| Environmental Services Bureau Chief         | PWA    | General | 1           |
| Equipment Operator II - Streets             | PWA    | General | 1           |
| <b>TOTAL REDUCTIONS</b>                     |        |         | <b>28.3</b> |

# FY 2018 PROPOSED BUDGET

## POSITION CHANGES - ADDITIONS & VACANCIES

|                                     |        |         |             |
|-------------------------------------|--------|---------|-------------|
| <b>ADDITIONS:</b>                   |        |         |             |
| Videos Records Clerk (Body Cameras) | Police | General | 1           |
| Public Services Bureau Chief        | PWA    | General | 1           |
| Human Services Coordinator          | Health | General | 1           |
| Human Services Specialists          | Health | General | 1.5         |
| Chandler/Levy Center Manager        | PRCS   | General | 1           |
| <b>TOTAL ADDITIONS</b>              |        |         | <b>5.5</b>  |
| <b>TOTAL NET REDUCTIONS</b>         |        |         | <b>22.8</b> |

|                        |        |         |            |
|------------------------|--------|---------|------------|
| <b>VACANCIES HELD:</b> |        |         |            |
| Police Commander       | Police | General | 1          |
| Police Officer         | Police | General | 2          |
| Firefighter/Paramedic  | Fire   | General | 4          |
| <b>TOTAL VACANCIES</b> |        |         | <b>7.0</b> |



# FY 2018 PROPOSED BUDGET

## BUDGET BALANCING WORKSHEET REVENUES

### Proposed Revenue Adjustments

#### Recurring Revenue Changes

|                                                                                                                   |                     |
|-------------------------------------------------------------------------------------------------------------------|---------------------|
| Ground Transportation Tax on Rideshare Services (20 cents per ride on Uber and Lyft)                              | 100,000             |
| AirBnB tax                                                                                                        | 90,000              |
| Collections Standardization - Home Rule Taxes (One time)                                                          | 100,000             |
| PRCS - 3% Boat Storage Fee, 2% Increase Rec Fees at All Facilities                                                | 80,000              |
| Library Interfund to General Fund                                                                                 | 20,000              |
| Community Development Fee Rate Increase                                                                           | 50,000              |
| Parking - Increase parking deck fees with increase to General Fund/\$95 to \$110 (include Sherman Plaza rooftop)  | 550,000             |
| Parking - Meter hour standardization (All 9AM-6PM meters switch to 8AM-9PM) and uniformity in meter rate (\$1/hr) | 450,000             |
| Parking - Parking Meters - Expired Meter Fine Increase - from \$10-\$20                                           | 250,000             |
| Parking - Street Cleaning Ticket (\$35 - \$40)                                                                    | 100,000             |
| Parking - Increase Surface Lot Permit Rates (new fee \$60 per month)                                              | 160,000             |
| Property Tax Increase for Police/Fire Pension - No change in investment rate of 6.5%                              | 421,742             |
| Health & Human Services Department Inspection Fee Increase                                                        | 10,000              |
| Washington National Transfer Increase - TIF Closes in 2018                                                        | 150,000             |
| Reduce Revenue from Assigned Fund Balances for Compensated Absences                                               | (250,000)           |
| Increase in Transfer from Water Fund - Administrative Costs                                                       | 50,000              |
| Increase in Transfer from Water Fund - Increase in ROI for Water Sales                                            | 50,000              |
| <b>TOTAL REVENUE CHANGES FOR 2018 BUDGET</b>                                                                      | <b>\$ 2,381,742</b> |

# FY 2018 PROPOSED BUDGET

## BUDGET BALANCING WORKSHEET EXPENSES

### General Fund Reductions by Department

|                |                                                                                       |           |                  |
|----------------|---------------------------------------------------------------------------------------|-----------|------------------|
| <u>Council</u> | Baseline 4% Cut Amount                                                                |           | <b>(19,928)</b>  |
| <u>Clerk</u>   | Baseline 4% Cut Amount                                                                |           | <b>(11,020)</b>  |
| <u>CMO</u>     |                                                                                       |           | <b>(792,612)</b> |
|                | Economic Development Reduction                                                        | (400,000) |                  |
|                | Seasonal Employee (Economic Development)                                              | (15,000)  |                  |
|                | Add Budget for Police Management Audit                                                | 50,000    |                  |
|                | Duncan/Passport Annual Fee Savings                                                    | (75,000)  |                  |
|                | Move 50% Workforce Compliance Coordinator to Water and Sewer Funds                    | (49,800)  |                  |
|                | Move 50% Sustainability Coordinator to Water and Solid Waste funds                    | (60,000)  |                  |
|                | 1 FTE - Senior Accountant (Vacant, Eliminate)                                         | (89,490)  |                  |
|                | 1 FTE - Customer Service Rep. (Vacant, Eliminate)                                     | (74,042)  |                  |
|                | 1 FTE Sustainability Specialist (billed in Water and Sewer Funds) (Vacant, Eliminate) | -         |                  |
|                | 1 FTE - Econ Dev Specialist (Vacant, Eliminate)                                       | (79,280)  |                  |
| <u>Law</u>     |                                                                                       |           | <b>(6,000)</b>   |
|                | Legal Services - General                                                              | (14,000)  |                  |
|                | Court Cost/Litigation                                                                 | (12,000)  |                  |
|                | Hourly Billing Software                                                               | 20,000    |                  |

# FY 2018 PROPOSED BUDGET

## BUDGET BALANCING WORKSHEET EXPENSES

|                 |                                                                                                                                                       |           |                  |
|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|------------------|
| <u>Admin.</u>   |                                                                                                                                                       |           |                  |
| <u>Services</u> |                                                                                                                                                       |           | <b>(832,592)</b> |
|                 | Unemployment Compensation and Admin. Fee - Reduce from budget of \$205,000                                                                            | (63,000)  |                  |
|                 | Move Parking Coordinator to Parking Fund                                                                                                              | (93,858)  |                  |
|                 | Move PEO License Plate Reader Costs to Parking Fund                                                                                                   | (135,734) |                  |
|                 | 1 FTE - HR Specialist Training (Eliminate)                                                                                                            | (130,000) |                  |
|                 | Reduce Transfer to Fleet Services (Fuel Cost Savings)                                                                                                 | (150,000) |                  |
|                 | Reduced Transfers (1 FTE Parking Repair Worker, 1 FTE Jr Mechanic (Vacant), 1 FTE Equipment Mechanic III<br>.4 FTE Fleet Manager (Vacant) (Eliminate) | (260,000) |                  |
| <u>CD</u>       |                                                                                                                                                       |           | <b>(345,875)</b> |
|                 | 1 FTE Elec. Inspector / Plan Review (Vacant, Eliminate)                                                                                               | (102,193) |                  |
|                 | 1 FTE - Customer Service Representative (Eliminate)                                                                                                   | (72,000)  |                  |
|                 | Move Transportation & Mobility Coordinator to Parking Fund                                                                                            | (91,000)  |                  |
|                 | Community Grants Program (Mental Health Board) Funding - FY17 \$767,055 to FY18 \$736,193                                                             | (30,682)  |                  |
|                 | Move 25% of Director to Affordable Housing Fund                                                                                                       | (50,000)  |                  |
| <u>Police</u>   |                                                                                                                                                       |           | <b>(671,238)</b> |
|                 | Transfer Social Services Bureau (Reorganize to Health and Human Services Department)                                                                  |           |                  |
|                 | 1 FTE Social Services Manager (Vacant) 3 FTE Victim Advocate; 1.3 FTE Youth Advocate (Eliminate)                                                      | (680,000) |                  |
|                 | 1 FTE - Records Operator Position (Eliminate)                                                                                                         | (83,426)  |                  |
|                 | Add 1 FTE - Videos Records Clerk (Body Cameras)                                                                                                       | 83,426    |                  |
|                 | 1 FTE - Training Coordinator (Vacant, Eliminate)                                                                                                      | (74,742)  |                  |
|                 | 1 FTE Police Commander - (Hold vacancy, not funded)                                                                                                   | (165,000) |                  |
|                 | 2 FTE Police Officers - (Hold vacancies, not funded)                                                                                                  | (255,000) |                  |
|                 | 0.5 FTE - Service Desk Officer I 311 (Vacant, Eliminate)                                                                                              | (22,000)  |                  |
|                 | 2017 Police Actuarial Study Increase - Pension Cost Increase                                                                                          | 225,504   |                  |
|                 | Overtime - Based on 5 year historical average; Increase required                                                                                      | 300,000   |                  |

# FY 2018 PROPOSED BUDGET

## BUDGET BALANCING WORKSHEET EXPENSES

|               |                                                                                        |                  |
|---------------|----------------------------------------------------------------------------------------|------------------|
| <u>Fire</u>   |                                                                                        | <b>(288,762)</b> |
|               | 4 FTE Fire Suppression - Hold vacancies                                                | (540,000)        |
|               | OT Increase                                                                            | 150,000          |
|               | Natural Gas                                                                            | (20,000)         |
|               | Clothing                                                                               | (20,000)         |
|               | Training                                                                               | (20,000)         |
|               | Furniture and fixtures                                                                 | (35,000)         |
|               | 2017 Fire Actuarial Study Increase - Pension Cost Increase                             | 196,238          |
| <u>Health</u> |                                                                                        | <b>125,421</b>   |
|               | Move 25% of Director to General Assistance                                             | (55,079)         |
|               | Add 3 PT & 1 Full-Time Human Services Specialists (From Police Social Services Bureau) | 280,000          |
|               | 1 FTE - Secretary II (Eliminate)                                                       | (80,000)         |
|               | .10 FTE - Medical Director (Eliminate)                                                 | (19,500)         |
| <u>PRCS</u>   |                                                                                        | <b>(352,372)</b> |
|               | Seasonal Employee                                                                      | (14,148)         |
|               | 1 FTE - Festival Coordinator (Eliminate)                                               | (70,000)         |
|               | 1 FTE - Administrative Supervisor (Eliminate)                                          | (105,800)        |
|               | 1 FTE - Recreation Center Manager (Chandler Center) (Eliminate)                        | (142,889)        |
|               | 1 FTE - Recreation Center Manager (Levy Center) (Eliminate)                            | (122,735)        |
|               | Move 50% Workforce Compliance Coordinator to Water and Sewer Funds                     | (49,800)         |
|               | Add 1 FTE - Combined Chandler/Levy Center Manager                                      | 128,000          |
|               | Increase class outreach efforts                                                        | 25,000           |

# FY 2018 PROPOSED BUDGET

## BUDGET BALANCING WORKSHEET EXPENSES

| PWA                                                                                    | (1,495,934)           |
|----------------------------------------------------------------------------------------|-----------------------|
| Move Seasonal Employees to Solid Waste                                                 | (21,000)              |
| Reduce Seasonal Employees                                                              | (14,000)              |
| Reduce Police OT for Snow Event                                                        | (75,000)              |
| Reduce PW crew OT for snow event                                                       | (68,500)              |
| Reduce Salt                                                                            | (53,100)              |
| Move PW Crew Leader Salary to Solid Waste Fund                                         | (97,074)              |
| Engineering Salary Redistribution                                                      |                       |
| Move 4.5 FTE to Capital Fund, Eliminate \$500,00 transfer from Capital to General Fund | (85,527)              |
| Move 0.75 FTE to Sewer Fund (Currently 1; proposed increase to 1.75 FTE)               | (51,760)              |
| Move 1 FTE to Parking Fund                                                             | (144,683)             |
| Move 0.5 FTE to Special Assessment Fund                                                | (71,790)              |
| 1 FTE Special Projects Assistant (Eliminate)                                           | (88,000)              |
| 1 FTE Parks/Forestry Worker II Forestry (Vacant, Eliminate)                            | (75,000)              |
| 2 FTE Bureau Chiefs (Eliminate)                                                        | (340,000)             |
| Add 1 FTE - Public Services Bureau Chief, Move Expenses to Other Funds                 | 170,000               |
| Move 25% of New Public Services Bureau Chief to Solid Waste Fund                       | (42,500)              |
| 1 FTE Equipment Operator II - Streets (Vacant, Eliminate)                              | (88,000)              |
| Decrease Solid Waste Fund Transfer Over Three Years - Year 1 decrease                  | (350,000)             |
| <b>TOTAL RECURRING EXPENSE CHANGES</b>                                                 | <b>\$ (4,690,912)</b> |

# FY 2018 PROPOSED BUDGET

## BUDGET BALANCING WORKSHEET EXPENSES

### One-time expense changes

|                                                                                                   |                       |
|---------------------------------------------------------------------------------------------------|-----------------------|
| General Fund transfer to Insurance Fund for Solid Waste Fund Claims Settlement (2018, 2019, 2020) | 400,000               |
| Credit Card Merchant Procurement Change Savings - City-wide                                       | (50,000)              |
| Reduction in Health Insurance Cost for Part-time Employees                                        | (100,000)             |
| 3 Furlough Days                                                                                   | (360,000)             |
| Labor Day (City is already closed)                                                                |                       |
| Presidents Day Furlough (City is open and would close)                                            |                       |
| Monday, December 31 Furlough (City is open and would close)                                       |                       |
| Budget All Salaries at 99.5%                                                                      | (278,000)             |
| Increase Transfer to Insurance Fund                                                               | 700,000               |
| <b>TOTAL ONE-TIME EXPENSE CHANGES</b>                                                             | <b>\$ 312,000</b>     |
| <b>TOTAL EXPENSE CHANGES FOR 2018 BUDGET</b>                                                      | <b>\$ (4,378,912)</b> |

# FY 2018 PROPOSED BUDGET

## BUDGET BALANCING WORKSHEET TOTALS

|                                                                   |                              |
|-------------------------------------------------------------------|------------------------------|
| <b>TOTAL PROPOSED REVENUES (General Fund - baseline)</b>          | <b><u>\$ 112,411,186</u></b> |
| <b>TOTAL PROPOSED EXPENDITURES (General Fund - baseline)</b>      | <b><u>\$ 118,508,982</u></b> |
| <b>TOTAL PROPOSED SURPLUS/Deficit (General Fund - baseline)</b>   | <b><u>\$ (6,097,796)</u></b> |
| <br>                                                              |                              |
| Above-the-line BBWS PROPOSED REVENUE ADJUSTMENTS (detailed above) | \$ 2,381,742                 |
| Above-the-line BBWS PROPOSED EXPENSE ADJUSTMENTS (detailed above) | \$ (4,378,912)               |
| <br>                                                              |                              |
| <b>TOTAL REVISED PROPOSED REVENUES (General Fund)</b>             | <b><u>\$ 114,792,928</u></b> |
| <b>TOTAL REVISED PROPOSED EXPENSES (General Fund)</b>             | <b><u>\$ 114,130,070</u></b> |
| <br>                                                              |                              |
| <b>PROPOSED 2018 BUDGET SURPLUS (DEFICIT)</b>                     | <b><u>\$ 662,858</u></b>     |

# FY 2018 PROPOSED BUDGET

## CAPITAL IMPROVEMENTS PLAN

### **6<sup>th</sup> and 7<sup>th</sup> Ward Projects Included:**

- Sheridan Road/Chicago Avenue
- Street Resurfacing
  - Colfax, Ridge to Sherman
  - Thayer, McDaniel to Walnut
- Water Mains
  - Downtown Feeder Main Rehab
  - Colfax, Bryant to Ridge
  - Colfax Place, Crawford to East End



# FY 2018 PROPOSED BUDGET

## CAPITAL IMPROVEMENTS PLAN

### **6<sup>th</sup> and 7<sup>th</sup> Ward Projects Included:**

- Central Street Bridge – Phase II Design Engineering
- Chandler Center – HVAC and Electrical Upgrades
- Ecology Center – Crawl Space Improvements (eng.)
- Lovelace Park – Pond Rehabilitation
- Citywide projects
  - Police body cameras
  - Street patching, lighting, pavement marking
  - Traffic calming, bicycle, and pedestrian improvements

# FY 2018 BUDGET PRESENTATION

## Upcoming Meetings

- City Council Meeting – November 13, 2017
- City Council Meeting – November 20, 2017
- 2018 Budget and 2017 Tax Levy Adoption –  
November 27, 2017

# FY 2018 PROPOSED BUDGET QUESTIONS

